

# FORWARD WORK PROGRAMME 2008/10

## CONSUMER FOCUS' RESPONSE TO STAKEHOLDER FEEDBACK

### INTRODUCTION

Consumer Focus published its first forward work programme on 1 October 2008. This was the culmination of input from stakeholders from the public, private and the third sectors; staff in our predecessor organisations; and the expertise on our Board. This input has proved vital in helping us find the right balance between the opportunities offered by a new, broad, strong remit and the necessity of continuing essential work undertaken by our predecessor organisations.

This document outlines the process followed, the responses received, and the impact that these had on our final programme. It should be read in conjunction with our Forward Work Programme. We are very pleased both the numbers of responses and the detail provided, and we look forward to addressing the issues raised in the coming 18 months.

### CONSULTATION PROCESS

Consumer Focus's consultation on its forward work programme ran for 12 weeks from 12 June 2008 to 4 September 2008.

We invited over 500 organisations and individuals to respond and launched a consultation website to allow others to access it. We hosted a number of events, including ones specific to the energy industry, the postal industry, regulators, advice agencies and Whitehall departments. The consultation generated over 100 written responses,

We would just reiterate how much we welcomed the very constructive spirit in which the consultation event was held and in which discussions between our organisations have been dealt with so far. We view this as a very good sign ..recognising that we both have the interests of consumers at the heart of what we do.

*Ofgem*

We welcome the strong focus on the role of the public sector, vulnerable communities and sustainable development.

*iDeA*

We support Consumer Focus's primary functions of consumer intelligence, consumer advocacy and consumer impact, which should enable consumers to enjoy a better experience from their energy company.

*EDF Energy*

We hope that Consumer Focus will continue the positive input into consumer policy that energywatch and Postwatch have provided. In particular we hope the campaigning stance of both organisations will be continued by Consumer Focus.

*Age Concern*

with 133 organisations and individuals attending events in England, Scotland, Wales and Northern Ireland. The responses from some organisations represented views and comments on behalf of their members. Further input was provided by staff from the predecessor organisations.

All of these contributions have been reviewed and assessed, with changes made to both the format and the content of the final programme as a result. The contributions will continue to inform our approach during the coming months as our programme leaders will use them to inform their detailed planning.

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## RESPONSES TO QUESTIONS IN THE CONSULTATION DOCUMENT

### **a. How best can we be an advocate for the interests of energy and post consumers?**

Stakeholders have understandable concerns about the potential loss of expertise and the change in the way that complaints are handled. They also want assurances that Consumer Focus will have timely access to complaints data from Consumer Direct.

The restructuring of the document, by advocacy programmes, illustrates the expertise available to Consumer Focus, and shows a clear continuation to the policy work undertaken by energywatch and Postwatch.

Consumer Focus is responsible for providing an Extra Help Unit dedicated to helping those energy and postal customers who cannot do so themselves, or who find themselves in particularly vulnerable circumstances (e.g. electricity or gas disconnections). These cases will be referred to them by Consumer Direct, who are the first port of call for all consumer complaints from 1 October 2008. This process is summarised in the Forward Work Programme and Consumer Focus is working with Consumer Direct and BERR on the communication of the 'consumer journey' through the full complaints process: from initial enquiry through to the redress schemes.

Consumer Focus should actively engage service providers into debate and present a balanced response. We welcome the fact that you see yourselves "as a critical friend of business and public service providers, not an opponent". It is important that the relationship developed with industry is a constructive one.

*E.ON*

We welcome the intention to ensure that campaigns are co-ordinated with the national consumer councils in Wales and Scotland.

*Energy Retailers Association*

Royal Mail Group feels that [consumers interests] can be effectively [represented] through the establishment of clear channels of contact and liaison between the organisations – and through ensuring the consumer interest is strongly represented within the regulatory framework for the postal industry.

*Royal Mail Group*

We agree that access to accurate and timely data from Consumer Direct is vital as part of a range of sources of consumer intelligence. We have developed an agreement for the sharing of data with Consumer Direct, and its onward communication.

Respondents want to be involved in decision making, with particular offers from RNID, RNIB and the Chambers of Commerce, amongst others. There were plenty of references to the influence of Postwatch's Counters Advisory Group, and some concern that this could be watered down.

One of our priorities for the initial phase of the work programme is to implement a comprehensive stakeholder engagement programme. Consumer Focus recognises the importance of its relationships with stakeholders, and is keen to build on lessons from its predecessors. We recognise the demands that we could end up placing on certain stakeholders, and we look forward to developing our approach over the coming months.

Fuel poverty is a priority and [I] applaud this, however this must include a more rounded view of fuel poverty to include the transportation element. Large swathes of Scotland have little public transport infrastructure and consumers are forced to use private transport. The cost of this necessity is not included fully in current views of fuel poverty, but they are a very real factor in Scottish rural consumer's lives.

*Stirling.*

**b. Do you agree that we should be an advocate for better customer service in public services?**

There was no outright disagreement with our proposed approach but there was a range of responses.

While some, such as the Consumer Council for Water, questioned how priorities would be determined, others such as RNIB identified where action was needed (namely the National Health Service). Across responses there was concern about duplication of effort with other organisations. For example, Citizens Advice asked Consumer Focus to specifically look for gaps in public service advocacy, such as in residential and day care services.

Again, the detail provided for the relevant advocacy programme clarifies how Consumer Focus will advocate for better customer service in public services. It also provides more detail on the rationale for our chosen approach as we have both simplified and clarified the criteria for project selection. In addition, the background information that introduces each advocacy programme provides a rationale for Consumer Focus's overall direction.

**c. Do you agree that we should find ways to champion the interests of vulnerable consumers?**

There was no disagreement with the need to champion the interests of vulnerable consumers. Consumer Focus was asked to use data from Consumer Direct to identify areas of consumer detriment, and to consider 'vulnerability' in its wider sense – not limit it to the requirements of the Consumers, Estate Agents and Redress Act.

The document now includes detail on our view of vulnerability, taken from our High Level Strategic Framework.

RNIB is particularly pleased with the emerging intellectual framework, noting the focus on vulnerable consumers and the risks they face. We agree that it's important to distinguish between consumers that are "vulnerable" because of personal characteristics, and the disadvantage they can experience because of the actions of providers and manufacturers.

*RNIB.*

Different people will have different needs and there may be some tensions between achieving this whilst championing the interests of vulnerable customers (water metering is a classic case, where you may want to meter to reduce usage, but for low income families with a large number of children, for example, a metered charge can present real problems).

*Department of Communities and Local Government (Gypsies & Travellers Unit)*

**d. Do you agree that we should find ways to promote sustainable consumption?**

There was concern about duplication of effort in this area, but by and large this aim is actively supported. Some parties felt that this aim would result in a lower regard for the needs of those on low incomes, and respondents often asked for our definition of sustainability/sustainable development/sustainable consumption in order to better understand our aims.

Industry respondents were very supportive, and were keen to outline their own behaviour in this respect.

A successful and complete transition to a world where suppliers can help customers to use less energy very much relies on the education of customers and their engagement and interest in this agenda. Anything Consumer Focus can do to assist in this would be very much appreciated by suppliers and would provide a valuable service to customers in these times of increasing energy prices.

*RWE npower*

With over 200 definitions of sustainability, we do not feel that the Forward Work Programme is the right place in which to formally define our view, but we recognise the need to balance economic, environmental and social needs. We have also specified a project that will examine the costs and benefits of leading a sustainable lifestyle, which has the trade-off issue at its heart.

**e. Are the strategic goals that we have set helpful for consumers?**

There was general agreement that these goals are helpful, with stakeholders illustrating how they apply to their constituents or industry. Respondents were quick to move on to the question of measures, with Citizens Advice saying that it was difficult to say whether the goals are helpful without examples of how they might be achieved.

The draft forward work plan included some examples of how they might be achieved, but it became evident that many of our planned activities would meet one or more of our strategic goals. The goals have not changed but we believe that the new format makes it clearer how we will work across these goals, and how they complement each other.

**f. What priority would you give to each of these goals?**

There was no consensus on the need to prioritise any single goal. Some respondents did state a preference, but in general stakeholders felt that Consumer Focus would have to work across these goals in response to need, and should actively avoid working in silos.

We have recognised that our advocacy programmes and related activities are likely to meet

We believe that sustainability is core to all four of the goals of the NCC – we need to re-evaluate our notions of quality and value to include ‘whole lifecycle value’.

*Fairtrade Foundation*

We support the vision of ‘more power to the people’ and agree that consumers are the best judge of their own needs. Empowering consumers by providing information and raising awareness of the choices available to them should result in consumers taking better advantage of the new and innovative products and services being delivered by the competitive market.

*EDF*

We believe the priority you should give to each of these goals depends on the analysis of where the biggest areas of consumer detriment are across the economy, and what consumer priorities are in the sectors you will address.

*Consumer Council for Water*

NEA would argue that tackling fuel poverty should be the main priority of Consumer Focus over the next 18 months. Rapidly rising energy prices have left more than 5.1 million (1 in 5) households in the UK struggling to afford to pay their bills. The severity of this situation should not be underestimated.

*National Energy Action*

more than one goal. Indeed, we should be looking to undertake activities that maximise their impact both within and across these goals. Therefore we are not seeking to prioritise one over the others, although certain goals may emerge as the driving factor for individual programmes.

**g. Are there other things in strategic terms that we should NOT do?**

We would hope that Consumer Focus will focus on where it can best add value through the cross sector view that it can bring. The main concern across respondents was the need to avoid duplication.

This has always been important to us, and we have tried to make it clearer in our 'Top Ten' things to know about Consumer Focus. This need to avoid duplication will be at the heart of our stakeholder engagement programme, and we have started to work with individual stakeholders on how we achieve this.

**h. Are these criteria right for us to use in deciding how to use our resources on behalf of consumers?**

Respondents were largely content with the criteria but we have changed them following further consideration by the Consumer Focus Board. We believe that the revised criteria provide a clearer indication of why we are working on one area rather than another.

Respondents were disappointed at the lack of concrete commitments. We have now added a statement on our development of metrics, with an aim of developing our detailed approach to reporting by June 2009.

Citizens Advice asked that we included our role in informing and advising government. This has been addressed by a new section outlining our approach to advocacy called 'How we will campaign for a fair deal'.

Opportunities to partner or collaborate to make the best use of resources in issues that may be on the periphery of the New NCC's remit should not be ignored.

*National Consumer Federation*

We would hope that Consumer Focus will focus on where it can best add value through the cross sector view that it can bring.

*Ofwat*

We welcome the awareness that there are a number of organisations already working in the space Consumer Focus will inhabit.

*RWE nPower*

### **i. Do you have other suggestions for what we should work on?**

There were plenty of suggestions, the detail of which will be provided to programme leaders to inform the detailed planning stage.

Suggestions included:

- Clarity on the extent to which we would be able to report on complaints across industry sectors, and an offer from Citizens Advice of access their consumer intelligence in this area
- The continuation of the Counters Advisory Group
- Investigate consumer detriment in the private rented housing sector, particularly in relation to fuel poverty and energy efficiency
- Concern about our early statement that we would represent business consumers only so far as their needs fell in with those of social consumers
- Access to public services for Gypsies and Travellers
- Focus on the BERR initiative to simplify consumer law to advocate and ensure consumer rights are fully embedded and protected
- Earlier reviews of the complaint handling and redress schemes are needed, one year in is too late if consumers are left worse off
- Input to Ofgem's network price controls.

The majority of these are now referenced, although we have left room for manoeuvre where there is a need for more detailed planning, where influential reviews are underway, and to allow for adaptation to externally-driven events. There is no specific reference to the needs of Gypsies and Travellers but the needs of this group and other minority groups will be recognised in the development of our approach to Disadvantage.

### **j. Are there proposals here that you feel we should NOT pursue?**

One of the main comments from staff was the need for a clearer rationale for certain projects. This was echoed by some stakeholders, although many felt that they could not comment on areas outside their specific area. We have addressed this through the use of a 'Background' section for each advocacy

Consumer Focus should avoid becoming a "rent a quote" organisation

*Good Energy*

Be less 'cosy' than Postwatch is perceived in the relationship with Royal Mail and Post Office Ltd.

*Campaign for Community Banking Services*

programme. Further to this, we are looking at how staff can be informed about the importance of the work done by other advocacy programmes in broad terms.

Additional unsurprising and contrasting concerns were raised about Consumer Focus's relationships with industry.

It is difficult to make assurances on this at this stage, but we have retained the statement welcomed by many that Consumer Focus will be a 'critical friend' to industry.

**k. Who else is working on these issues? Are they better placed to advance the consumer interest?**

There were no specific statements on people who are better placed to advance the consumer interest other than comments from the energy companies (aside from Good Energy) who feel that sustainability issues are covered sufficiently by other organisations. Consumer Focus has a statutory duty to exercise its functions in the manner which it considers is best calculated to contribute to the achievement of sustainable development. As in other areas, we will avoid duplicating the work of others but sustainability remains one of our strategic goals.

Many respondents are eager to work with Consumer Focus and, again, this information will be passed to our programme leaders.

**l. Who should we be working with and forming partnerships with?**

Given the number of ideas and offers, the question is more who should we NOT be forming partnerships with. Members of Postwatch's Counters Advisory Group are keen to retain that level of access, influence and activity, particularly with upcoming decisions on the Post Office Card Account and

We welcome your interest in long term consumer education and would be happy to discuss our future plans with you.

*Office of Fair Trading*

We would welcome further discussion of how we can work together with councillors, officers and local people to improve delivery.

*iDeA*

We would welcome input from the New NCC on the services we provide to vulnerable customers.

*National Grid*

We would welcome a mutually beneficial sharing of consumer insight on sustainability and ethical purchase.

*Fairtrade Foundation*

The Commission would welcome the opportunity to be involved in discussing any issues for charities that arise from the workplan.

*Charity Commission*

We would be interested in homeless people being able to voice their opinions on other services that they regularly use (for example hostels, day centres, the benefits system, social care) in a similar manner and would welcome developments from Consumer Focus in this area.

*Homeless Link*

funding for the network. Others are keen to share their local intelligence (National Consumers Federation), their complaints data (Citizens Advice), their industry knowledge (Energy Retail Association) and their understanding of the needs of consumers with disabilities (RNIB, RNID, Disability Forward) or other needs (CLG, Gypsies and Travellers Unit).

Equally valid is the comment from staff that meetings should not be set up 'for the sake of it'. Our stakeholder strategy is a priority for Phase One and we give a high-level indication of our approach in the 'Workplan for a fair deal' section.

### **m. What do you see as our biggest risks?**

The biggest concern among stakeholders is that of succession – that certain consumers will be left worse off as a result of the transition.

We have referenced continuing work, and listened to the views of the staff in predecessor bodies to try and cover any ongoing activities. However, this is a new organisation, with a new remit, and therefore there may be a change in approach in certain areas.

A number of stakeholders also felt that the work programme was too long and varied at this stage of Consumer Focus' life. We have attempted to address this through providing a clearer focus for our activity, and the inclusion of a measure of our resource. However, for every suggestion that we needed to focus our work, there were more suggesting additional areas of interest.

The ERA supports a work programme that assesses the distinct characteristics of fuel poverty in Wales. We believe that alleviating fuel poverty requires a cohesive strategy that recognises fuel poverty as a symptom of deprivation caused by low income and poor quality housing. The energy industry is committed to providing affordable warmth to fuel poor households and is keen to work with new WCC to develop policy to assist vulnerable and fuel poor consumers in the context of a wider WAG strategy to alleviate poverty in Wales. For this reason the ERA was grateful to the WCC for hosting the recent fuel poverty round table meeting and we look forward to progressing this work with the new WCC.

*Energy Retail Association*

The biggest risk, we believe, for new Consumer Focus is that the remit is so wide that maintaining focus may be challenging... However, the [postal] industry is now moving into a different place, as identified in the initial report given recently by the Independent Review into the postal market, and we believe that the new Consumer Focus should reflect this through focus on the consumer issues in the wider communication markets of which the Postal Industry is just a part.

*Royal Mail Group*

**n. Are there organisations we should benchmark ourselves against in terms of value for money and advocacy work?**

Respondents suggested the following:

- John Lewis, DVLA, TNT
- Citizens Advice impact assessment
- Other advocacy organisations such as Oxfam and Action Aid
- Are there any European or other international organisations that we can learn from?
- National Energy Action, Energy Saving Trust and Citizens Advice

The Consumer Council for Water expressed an interest in working with us on this. In addition, a couple of respondents suggested that we should undertake peer reviews to ensure the accuracy of information. This input, amongst other comments, will inform our detailed stakeholder engagement strategy.

**o. Do these four critical success factors seem right?**

The main concern was the lack of measures rather than the critical success factors themselves, although we would like to clarify that value for money and consumer awareness are inherent in our strategic goals of Value and Access.

This is a valid concern and due, in part, to the fact that we are at a very early stage in our life. Our programme teams will be defining the measures for success for individual projects in the early days of the new organisation, but we have been able to revise our criteria in response to feedback.

In this process we will seek to address stakeholders' requests for clarity on how consumers may feed into any evaluation process.

**p. Do you have any other comments?**

The main concern was the volume of work that we have set ourselves. We have sought to address this concern both in the presentation of our work programme, linking projects directly to our advocacy programmes, and therefore their implementation. We have also stated a clear focus for each programme.

There was some concern from energy companies about our tone, with a particular dislike of the term “ripping off”. That is no longer in the document, but it does not mean that we are not on the look out for poor value for consumers.

Finally there was concern about the lack of reference to Consumer Focus’s role on the international stage. The inclusion of an International Programme now makes this clearer; and by working across programmes, Consumer Focus will be able to bridge the gap between local intelligence and international decision-making.

We miss any indication in your programme of an international role in the protection of UK consumers. This is very important – especially within Europe due to the primacy of European consumer law.

*National Consumer Federation*

The timescale that Consumer Focus has set to finalise and implement the Forward Work Programme is extremely tight.

*Energy Retailers Association*

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**NEXT STEPS**

The Forward Work Programme was published on 1 October 2008. It covers our plans to March 2010. Some activities are already underway and have clear objectives, other activities start with a relatively blank sheet and we will start by scoping the value that we can achieve for consumers, and determining how we can deliver that.

Consumer Focus Scotland, Consumer Focus Wales and the Consumer Focus Post (Northern Ireland) will publish detailed plans for their activities during the autumn.

This document will not change, but by June 2009 we will have published the measures and objectives that we will report against. Our activities may also evolve in response to market-, industry- and consumer-driven events. We will keep relevant stakeholders informed of these changes; indeed, these changes may result from our ongoing relationships with stakeholders.

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## ANNEX: LIST OF RESPONDENTS

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### EVENT ATTENDEES

AccountAbility	EDF Energy	Ofwat
ACEVO	Energy Retail Association	Oxfam Cymru
Acona	Energy Savings Trust	Passenger Focus
Advertising Association	Energy Savings Trust Wales	Post Office Ltd
Advice UK	Energy Supply Ombudsman	Postcomm
Age Concern	Equality and Human Rights Commission	Public Services Ombudsman for Wales
Age Concern Cymru	Ethical Consumer	Queen Margaret University
Association of British Insurers	European Commission Office in Wales	Rhondda Cynon Taf Council
Basic Skills Cymru	Fairtrade Foundation	Royal Mail Group
Department of Business, Enterprise & Regulatory Reform	Financial Services Authority (FSA)	Royal National Institute for the Blind
Better Regulation Executive	Food Standards Agency Wales (FSA)	Saveonyourbills.co.uk
Bevan Foundation	Forum for the Future	SCOTSS
Breakthrough Breast Cancer	Foundation for Credit Counselling	Scottish and Southern Energy
British Gas	Friends of the Earth Cymru	Scottish Executive
British Standards Institution	George Lennard Associates	Scottish Parliament
British Wind Energy Association	Glasgow Caledonian University	Secure Mail Services
British Wind Energy Association Wales	Good Energy	Social Audit Ltd
BT Group plc	Help the Aged Cymru	Scottish Retail Consortium
Bus Users UK	Information Commissioner's Office	Sustain
Campaign for Community Banking Services	Institute of Welsh Affairs	SustainAbility
	Job Centre Plus	Sustainable Development Commission

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## EVENT ATTENDEES CONT

Cardiff Council	Law Society of Scotland	Sustrans Cymru
Care and Repair Cymru	Legal Services Commission	Tesco plc
CAS Scotland	Local Better Regulation Office	The Chairman's Club
CBI Cymru	Local Government Information Unit	The Company Agency
CIFAS	London Travel Watch	The DX
Citizens Advice	Mail Users Association	Trading Standards Institute
Citizens Advice Cymru	Money Advice Scotland	UK Intellectual Property Office
Civic Offices	National Assembly for Wales	University of Dundee
Commission for Patient and Public Involvement in Health	National Children's Bureau	Utilities Intermediary Association
Commissioner for Children and Young People	National Consumer Council	Victim Support
Commissioner for Older People	National Consumer Federation	Wales Audit Office
Community Housing Cymru	National Debtline	Wales Centre for Health
Consumer Council for Water	National Energy Action	Wales Co-operative Centre
Consumer Credit Counselling Service	National Energy Action Cymru	Wales Heads of Trading Standards
Consumer Direct	National Federation Women's Institute	Waste Awareness Wales
Consumers International	National Grid	WCVA
	National Right to Fuel Campaign	
COSLA	New Local Government Network	Welsh Assembly Government
Cynnal Cymru	NHS Direct Wales	Welsh Language Board
Department for Communities and Local Government	Now Let's Talk Money	Welsh Local Government Association
DEFRA	RWE npower	Welsh Refugee Council
Digital UK	Ofcom	Welsh Water
E.ON UK	Ofcom Consumer Panel	Which?
EAGA Wales	Office of Fair Trading	World Wildlife Fund Cymru
	Ofgem	

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## UNITED KINGDOM PROGRAMME RESPONDENTS

Age Concern	Energy Saving Trust	National Social Marketing Centre
Alliance Against Intellectual Property Theft	Energy Retail Association	Ofcom
Audit Commission	Financial Services Authority	Ofcom Consumer Panel
Barclays	Fairtrade Foundation	Office of Fair Trading
Department of Business, Enterprise & Regulatory Reform	Federation of Small Businesses	Ofgem
British Chambers of Commerce	Food Standards Agency	Ofwat
British Gas	Financial Services Authority	Passenger Focus
British Standards Institution	Good Energy	Postcomm
Citizens Advice	Green Alliance	Royal National Institute for the Blind
Care Commission	Homeless Link	Royal National Institute for the Deaf
CC Water	iDeA	Royal Mail Group
Campaign for Community Banking Services	Local Better Regulation Office	RWE npower
Charity Commission	Legal Complaints Service	Scottish Power
Commission for Rural Communities	Mail Users Association	Scottish and Southern Energy
Corona Energy	National Children's Bureau	Tenant Participation Advisory Service
DCLG (Gypsy and Traveller Unit)	National Consumer Federation	The Ombudsman Service Ltd
Disability Forward DEFRA	National Federation of Subpostmasters	Utilities Intermediary Association
E.ON UK	National Grid	University of Bath School of Management
EDF Energy	National Energy Action	

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## WALES PROGRAMME RESPONDENTS

Children's Commissioner for Wales	Energy Saving Trust Wales	Ofgem
Consumer Council for Water , Wales Committee	Food Standards Agency Wales	Ombudsman Service Ltd
Department for Children, Education, Lifelong Learning and Skills (DCELLS)	Joseph Rowntree Foundation	Performance Wales
Department for Environment, Sustainability and Housing	Legal Complaints Service	Royal Mail Group
Department for Public Health and Health Professions	Legal Services Commission	Scottish Power
Department of Social Justice and Local Government (SJLG)	Local Better Regulation Office	Shelter Cymru
E.ON UK	National Energy Action Cymru	Trading Standards Wales
Energy Retail Association	Nick Bourne, AM	

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## SCOTLAND PROGRAMME RESPONDENTS

Stirling Council	Glasgow City Council	Scotland Office
E.ON UK	Harper Macleod LLP	Scottish Environment Protection Agency
Energy Retail Association	Joseph Rowntree Foundation	Scottish Power
Faculty of Advocates	Office of Fair Trading	Stirling Council
Falkirk Council	Perth & Kinross Council	VisitScotland
	Royal Mail Group	Waterwatch Scotland

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## NORTHERN IRELAND PROGRAMME RESPONDENTS

Countryside Alliance	Postwatch Northern Ireland	Training for Women Network
Disability Action	Royal Mail Group	
Margaret Ritchie MLA (Minister for Social Development)	Rural Community Network	