

## Consumer Focus Board

Paper 8

**Title:** CEO Report

**Purpose:** For information

**Date of meeting:** 25<sup>th</sup> January 2012

**Responsible officer:** Mike O'Connor

**Prepared by:** Mike O'Connor and SMT

**Attachments:** Directorate Reports

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The Christmas/New Year break has meant that there have not been many working days since the Board met in November but we have been busy. If colleagues had a well deserved break they have wasted no time getting back to work for consumers, e.g. our well received response to Ofcom's important consultation on securing the universal postal service. In the next few weeks we are launching some important reports and responding to Ofgem's Retail Market Review. We also have important meetings with Ministers on our work on satisfaction with public services and on our innovative work on collective switching.

But I hope Board members will indulge me in looking back at 2011 – not just at what we did. Although it was a difficult year for many consumers, there were encouraging developments in public and private policy in the consumer interest. These developments are not just good for consumers, but also for economic growth. Empowered consumers can drive economic growth and condition companies to succeed nationally and internationally.

### Energy

Ofgem's Retail Market Review made a series of proposals which could help simplify the market, lead to fairer treatment of consumers and promote greater competition. Energy companies have recognised that they need to do more to win the trust of consumers. They recognise that the ways in which they have constructed and sold tariffs has confused, antagonised and alienated consumers. Five of the six energy companies which dominate the market have agreed to suspend doorstep selling which has been redolent with abuse. One company has gone so far as to agree to compensate customers who had been mis-sold products. Half of the big energy companies are now open minded about a Competition Commission review which would seek to identify if there is indeed a problem with market competitiveness. Government is continuing to ensure the benefits of Smart Meters and the Green Deal outweigh the costs and are available to all consumers.

### Financial Services

The Independent Banking Commission made a number of important recommendations which the Government has accepted and which should lead to greater protection for taxpayers, promote more competition in retail banking and make switching accounts easier. Following Supercomplaints from Consumer Focus and Which? consumers will get better deals when they buy travel money and pay lower charges for using debit and credit cards. The banks finally agreed to face the music over Payment Protection Insurance mis-selling

and the FSA levied record fines for mis-selling and poor complaint handling. Parliamentary scrutiny committees have made important recommendations to put consumer protection at the heart of the new Financial Conduct Authority and the OFT announced conduct reviews of the debt management and high cost credit industries

## **Post and Communications**

Ofcom's proposal for future regulation of the mail market could be the biggest shake-up that we have ever seen. It has the potential to ensure the right balance between putting Royal Mail on a stable footing and ensuring value and service for consumers. The transformation of the post office network can help sustain vital services for local communities in the context of real economic challenges. Ofcom's ban on rollover contracts for phone and broadband was extremely welcome. Such contracts can be confusing and many people have been unknowingly rolled over into another contract and unfairly tied into a contract in which they had to pay a penalty fee to escape. Following a referral from Ofcom, the Competition Commission found that Sky enjoyed a stranglehold on movies watched on pay-TV that leads to a lack of effective competition and reduced consumer choice. Remedies to address this should ensure consumers get more choice and a better deal make the market more competitive. The Government's acceptance of the findings of the Hargreaves review on copyright was very welcome as it should see a better balance between the rights of content owners and consumers, with a positive outcome for economic growth. Governments across the UK are addressing the need for fast, reliable, high quality digital services which will bring tremendous benefits for consumers, whether they live in urban or rural environments.

## **Other areas**

The Government's statement on the need to put consumers at the heart of economic regulation was a helpful step forward in giving greater clarity to sector specific regimes. Parliament was right to challenge the European Commission's proposals for a common European Sales law as it could potentially offer UK consumers less protection than they currently enjoy and cause unnecessary complexity and increase cost for consumer advisers, businesses, enforcement authorities and the legal system. The Government's "Better choices, better deals" White Paper set out an important new agenda for how consumers can be empowered.

The Scottish Government introduced regulations for a tenancy deposit scheme in Scotland, giving new protection to tenants. Getting a deposit back has often been an uphill struggle for many tenants in the private rented sector and the scheme will result in a fairer and more efficient system for all concerned. New rules were introduced clarifying the use of Lay Support (or 'McKenzie Friends') into Scotland's sheriff courts, so opening the way for a consumer-friendly way of allowing court users to feel more confident and better supported, making the experience of going to court less daunting. The new Patient Rights (Scotland) Act 2011 will improve patients' experiences of using health services and support people to become more empowered.

The Welsh Government has announced important new measures on food safety. If passed, it will make Wales the first UK nation to have a compulsory scheme and would introduce mandatory display of food hygiene scores for 30,000 food businesses in Wales empowering consumers to drive up standards and on the spot fines for anyone failing to display and powers to prosecute. We were successful in winning changes to the Protection of Freedoms Bill, which will now see an independent appeals process being set up for users of private car parks and increased powers for Government to make regulations in relation to the types of signage used by private parking operators.

## Looking Forward to 2012 and beyond

These positive developments show that Governments and regulators, and at least some firms, are prepared to address some of the most entrenched problems faced by consumers. Consumer Focus is currently consulting on our work priorities for 2012/13 and I suspect that central to our aim will be to build on the opportunities which emerged in 2011 and ensure they achieve their potential in 2012 and beyond. The opportunities to continue this approach are plentiful.

The reforms in the energy market and the major programmes of market transformation could deliver real benefit to consumers.

Realising the Coalition Government's proposals on empowering consumers could help people get a better deal across a range of markets and in doing so apply collective pressure on markets to respond to what their customers really need.

The transformation of Royal Mail and the post office network could make our postal services and post offices more sustainable in line with the digital economy and increasing consumer expectations of convenience and quality of service.

Industry and regulatory reform could deliver a change in the culture of the financial services industry.

A more coherent system for the regulation of airports could ensure that the interests of consumers are balanced with those of airlines and airport operators.

In digital markets greater innovation, competition and choice could enable rights holders and content providers to steer consumers away from unlicensed services and help fight online copyright infringement.

The Digital by Default agenda for public services could realise the potential of online public services without indirectly marginalising those outside the digital economy.

The proposed Consumer Bill of Rights could help streamline and modernise the current patchwork of consumer protection law, making things easier for consumers and businesses alike.

The proposed consultation on reforming the law on mobile homes and caravan sites, Welsh Government's Housing Bill and the Mobile Homes Act 1983 (Amendment of Schedule 1) (Scotland) Order 2011 could create fairer market for consumers who live in Park Homes, the majority of whom are older people.

Embedding the progress made already and driving further reforms will need Governments, regulators, consumer bodies and industry to work together to realise the potential benefits for consumers and economic growth.

I hope that Consumer Focus can continue to play a leading role in empowering consumers and driving economic growth through positive and coherent reforms of markets and services.

Mike O'Connor

## **CONSUMER FOCUS AND CONSUMER FOCUS POST POLICY ADVOCACY**

**Director of External Relations: Adam Scorer**

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### **1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING**

#### **1.1 Consumer Focus Success in the Media**

1.1.1 Consumer Focus had particularly strong media presence in December, with high volumes of coverage across all our core areas. It was our second highest month of media coverage ever and we achieved almost triple the amount of coverage as the same time last year – with 1,127 mentions, up from 429 last December.

#### **1.2 Energy**

##### **Green Deal**

1.2.1 Consumer Focus spoke at the DeHavilland Green Deal conference in two sessions. We carried out a survey to support our responses to the Green Deal consultations and published a report on Green Deal and solid wall insulation as part of our response to Government's announcement. The report includes recommendations for improving Solid Wall Insulation take-up (particularly in social housing) - a major aim of Green Deal.

1.2.2 Consumer Focus hosted a consumer roundtable event to consider key issues under Green Deal including potential energy savings, the finance mechanism and the risk of mis-selling. The event was attended by DECC, Which?, CitA, Trading Standards and a range of industry experts. We represented consumers at the UK-GBC 'Green Deal hothouse' - a two-day detailed review of Government's proposals for the Green Deal, specifically looking at barriers in the consumer journey. Liz Lainé was the consumer representative, working with housing developers in the private and public sectors, a local authority, a High Street brand, a lawyer, an insulation manufacturer, and a housing association. We gained significant support from industry and consumer representatives on our key recommendations. We published research on the importance of independent advice to inform debates with the energy efficiency industry and other consumer representatives.

##### **Microgeneration**

1.2.3 We submitted written evidence to ECC and EAC select committee inquiry into the Government's review of feed-in tariffs for solar PV (although review was found to be unlawful by High Court). We also published a report on consumer experience of microgeneration, and fed into DECC's upcoming phase 2 review of the Feed-in Tariff mechanism.

##### **Marketing and sales**

1.2.4 Following Consumer Focus' call in the End of the Road report, five of the big six have now agreed to halt doorstep sales cold calling. We met with E.ON and gave the company a list of areas where we are looking for further assurances about their doorstep sales policies. E.ON is reviewing its policies as part of its Project Reset.

## **Smart meters**

### **Data access/privacy and security**

- 1.2.5 Suppliers have now outlined their commitment to customers regarding their personal data – we will continue to push for improvements in this area. Following our privacy challenge to industry - five of the big six suppliers have committed not to collect real-time information (energy use as it is happening) or energy data that can show what appliances customers have. Ecotricity have also signed up to our policy not to collect half hourly data without customer consent.
- 1.2.6 We responded to the DECC call for evidence on data privacy, access and use. We participated at the DECC follow-up workshop and bilateral meetings. We continue to participate in midata work with Number 10 including pushing for a joint initiative between BIS and DECC to avoid energy customers having multiple charters.

### **Switching and interoperability**

- 1.2.7 Consumer Focus has expressed concerns that once smart meters are installed, customers can face barriers when trying to switch suppliers because of lack of compatible technologies and processes (interoperability).

In December the final DECC proposals document included good progress on some key issues for consumers. The document states that proposals have been informed by early evidence from Consumer Focus. Ofgem will now consult on the wording of actual licence conditions. The document recognises that there will be barriers to switching and that proposals are designed to 'minimise the potential adverse impacts on customers' not that there will be no adverse impact.

Draft new licence conditions include:

- Suppliers must make customers aware, prior to smart meter being installed of any loss of functionality they might face if they have a smart meter, when trying to switch. This is so that the customer can make an informed decision as to whether they want a smart meter before these issues are resolved.
  - Suppliers must make it clear to customers of their right to be able switch after a smart meter is installed and Ofgem will take action if suppliers mislead customers and say they can't.
  - Customers told as early as possible of any loss of functionality when they seek to switch – suppliers will 'encouraged' to work with switching sites.
  - Historical consumption information will remain in the meter – the supplier can't wipe it so the consumer and any new energy supplier can still access it and give customers comparisons over time for energy reduction.
  - Suppliers will not be allowed to charge a prepayment customer if they need to have to have their smart meter changed, to switch.
- 1.2.8 These changes are expected to benefit up to one million consumers who might seek to switch before full interoperability is achieved. Ofgem has now published a further detailed consultation taking into account the latest technical developments.

## **Installation and billing**

- 1.2.9 Consumer Focus has expressed concerns that, despite smart meters being installed, customers continue to get estimated and inaccurate bills. The Energy Minister has now written to the major suppliers on this issue. MEPs tabled Consumer Focus's amendments on the draft Energy Efficiency Directive to give customers the right to an accurate bill once a smart meter is installed. If this is successful, we will push for an end to back-billing and customer compensation.

## **Smart Metering Installation Code of Practice (SMICOP)**

- 1.2.10 Consumer Focus responded to DECC consultation on licence conditions around the implementation of the Smart Metering Installation Code of Practice (SMICOP) and the ERA consultation on the SMICOP. A number of our comments were incorporated, we are now participating on the steering group, which will develop the Code and governance, our current priorities are to see improvements in the Code for low income and vulnerable consumers, and PPM customers.

## **Value for money**

- 1.2.11 Consumer Focus was a witness and submitted further evidence to the Public Accounts Committee on the smart metering rollout. The Committee Report was published on 17 January and includes our written evidence and supports many of the issues raised by Consumer Focus. We have started work with DECC on their reporting framework to ensure transparency and accountability for the £11.7bn programme.

## **Realising the energy saving benefits**

- 1.2.12 Energy Minister Charles Hendry MP spoke at our joint parliamentary event with BEAMA on November 7th. The event had good attendance and the Minister publically stated that the installation visit was a key moment for behaviour change. This is an important step as we have been pushing for suppliers to be required to offer energy efficiency advice before, during and after installation. Consumer Focus also participated in a number of DECC behaviour change workshops to press for greater coordination during rollout and central communications strategy.

## **In-home displays**

- 1.2.13 We have recently begun the second stage of our In-Home Display (IHD) research, looking at how the principles of inclusivity by design can be incorporated into the standard IHD which will be offered to every GB household. The research will produce Good Practice Guidance for suppliers and manufacturers. DECC has committed to specifically reference inclusivity by design in the final technical specification for IHDs, and to refer industry to the Consumer Focus Guidance.

## **Support for vulnerable consumers**

- 1.2.14 Consumer Focus presented at the DECC workshop on low income and vulnerable consumers and smart meter roll-out. There is now an agreement in principle to do a joint project with NEA and DECC to evaluate the experience of low income and vulnerable consumers, and identify what additional support they might need during the installation visit. E.ON and BG have committed to facilitate the project.

- 1.2.15 Government has committed to carrying out a distributional analysis of the impact of smart metering - something we have long pushed for. The analysis should help understand what impact rollout, in particular time of use tariffs, will have on low income and vulnerable customers.

### **Appointment times**

- 1.2.16 We recently undertook an omnibus survey (headline results available in a few weeks) to establish how aware consumers are of their rights regarding appointment times (timings and compensation). We will be using this research to help inform consumers of their rights and to help ensure that suppliers offer appointment times and compensation in line with their legal obligations during the smart meter roll-out.

### **Monitoring**

- 1.2.17 We have continued to produce regular reports on calls to Consumer Direct about smart metering, which are used to inform our policy work and understand what issues consumers are already facing with smart meters. Together with the Empowerment Team, we are developing an online mapping tool, so customers can report positive and negative experiences.

### **1.2.18 Billing and tariffs**

- 1.2.19 Consumer Focus published a new back billing leaflet jointly branded with ERA and Ofgem. We also met with other small business lobby groups to discuss our recommendations for improved back billing protections and the RMR proposals. Ofgem published its response to proposed ERA/ICOSS back billing code of practice, we expect to work with ERA/ICOSS and other stakeholders to refine and improve the code

### **Customer advice and redress**

- 1.2.20 Consumer Focus published a new consumer checklist entitled 'staying connected'. It is a guide containing the key information that energy consumers need to know about their energy supply. We have published joint leaflets with CCWater on Priority Services Register, and published briefing for advice agencies about suppliers' winter preparations. We liaised with Age UK about their advice/information and potential switching services for consumers.
- 1.2.21 We continued to have discussions with Consumer Direct, Citizens Advice and EHU on forthcoming changes to first tier consumer advice. We also fed back to the Energy Ombudsman consumer panel on ideas about publications and their website.

### **Performance information**

- 1.2.22 The latest quarterly energy supplier performance league table (Jul-Sep 2011) has been published with good regional and national press coverage. We have published the Guaranteed Standards report for electricity distribution 2009/10, and commissioned omnibus research on consumer awareness of Guaranteed Standards.

## **Fuel Poverty**

- 1.2.23 The recently published FPAG Annual Report includes Consumer Focus' contribution on reform of suppliers' recovery of ECO costs. Consumer Focus commissioned and published a short research report as part of our response to the interim report of Hills review. We sought views from Fuel Poverty 'experts' which informed the joint response from 26 organisations in the End Fuel Poverty Coalition to the consultation.
- 1.2.24 Consumer Focus published our 2011 fuel poverty projections for England, Wales, Scotland and UK. The projections show the impact of price rises on fuel poverty levels taking into account 2011 price rises. There was major publicity around our projections for England, with the figures given exclusively to the Guardian (together with an interview with the Extra Help Unit). This led to coverage on BBC Breakfast, BBC, ITV, Channel 4 and Sky News, BBC Radios 2 and 5 Live, the Times, Daily Telegraph, Express, and Mail.
- 1.2.25 The Plug the Debt campaign was launched by Consumer Focus and Citizens Advice to help people understand what to do and what their rights are if they fall behind on their energy bills. Supported by the Department of Energy and Climate Change, Ofgem, Energy UK, Which? and Age UK it kicked off with coverage on the front page of the Daily Mirror money section, interviews on BBC Breakfast, BBC Radio 5 Live, ITV Wales, BBC Cymru and pieces in the Times and Metro. We achieved very strong regional newspaper and radio coverage – which was a key target to help reach at risk consumers and encourage them to seek help.

## **Off Gas**

- 1.2.26 We submitted written evidence to Environment and Climate Change Committee on private rented sector, off-gas consumers and fuel poverty.

## **Who Pays? Research programme**

- 1.2.27 Consumer Focus let out two large research projects looking at consumers' attitudes to rising energy bills and the manner in which customers' money is used to finance energy efficiency, renewable and welfare payments.

## **European Advocacy**

- 1.2.28 Consumer Focus worked with the offices of MEP Rapporteur and Shadow Rapporteurs in European Parliament on preparation of Compromise Amendments on EU energy efficiency Directive (directly and in collaboration with BEUC). Several of our amendments have been tabled and we are working to keep them in the compromise text that will be voted in Committee in early 2012. This work included participation in a stakeholder advisory group organised by the rapporteur (on 21 December).
- 1.2.29 We have pursued initiatives to improve consumer input into Citizens Energy Forum, and contributed final comments to the EU Smart Grids Task Force Privacy working group. We also responded to the CEER consultation on price comparison tools as well as the new, upcoming EU Working Group on Tariff transparency.

### 1.3 Post and Post Offices

#### **Mail Market Transformation**

- 1.3.1 Consumer Focus held a high profile industry workshop on 15<sup>th</sup> November to explore issues around Ofcom's price control proposals. It was attended by senior figures from Ofcom, BIS, consumer groups, bulk mailers, large businesses and postal operators.
- 1.3.2 Consumer Focus issued a response to Ofcom's consultation on the price control of the majority of Royal Mail products. We used the services of economic experts to make a robust case against Ofcom's proposed deregulation of all but standard Second Class letters, which would leave no safety net for larger or Second Class packets. The consultation closed on 5<sup>th</sup> January 2012, and our response can be viewed here:  
<http://www.consumerfocus.org.uk/files/2009/06/Consumer-Focus-Response-to-OFCOM-consultation-in-relation-to-Securing-the-Universal-Postal-Service.pdf>
- 1.3.3 Consumer Focus commissioned research into consumer behavioural change to accompany our response on the price control proposals, investigating at what prices consumers would switch away from Second and First Class products. The research data has now been delivered to Consumer Focus and will be examined with the intention of building it into a report to submit to Ofcom by an agreed extended deadline of 20<sup>th</sup> January 2012.
- 1.3.4 **Post Office Locals**
- 1.3.5 Robert Hammond participated in a panel discussion on the impact of a changing regulatory regime on the postal services market at the Future of UK Postal Services conference held on 23rd November 2011.
- 1.3.6 Since the last Board meeting, meetings were held with the new Post Office Ltd (POL) Chair, Alice Perkins, and the Managing Director Paula Vennells. These meetings were used to communicate Consumer Focus' concerns about the model and key areas for improvement agreed by Board. They also allowed Consumer Focus to better understand POL's issues with any mis-description of the post office transformation programme. We agreed a number of measures to help ensure constructive relations between Consumer Focus and POL.
- 1.3.7 Consumer Focus has agreed to develop a Memorandum of Understanding with POL which will agree the outline for the forthcoming restructure programme and the high level roles and relationships between Consumer Focus and Post Office Limited (POL). Consumer Focus has also agreed with POL that the Code of Practice, covering changes to the PO network, will be re-negotiated to ensure it captures the range and types of conversions that will take place during the programme.

#### **Devon Knows' research**

- 1.3.8 Consumer Focus published a new report, Devon Knows, which sets out lessons from the last post office restructure exercise and highlights the long-term impacts of changes to post offices. The research explores Devon as a case study area, a county which benefitted from a grant scheme developed by the County Council, and which faces particular challenges associated with rurality and ensuring adequate service provision for small businesses and elderly consumers in particular. The report received wide media attention including from the BBC and front page coverage in the Daily Telegraph.

### **Ongoing Post Office Locals work**

- 1.3.9 We are undertaking a broad programme of work to build data in support of the 'stress tests' agreed during the November Board meeting. Commissioned research is now underway to determine the consumer experience of PO Local pilots and to mystery shop the service standards and product knowledge offered in Locals branches. These projects will particularly explore issues of quality control and inconsistent service provision which have become an increasing concern through our ongoing monitoring.
- 1.3.10 We have also commissioned a further project exploring the quality of POL's communication and consultation materials used during the pilot period. This reflects our long-standing concerns in this area. Following the last programme, POL's consultation materials were highlighted as a particular weakness by the Public Accounts Committee, which recommended Consumer Focus be given veto powers in this area.

### **Changes to the Crown Office network**

- 1.3.11 As part of the Government's requirement that POL eradicates the £60 million losses in the Crown Office network, Consumer Focus now expects a further large scale conversion programme to begin during the second half of 2012/13. This could involve the physical relocation of a significant number of town and city centre branches.
- 1.3.12 These changes are likely to be high profile, reflecting the potential accessibility challenges for consumers. It is possible that the Communication Workers Union (CWU) which represents crown office members may resist any such changes.

### **Network-wide service disruption**

- 1.3.13 For the second time in six months, the Post Office network was affected by an extended computer failure which prevented branches from undertaking transactions over several hours in the run-up to Christmas. Consumer Focus immediately assessed whether POL implemented its contingency plans effectively, including ensuring its helpline and website provided accurate information to consumers affected by the disruption. We will now be seeking a detailed explanation for the systems failure.

### **Post and Post Offices – Northern Ireland**

#### **Universal Service obligation (USO) in Northern Ireland**

- 1.3.14 With Ofcom assuming responsibility for postal regulation, Consumer Focus Post has worked to build relations with Ofcom representatives in Northern Ireland. Meetings have been held with the Director of Ofcom NI, Regulator Affairs Manager and the Director of Consumer Policy (UK). Also Consumer Focus Post gave a presentation and briefing session to the Ofcom Advisory Committee NI, on consumer issues and the postal market within Northern Ireland.
- 1.3.15 Consumer Focus Post has met with Royal Mail's Area General Manager NI, Finance and Quality Director NI, and Head of External Relations NI, to discuss our findings and report, Letter Lockout - on mail delivery problems of Northern Ireland consumers living in flatted properties. We shared a number of our key findings and discussed our recommendations on how this issue could be improved.

- 1.3.16 We were involved in a number of media interviews and press activity on problems with Royal Mail's quality of service and Christmas Post, with a particular focus on the inaccessibility of Royal Mail's Belfast Enquiry Office.
- 1.3.17 Consumer Focus Post provided feedback and input into the UK wide response provided by Consumer Focus on Ofcom's consultation regarding 'Securing the Universal Postal Service: proposals for the future framework of economic regulation'.

#### **Quality of Service standard – Northern Ireland**

- 1.3.18 We have completed our report on mystery shopping to review the accessibility, environment and quality of service at post office branches. We have met with the Head of External Relations and Network Development Manager for Post Office Limited (Northern Ireland) to discuss the findings of this research and the feasibility of undertaking the recommendations we have proposed. A formal response to our recommendations has been requested from Post Office Limited's Head of Regulatory Affairs, prior to publication in late January.
- 1.3.19 We have also provided input into the UK wide response on BIS's consultation regarding the mutualisation of post offices.

#### **Advocacy for postal consumers**

- 1.3.20 Consumer Focus participated in inaugural session of European Postal Users Forum as part of ongoing work to support European Commission unit's to build momentum for a continuing dialogue.

### **1.4 Financial services**

#### **Financial Ombudsman Services Consultation**

- 1.4.1 Consumer Focus responded to the Financial Ombudsman Service consultation on transparency in complaints publication. We supported their efforts to enhance transparency around firm's compliance with the principles of Treating Consumers Fairly (TCF) and greater stakeholder understanding of the Ombudsman's decisions. Christine Farnish and the Financial Services team met with Carol Sergeant and agreed to sit on the Simple Products steering group. We set out our views on the future regulation of the Payments Industry in the Payments Council Consumer Forum. Finally, we commissioned two pieces of research – one on banks compliance with the Payment Services Regulations and the other on Basic Bank Accounts.

#### **Cost of Credit**

- 1.4.2 We have been active in the media on the issue of Payday loans - keeping up the pressure for more stringent regulation of this market. We have commissioned research on banks knowledge of Continuous Payment Authority rules to feed in to an OFT consultation document on this issue in the payday loan market.
- 1.4.3 Sarah Brooks gave evidence to the BIS Select Committee on their inquiry into consumer credit and debt management. Much of the session was taken up with questions about regulation of payday lenders, their practices, and high cost credit – an issue where our previous work and written evidence to the Committee set us apart from the other witnesses on the panel giving evidence.

## **Banking**

- 1.4.4 We commissioned research on basic bank accounts to produce an evidence base for our work on minimum standards for this product. Consumer Focus responded to the Financial Ombudsman Service consultation on transparency in complaints publication. We supported their efforts to enhance transparency around firms' compliance with the principles of TCF and greater stakeholder understanding of the Ombudsman's decisions. Christine Farnish and the FS team met Carol Sergeant and agreed to sit on the Simple Products steering group.
- 1.4.5 Our response to negative changes being made to basic bank account access and fees by high street banks was well picked-up. It featured on BBC Breakfast, the BBC News Channel, Rip-Off Britain, The One Show, the Times, Daily Telegraph, Daily Mirror and Independent.

## **Financial Services Regulation**

- 1.4.6 The Joint Committee of the House on the Financial Services Bill have taken on board many of our recommendations to amend the Bill to make it more consumer focused. We worked alongside Which? and CitA to amend the specific proposals on consumer responsibility under the Bill.

## **1.5 Consumer Empowerment Programme**

### **Care leavers report**

- 1.5.1 The research on care leavers has been submitted and accepted for presentation at the local Authority Research and Intelligence Association annual research conference to be held in March. It will also be considered for nomination for the annual research award.

### **Public Services Satisfaction Index (PSI)**

- 1.5.2 Andrew Lansley, Secretary of State for Health, has received our bespoke report for the DoH and we are due to meet him shortly. Similarly, we have had (via David Halpern) a request to meet with the Wellbeing and Big Society Policy, Analysis and Insights Team in the Cabinet Office. This is to follow up our report on introducing generic measures for customer satisfaction across government services, as used in Canada.

### **Online Public Services**

- 1.5.3 We are launching our report on Online Public Services on 25<sup>th</sup> January with a workshop that will bring together the heads of digital from a range of government departments, the newly launched Government Digital Services, the civic focused developer community, leading private sector IT contractors and consumer interest organisations, to discuss the works findings and implications. The work is also being presented on the Consumer Focus website in a way that will facilitate debate of and comment on the issues raised.

### **Collective switching**

- 1.5.4 David Halpern of Number 10's Behavioural Insights Team was briefed on the potential of collective switching in December. Our thinking on this concept received its initial public airing

when Richard Bates presented to the BIS conference on collective purchasing. The presentation was well received, and we will be meeting Ed Davey shortly.

## **1.6 Digital communication/Broadband**

### **Access to Broadband**

- 1.6.1 We responded to BEREC's consultation on net neutrality jointly with BEUC. We also commissioned research into consumer experiences of switching broadband providers carried out jointly with Civic Consulting. We attended Ofcom's International Stakeholders Forum, and met with the Consumer Communications Panel.
- 1.6.2 Consumer Focus attended the BSG stakeholder meeting on traffic management and we responded to the Broadband Stakeholder Group on the implementation of its code of practice on traffic management transparency. We attended Ofcom's Consumer Experience reports 2011 stakeholder meeting.

### **UK copyright**

- 1.6.3 Consumer Focus spoke at WIPO training course on copyright and consumers, and we attended the parliamentary event with Pictfor Digital Economy on the Hargreaves recommendation on minimum standard for collecting societies/copyright licensing. We sent a legal opinion on website blocking to Minister Ed Vaizey and other stakeholders. We attended a Joint policy event with TaxPayers Alliance on website blocking.
- 1.6.4 Mike O'Connor attended a Roundtable event on Online Copyright Infringement chaired by Ed Vaizey. We spoke at a Consumer Forum for Communications/Ofcom on what copyright issues consumers face (Digital Economy Act, Hargreaves Review and website blocking). We followed-up the end of Digital Economy Act cost order notification to EC, which has now been laid before parliament. We submitted our response on Statutory Instructions to the Merits of Statutory Instrument Committee and Joint Committee.

### **EU Copyright**

- 1.6.5 We met with Head of Unit in DG MARKT regarding the Commission's forthcoming proposal on collective rights management

## **1.7 Consumer Empowerment**

- 1.7.1 We continue to work with BEUC on the 50th anniversary consumer strategy and liaison with DG Sanco on the "Consumer Act" We attended the consumer empowerment, meeting with DG SANCO and DG CI. We hosted and participated in the BSI CPISAC meeting, and attended the BEUC General Assembly. We also represented UK consumers at the ECCG meeting at the end of November.

## **1.8 Consumer law**

- 1.8.1 Consumer Focus submitted evidence to the House of Commons European Scrutiny Committee on the European common sales law (ECSL) proposal. We attended a meeting with BIS about the Consumer Rights Bill. We participated in the BEUC expert group on contract law deciding strategy on the European Commission proposal for a Common European Sales Law (CESL) redress

## **Data protection/privacy**

1.8.2 We prepared advocacy work on the Data Protection Directive, and commissioned desk based research on privacy breaches with questions for a survey on consumer attitudes to privacy. We attended meetings with Commission officials in DG Comp, DG Market, DG INFO and DG Sanco on the proposed directive on collective rights management and the proposed revision of the IP enforcement directive. We commissioned briefings on options for cross-border licensing with BEUC, and participated in the TACD EP event on 30 November.

## **1.9 Supercomplaint**

1.9.1 OFT published its response to the Consumer Focus Supercomplaint on travel money. They largely agreed with our analysis and negotiated agreements with the banks that we believe will save customers around £20 million a year in bank charges. These savings arise from the scrapping of the charges levied by five banks on their customers for using their debit cards to buy foreign exchange here in UK. The other banks do not levy these charges. Other changes include better transparency of charges on monthly current account statements and more integrated information on websites about the costs of using cards while on holiday. There was almost blanket coverage across the national newspapers and interviews on the BBC and Sky News channels, with a wide reach across national and regional radio, regional print and online media.

## **1.10 Through consumers' eyes**

1.10.1 In December we published 'Through consumers' eyes', a summary of key lessons we and our predecessors have learned over 37 years. We brought together senior figures from consumer bodies, regulators, Government, third sector bodies and industry to discuss the challenges and opportunities ahead.

## **CONSUMER FOCUS FINANCE AND OPERATIONS**

### **Director Finance and Operations: Graham Clark**

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#### **1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING**

##### **1.1 Finance**

- Testing on software version update for Open Accounts and EBis over the weekend of 10<sup>th</sup>/11<sup>th</sup> December 2011. After some initial problems, the system was backed up and running on the Monday.
- CLOS deadline for year end accounts has been extended to the 30<sup>th</sup> April 2012. This deadline is still tight; however there is little chance of this being pushed back further.
- Finance Manager duties have been extended to cover Head of Finance tasks – responsibility remains with the Director.

##### **1.2 HR**

- Consultation on redundancy/transfer for NSMC employees
- Consultation on transfer/redundancy for Scottish projects
- Voluntary redundancy scheme for NSMC employees
- Data gathering for NSMC and Scottish Projects for pension purposes
- Retention Strategy submitted to BIS
- Completed Annual leave / carry forward audit and analysis
- Conducted annual audit of equality & diversity data

##### **1.3 IT**

- 99.99% (Nov) 99.81 (Dec) overall system availability during operational hours
- IT Service desk requests November: 482 incoming, 489 completed, 113 pending
- IT Service desk requests December: 332 incoming, 313 completed 127 pending
- Call recording now operational for EHU
- Finance System software updated to latest release and hot fixes applied.

##### **1.4 Properties/Procurement**

- Tendering for and award of contracts in the order of £400k with more to follow.
- Feedback from Programme Leads is that the improved system and web page has speeded up the procurement process and reduced the burden on staff.
- Over-seeing the NSMC Closedown Process and ensuring proper procedure including all expenditure signed off by MOC not JB.

##### **1.5 Legal**

- Nothing to report

## **2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING**

### **2.1 Finance**

- CLOS interim accounts required by end January 2012.
- Obtaining forecast outturn on Scottish Earned Income Projects for possible transfer back to the Scottish Government.
- Managing without the Head of Finance while a replacement is recruited.

### **2.2 HR**

- Continue to manage HR implications of the closure programme, providing framework for 11 distinct closures within the overall programme
- Records management and due diligence in relation to projects transferring
- Retention and motivation
- Attendance at employment tribunal (race discrimination)

### **2.3 IT**

- Separation of IT systems for NSMC
- Ongoing discussions with CAS relating to IT implications of a possible early transfer of the EHU

## CONSUMER FOCUS SCOTLAND

Senior Director: Marieke Dwarshuis

Reporting period: 01 November 2011 – 06 January 2011.

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### 1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

#### 1.1 Change/impact achieved

##### POLICY

- Consumer Focus Scotland and the Scottish Government were joint hosts of the Energy Summit held on 15 November and co-chaired by the Cabinet Secretary for Finance and Sustainable Growth and the Cabinet Secretary for Infrastructure and Capital Investment. The Depute Director delivered a presentation on the impact of energy price rises on consumers in Scotland. There were a range of outcomes agreed with the energy companies. Following on from this, Consumer Focus Scotland will: facilitate discussions aimed at improving how suppliers can engage better with vulnerable customers; and facilitate discussions between energy companies, COSLA, SOLACE and voluntary organisations on how to reach the most vulnerable customers.
- The Scottish Government published an updated National Performance Framework in December 2011. This includes a new National Outcome related to older people - 'Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it'. Consumer Focus Scotland has called for this, for example in our recent written evidence to the Finance Committee on the *Draft Budget 2012-13: preventative spending we recommended* 'provide support for services that enable older people to remain at home' as a commitment and priority. We further recommended that this be included in the menu of indicators, and in particular, that stated Scottish Government policy goals such as 'to optimise the independence and wellbeing of older people at home or in a homely setting' be included. These recommendations followed from our recent research with Community Food and Health (Scotland) on access to food services for older people living in the community, which found that access to such preventative services enabled older people to remain at home for longer, and played a vital role in their health and wellbeing.

##### EXTRA HELP UNIT

- The Unit handled 809 cases (666 complaints (46% of these were priorities) & 143 enquiries)
- Priority levels recorded in December 2011 are over 50% lower than the previous year. This reflects the efforts made by Consumer Focus and suppliers in addressing failures from the previous year and the milder weather.
- 81% of cases were related to domestic consumers and 19% to business.

- £106,347 was achieved in financial redress on complaints closed during this reporting period.

## 1.2 Significant activity

### POLICY

- Sarah O'Neill and Annie McGovern met with the Scottish Government on 3 November to discuss the Scottish Government's plans for the future of digital public services, and its wider work on the reform of public services, and also met with Ofcom's Director of Consumer Policy on 15 November to discuss the recommendations from the CFS report Scotland's Digital Needs, and Ofcom's future work streams on consumer-related issues.
- Preparatory and background work into consumers' water rights is in progress. Research using the Consumer Network will commence mid January 2012.
- We continued to raise our profile as the new consumer advocacy body on water by adding a 'water' policy page to our website and by writing to Committee Convenors (jointly with SPSO) to highlight our new functions. An update to Consumer Focus Scotland stakeholders was also issued via the new CFS e-newsletter.
- Sarah O'Neill and Trisha McAuley led an all day information session, attended by other members of the policy team, for colleagues from Citizens' Advice Scotland about our policy and advocacy work on 2 December. A general morning session covered our structure and statutory functions; how we approach consumer policy; how we formulate our annual plan; how we work with others; and how we influence policy. The afternoon session provided a more detailed overview of our policy work on energy; legal services; and post and digital communications. A further session will take place on 27 January.
- Kirstine Wood presented at a parliamentary event (hosted by Cabinet Secretary Alex Neil ) to launch the OFT market study into the supply of energy for heating to households which are off the mains gas grid. The presentation covered potential actions which can be taken by consumers and policy makers to improve affordability for Off-gas Heating Oil Consumers. .
- Trisha McAuley and Andrew Faulk presented on the consumer interest in renewable energy policy at the Scottish Government's Renewable Industry Advisory Group meeting (RIAG) on 7 November. We have been advocating that the economic growth agenda of the Scottish Government's energy policy needed to take better account of the consumer interests and the impact on household bills. The presentation was well received at the meeting, which was chaired by Fergus Ewing MSP, Minister for Energy, Enterprise and Tourism. As a result, officials agreed that the consumer interest did indeed need to be given more prominence. As a first step, CFS has been asked to join the working group drawing up a Microgeneration Strategy for Scotland. The Scottish Government also asked us to attend the National Economic Forum which will focus on the Scottish and international opportunities arising from renewable energy, and also the oil and gas sector on behalf and to participate particularly in the discussion group looking at improving the perceptions of renewables.

## EXTRA HELP UNIT

- An EHU document named '*Lessons learnt winter 2010*' was circulated across the big 6 energy suppliers, and follow up meetings have been held with a number of them. .
- A meeting was held with Npower Direct (Business) after EHU provided case analysis on why consumers were contacting the Unit. Npower Direct have made a number of improvements:
  - They have initiated a change of tenancy project to tighten up processes
  - They have better communication with domestic and business divisions
  - They are moving away from a one size fits all approach to tailoring solutions to suit needs of the consumer
  - They are being more flexible with charity/community centred organisations e.g. may apply back billing code.

## HEALTHYLIVING AWARD

- The Commonwealth Games Food Forum has unanimously agreed that all contracted caterers at Venues and Villages to the Commonwealth Games (Glasgow 2014) will be required to achieve the '**healthyliving award**' - this means that this can be introduced into the catering specification for the Glasgow Commonwealth Games. We are working with the department responsible for catering to facilitate this process.

## 2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING

### POLICY

- The contract for our research into consumer behaviour when dealing with law-related issues, being undertaken to inform our work on legal capability, will be awarded in January. This is a larger piece of work than initially envisaged, and will continue into the 2012-13 financial year. Funding for work undertaken in 2012-13 is to be funded by the Scottish Government and Scottish Legal Aid Board, and we will ensure we have concrete agreement for these funds prior to the awarding of the research contract.
- A new energy project will commence in January . The objective of this project is to gather robust and representative opinion around energy bills, switching energy suppliers, and implementing energy efficiency measures which will allow us to gain qualitative and quantitative evidence of:
  - consumer responses to recent energy price rises
  - the impact of current energy policy on consumers
  - consumer attitudes to and awareness of schemes which encourage them to implement heating and energy efficiency measures at household level
  - consumer experiences of using Scottish Government schemes which tackle fuel poverty and increase the energy efficiency of our housing stock
  - to gain consumer views around the ways in which Scottish Government schemes, to tackle fuel poverty and increase the energy efficiency of our housing stock, could be improved to better meet the needs of consumers

#### EXTRA HELP UNIT

- Work with relevant stakeholders on changeover of Consumer Direct to Citizens Advice consumer service ensuring that referral arrangements are maintained and disruption to consumers kept to a minimum.

#### CONSUMER LANDSCAPE

- Await announcement from Ministers on way forward for the consumer landscape, and maintain constructive dialogue with Scottish Government, Citizens Advice Scotland and Scotland Office.
- Prepare, in so far as possible, for different scenarios and their impact on budgets and activity for the coming year, and beyond.

## Consumer Focus Wales Senior Director: Maria Battle

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### 1. CONSUMER LANDSCAPE

- 1.1. The Welsh Affairs Select Committee published its report on 10 January 2012 on the representation of consumer interests in Wales. Consumer Focus Wales (Viv Sugar, Liz Withers and I) Citizens Advice and the Minister Ed Davey gave oral evidence and a number of written submissions were made including submissions from Professor Pennington, Shelter Cymru, Sharon Mills and residents of Park Homes. The Committee said it expects BIS to take the report into account when the draft order in relation to the future of Consumer Focus Wales is laid.
- 1.2. Considering the two reasons given by the Minister for change, reducing duplication and waste, the Committee said it was not convinced by the Government's argument that Citizens Advice and Consumer Focus duplicate each others work but on the contrary from the evidence they received it is clear that the two organisations have deliberately avoided such duplication of effort focusing their work on separate areas of consumer interest.
- 1.3. In response to the submission that one organisation would be more cost effective the Committee recommended that the Government write to the committee setting out what savings it expects to make from abolishing Consumer Focus and transferring its powers to Citizens Advice, and for the letter to include a timeframe identifying when these savings will be achieved. In addition the Committee recommended the government must ensure the proposed successor body for Wales is adequately resourced.
- 1.4. The Committee said the Government's proposals announced in October 2010 have caused continuing uncertainty and called on the government to publish without delay its detailed plans on for how Consumer Focus Wales functions will be exercised in the future.
- 1.5. The Committee said it was not wholly convinced of the Government's reasons for abolishing Consumer Focus. It recommended that as consumer matters fall increasingly under the responsibility of the National Assembly for Wales that the government conduct a review before the end of Parliament on whether or not it is appropriate to devolve responsibility for consumer affairs to the National Assembly for Wales. The Commission for Devolution should also consider this matter when it reviews the powers of the National Assembly for Wales.
- 1.6. The Committee recommended that the Government sets out its plans for ensuring expertise and research facilities of Consumer Focus Wales are maintained under the new arrangements. This should include an appropriately resourced research unit based in Wales which, through effective horizon scanning, pro actively identifies

consumer problems but which is also responsive to the issues raised directly by consumers living in Wales. The successor body should continue to challenge the regulator when appropriate and publish evidence needed to inform public policy at a strategic level in the manner Consumer Focus did so successfully in connection with fuel poverty and food standards in Welsh schools. The Government should, in its response to the report, make clear what emphasis the new organisation should place on client driven and research led investigations.

- 1.7. The committee also recommended that the Government must ensure that Citizens Advice Cymru is given the same legal independence as Consumer Focus Wales. The new body should provide guarantees that it will have a permanent headquarters in Wales and its independence from any parent organisations should be set out clearly. The Director of Citizens Advice Wales should also sit on the Board of the parent organisation.
- 1.8. The Minister is expected to reply to the recommendations two months from publication.

## **ACCOMPLISHMENTS**

### **2. FINANCIAL EXCLUSION AND CARE LEAVERS**

- 2.1. On 11 January Ken Skates AM sought the Welsh Assembly's agreement to introduce his Proposed Private Members Bill on Continuity from Care into Adult Life. He had written to CFW to say that our report 'From Care to Where?' published in March 2011, has helped to shape the proposals. To help inform the plenary debate we produced a short briefing for all AMS encouraging them to support the bill, and reminding them of key recommendations to improve the lives of young people leaving care from our report. The Welsh Assembly gave its unanimous support to the proposal including the Deputy Minister for Social Services.

### **3. FOOD SAFETY**

- 3.1. On 13 December 2011 the Welsh Government issued a consultation and a Food Hygiene Ratings (Wales) Bill incorporating all of the provisions to protect consumers which we have been calling for in our two published reports "Protecting consumers from E.Coli 0157". The Bill proposes to make the display of food hygiene ratings mandatory in Wales and includes provision for on the spot fines. The consultation document refers to our consumer research throughout and includes a question on access to full hygiene inspection reports. We are very pleased with the content of the Bill which makes Wales a frontrunner in the UK We will empower consumers in Wales to respond directly to the consultation through an E petition and postcards. A documentary has been recorded by BBC Wales about food safety and the impact of the Bill on health in Wales in which we participated and will be shown on 24 January 2012.

- 3.2. We made a range of recommendations in our second annual progress report "Protecting consumers from E.Coli 0157" and requested the First Minister to respond formally. On 19 December the First Minister set out how the government had taken positive steps to implement each of our recommendations including introducing the first legislation to be tabled by the Welsh Government using its new powers.
- 3.3. We responded on 10 January to the Food Standards Agency Wales Consultation on the Local Authority Ratings Scheme which will rate local authority food law enforcement services in Wales
- 3.4. CF Labs has been working with the Foods Standards Agency to improve their Food Hygiene Ratings Site to make it more accessible to consumers. Improvements recently incorporated include; Open data available in open formats which will facilitate third-party development of interesting and alternative applications; Improved search engine optimisation (SEO); Inclusion of social media linking and enhanced use of map facility. We continue to work with the FSA on further improvements.

#### **4. ENERGY**

##### **4.1. Energy switching in Wales**

- 4.1.1. The energy switching report '*Switched off: consumer views on energy switching in Wales*', was launched on Wednesday 18 January, during Big Energy Week (which ran from 16 – 21 January). To coincide with the launch of our report and Big Energy Week we held an energy 'Question Time-style' event on the same day at the Wales Millennium Centre from 12-1pm to allow a cross-section of the public and stakeholders to put their questions directly to politicians about their energy concerns. The panel comprised of Lord Dafydd Elis Thomas AM, Julie Morgan AM, Mark Isherwood AM and Eluned Parrott AM.

##### **4.2. Fuel Poverty Coalition Cymru**

- 4.2.1. On 17 January 2012 the Fuel Poverty Coalition Steering Group met with Welsh Government officials to discuss progress on our 6 calls for action 'Countdown to affordable warmth' and the overall delivery of their fuel poverty strategy. A representative from the Welsh Government's Tackling Poverty team attended to discuss how the two agendas will link together.
- 4.2.2. On 23 January the Coalition Steering Group met with the Minister for Environment and Sustainable Development, John Griffiths AM. The Minister has agreed to meet with the coalition on an annual basis and the initial meeting will be used to highlight why we think our six calls for action/the Fuel Poverty Charter for Wales is more critical than ever in the current climate.

##### **4.3. Cross Party Group on Fuel Poverty**

- 4.3.1. The Minister will also be attending the next Cross Party Group meeting which is due to take place on 25 January.

## **5. POST OFFICES**

- 5.1. The report on Post Office Locals in Wales has now been finalised and is with Post Office Ltd for comment. The report will be launched at the National Assembly for Wales, Ty Hywel, on 7th February. The event is to be hosted by Vaughan Gething AM.
- 5.2. A copy of our Post Office Diversification Fund guide will be circulated with applications for the 2012 round of the fund. We have successfully influenced the Welsh Government to include consultation with post office users as one of the four primary criteria for application.
- 5.3. We have now received responses from local authorities on what services they provide through a post office. We have issued a tender to three research companies to hold focus groups with post office users on what local government services they use at a post office or would like to see provided in their local post office. The findings from the focus groups will be delivered in March 2012.

## **6. ACCESSIBILITY FOR PEOPLE WITH SENSORY IMPAIRMENTS IN POST OFFICES**

- 6.1. Action on Hearing Loss Cymru and RNIB have provided a summary report on the initial findings from the mystery shopping exercise. The paper concentrated on 21 post offices in Wales that were given Post Office Diversification Fund monies to make DDA or similar adaptations to their premises. Initial findings suggest there is a need for more staff training to use hearing loops, the importance of clear signage and well-lit premises and a possible need for more guidance and training for staff in dealing with customers with sensory impairments.
- 6.2. We will be meeting with Welsh Government officials in the next few weeks to discuss the initial findings and make recommendations on how they can be fed into the guidance, criteria and assessment for the Post Office Diversification Fund, to ensure funding is used as effectively and efficiently as possible.
- 6.3. The research visits will be completed by mid February. Following this we will be able to consider the publication timeline and dates and arrangements for a launch of the report.

## **7. ROYAL MAIL**

- 7.1. Letters have been sent to elected representatives in the Swansea and West Wales areas that are part of the Delivery to Neighbour trial, asking them to share their constituent experiences with us. Leaflets will also be sent to tenant associations in the area, asking for consumers to share their experiences of the trial. Consumer Focus is also undertaking survey work in the area.

- 7.2. We are meeting with Ofcom colleagues to discuss the possibility of holding an information event for Assembly Members. The event would be to inform AMs of our respective roles, the upcoming regulatory changes and what we believe this means for consumers in Wales.

## 8. PRIVATE RENTED SECTOR

- 8.1. We have now commissioned ORS to undertake the research for this project, which will look at improving protections for tenants. The research will be via a series of focus groups with consumers and in depth interviews with landlords and letting agents. All of the research is due to be complete before the end of this financial year and will feed into the Welsh Government's proposed Housing Bill.

## 9. PARK HOMES

- 9.1. CFI and CFW are continuing to work in partnership on the Park homes project. CFI is responsible for gathering evidence for England and Scotland and CFW is dealing with evidence concerning sites in Wales
- 9.2. Lowri and Liz are continuing to work closely with Welsh Government Officials to influence the content of the proposed Housing Bill Wales which has the potential to give greater protection for Park Home residents in Wales.
- 9.3. On 7 December Lowri Gemma and I met with trading standards and licensing officers and Police (an officer who had been allocated responsibility for this work following my meeting with the Chief Constable.) in one police force area in Wales. It was agreed that the Police, Trading Standards and the voluntary sector will work with residents on one park home site in that area to introduce a Neighbourhood Agreement which sets out the rights of the residents, the professionals responsible for enforcing those rights and the resident's responsibilities. They will work directly with the residents to put together a set of principles. In addition Trading Standards and the Police will write a joint letter to all site owners in the county setting out what they expect from them. Gemma has produced a "know your rights document" for residents which can be adapted across counties in Wales and England.
- 9.4. On December 14 Lowri and I met with the Older Persons commissioner, Ruth Marks, to brief her on the issues facing older people on some Park Homes in Wales and the need for older people to have an advocate, a role we are currently undertaking.
- 9.5. Peter Black AM intends to introduce a private members Bill in the Assembly on Park Homes and Lowri and I are meeting with him on 20 January to brief him in relation to the evidence of detriment we have gathered.

## 10. CONSUMER FOCUS INVESTIGATIONS

### 10.1. England

10.1.1. Gemma and Lisa and I attended the Mobile Homes All Party Parliamentary Group (APPG) meeting on 7 December. Also in attendance was Mark Colquhoun, Detective Inspector with West Mercia Police. We both gave presentations which were very well received and the attendance was high. The committee welcomed the first robust independent evidence gathering in this field by Consumer Focus. The APPG minutes along with the slides and briefing for the presentation are available to board members on request.

10.1.2. We prepared a briefing for Annette Brooks MP working with colleagues in the energy team in CF in preparation for her meeting with Chris Huhne MP the Secretary of State for Energy and Climate change on 12 January 2012. The briefing examines the barriers that park home residents will face should they wish to access the benefits of the Green Deal. They are particularly disadvantaged. A hard copy of the briefing will be available at the Board meeting. Feedback was the meeting went well and the Secretary of State is considering the issues.

10.1.3. Annette Brooks MP also supports identifying an Association of Chief Police Officers (ACPO) lead for Park Homes and I will attend a meeting with her with the Head of ACPO. In advance of meeting with ACPO we have shared with Annette Brooks MP a report of the Social Care Institute for Excellence looking at the impact of financial crime against vulnerable adults  
<http://www.scie.org.uk/publications/reports/report49.asp> This report was commissioned by ACPO and has clear cross over with the impact of criminal behaviour by some park home site owners. Grant Shapps the housing Minister will be attending the next meeting of the APPG and I have been invited to attend.

10.1.4. It has recently been announced that the Department of Communities and Local Government consultation on park homes will be published in late January 2012. The Committee on Communities and Local Government has announced it is holding an inquiry into Park homes and we will be submitting written evidence by February 1 and are seeking an opportunity to give oral evidence.

10.1.5. Both CFW and CFI are organising launches of individual nation reports at the Houses of Parliament and the Senedd in June 2012. Annette Brooks MP has kindly offered to sponsor the event in Westminster and Kirsty Williams AM in the Assembly.

### 10.2. Scotland

10.2.1. Before Christmas CFI presented to the Mobile Home Stakeholder Working Group. The group comprises officials from the Scottish Government, the police, local authority representation and park home residents. The purpose of the meeting was for CFI to explain the park homes project and to ensure that the research findings will be of use to the Scottish Government.

10.2.2. In Scotland the research will be used as part of the evidence base for the introduction of a Scottish Statutory Instrument to amend the Mobile Homes Act 1983. The Scottish Government has postponed the laying of the SSI in order to receive our findings. The Scottish Government also intends to bring forward a Housing Bill, which will provide the opportunity for Consumer Focus's research to be used as part of the review into the site licensing regime.

10.2.3. Finally, the team is helping some individual park home residents with various issues and liaising with various police forces regarding certain complaints involving site owners.

### 10.3. **CFI Referrals**

10.3.1. Since mid-November 2011 CFI has team has received 20 referrals from individuals and MPs. The referrals relate in the main to the park homes work. However, one referral was from a consumer's daughter about a misleading promotion received in the post. The OFT has referred it on CFIs behalf to the Advertising Standards Authority as another identical referral had been made the same week from a trading standards team.

### 10.4. **Estate agents consultation**

10.4.1. CFI submitted a brief response to the consultation on the proposed draft guidance for estate agents in conjunction with Consumer Focus Scotland.

### 10.5. **Parking**

10.5.1. CFI continues to be involved with the Protection of Freedoms Bill, and met with Baroness Hayter, Lord Lucas and Lord Rosser on 12 January 2012 to discuss their concerns about the proposed ADR scheme. We have been undertaking this work in partnership with Citizens Advice and TSI. A briefing was circulated in advance of the meeting and a letter sent to Earl Attlee. Also discussed was Baroness Hayter's concerns over the clamping ban leaving flat owners and landlords with no means to deter parking on their land and how the ban will adversely affect disabled motorists who will be left without access to spaces because ticketing is an insufficient deterrent to motorists using their spaces without holding a blue badge.

10.5.2. We said the ADR scheme must be open to all motorists and not just those who happen to park in a site operated by a member of the BPA and agreed to draft two proposed amendments to the Bill dealing with the implementation of an ADR scheme.

10.5.3. CFI has given support to a Trading Standards team in relation to a potential Consumer Protection from Unfair Trading Regulations case that they are contemplating.

10.5.4. Gemma will be attending the ADR stakeholder advisory meeting with the BPA, the parties tendering for the ADR scheme, other consumer and motoring organisations and some industry representatives on 1 February 2012. This will be our opportunity to agree exactly what the terms of reference for the scheme will be.

## 10.6. Shoppers Discount/Rewards First

- 10.6.1. CFI continues to receive complaints from consumers who feel that they have signed up to the online discount scheme without their knowledge. CFI has consent from some consumers to pass their details to the OFT for further consideration.

## 11. CF LABS

- 11.1. CF Labs has developed a website identifying low food hygiene ratings for supermarkets and hypermarkets across Wales. This was by request of Consumer Focus Wales' Communications department and is part of a series of CF Labs sites that use live data from the Food Standards Agency's Food Hygiene Rating Scheme to visualise low-scoring premises across the country.
- 11.2. CF Labs along with colleagues from the International and Empowered Consumers teams met with representatives of the Information Commissioner's Office and Which? in January to consult on consumer education regarding 'cookies' (online tracking mechanisms). The ICO has identified issues around the implementation of new EU directives designed to regulate the use of cookies on public sector and commercial websites and has requested Consumer Focus's assistance in drafting a definitive body of information designed to educate consumers on cookies. Whilst planning is currently in initial stages, there was support for the CF labs-proposed idea that the information could sit primarily on the StayPrivate website given its nature and the fact that it enjoys a sizeable audience made up in large part of a demographic that might not be easily reached elsewhere online, e.g. older web users.
- 11.3. CF Labs is currently involved in planning a workshop around the issue of where next for open data. The half-day workshop is scheduled to take place in late February 2012 and will be attended by other consumer organisations, developers and representatives of bodies concerned with open data. It is a joint initiative with the Empowered Consumers team and will be facilitated by a prominent contributor in the field of open data.
- 11.4. StayPrivate.org registrations now stand at 45,926.

## 12 FUTURE CHALLENGES

- 12.1 As a result of the ongoing uncertainty about our future it will become more difficult to retain key staff within Consumer focus Wales.