

**DRAFT**

## **CONSUMER FOCUS: MINUTES OF MAIN BOARD MEETING No.35**

**Draft minutes of the open session of the meeting held on 29 September 2011, 9.00am – 3.00pm at Fleetbank House, Salisbury Square, London EC4Y 8JX**

### **Present**

Christine Farnish	(CF)	Chair, Consumer Focus
Stephen Locke	(SAL)	Board member/ Vice Chair
Enid Rowlands	(ER)	Board member / HR&R Committee Chair
Sharon Darcy	(SD)	Board member /A&R Committee Chair
Vivienne Sugar	(VS)	Board member / Consumer Focus Wales Chair
Roger Darlington	(RD)	Board member
Sukhvinder Kaur Stubbs	(SKS)	Board member
Dame Suzi Leather	(SL)	Board member
Rick Hill	(RH)	Board member / Consumer Focus Post NI Chair

### **In attendance**

Mike O'Connor	(MO'C)	Chief Executive, Consumer Focus
Graham Clark	(GC)	Director of Finance and Operations
Marieke Dwarshuis	(MD)	Senior Director, Consumer Focus Scotland
Maria Battle	(MB)	Senior Director, Consumer Focus Wales
Adam Scorer	(AS)	Director of External Affairs
John Bromley	(JB)	Director, NSMC
Susannah Hughes	(SH)	Head of Secretariat

### **Observer**

Madeleine Durie	(MD)	BIS
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At the start of the meeting, there was a closed session for Board, SMT and Secretariat only, with Martin Donnelly, BIS Permanent Secretary attending from 11.45 – 12.45. The minutes of the closed session are recorded separately.

Philip Cullum, former Deputy Chief Executive, joined Board members during the lunch break and was warmly thanked for all his excellent work with Consumer Focus, and previously with the National Consumer Council.

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## **OPEN SESSION**

### **1 APOLOGIES AND ANNOUNCEMENTS**

- 1.1 CF welcomed all attendees to the open session. In view of the changes to the agenda for extended consumer landscape discussions, the policy items had been deferred. Policy updates would be circulated off-line and arrangements made for follow up discussions.

### **2 DECLARATIONS OF INTERESTS**

- 2.1 ER had been appointed to the Board of the National Employment Savings Trust (NEST) and was congratulated by the Board. Previous declarations were taken as read and there were no new declarations.

### **3 MINUTES OF PREVIOUS MEETINGS AND MATTERS ARISING**

- 3.1 The Board approved the minutes of the open session of the Board meeting held on 28 June 2011.
- 3.2 The *Super-complaint: The hidden cost of holidays* had been launched in July and was attracting significant interest.
- 3.3 SD advised that Jon Whitfield, BIS Head of Internal Audit, would attend the A&RC on 12 October.

### **4 CHIEF EXECUTIVE'S REPORT (Paper 4)**

- 4.1 Consumer Focus was producing more than ever, of better quality and greater impact, and one in four staff members had appeared in the media as expert contributors, which was a remarkable achievement. The stress on the organisation, however, was considerable and growing in all areas. Staff continued to work hard, travelling in the hope of maintaining services for consumers. The Board extended sincere thanks to all for the excellence of the work and the professionalism with which they continued to deliver in challenging circumstances.

### **5 CONSUMER LANDSCAPE CONSULTATION**

- 5.1 The Board discussed the final draft response, which had been circulated in advance, and the revised RIU draft, which was tabled at the meeting. The Board agreed that the response should include the principles agreed in the closed session, namely:
- no diminution in representation of consumers, particularly in complex, regulated markets;
  - consumer representation should be independent of regulators;
  - there were genuine synergies, impact and effectiveness to be gained from bringing together representation across regulated sectors;
  - there was a need for a federated structure, operating in an integrated way across the UK;
  - proper powers, governance, resources and accountability were essential;
  - the new arrangements should allow more to be done for less and must be coherent, durable and sustainable.
- 5.2 MD confirmed that the Which?/CitA/CAS strategic partnership proposal was in the public domain and it could therefore be referred to in the response. CF reiterated that Consumer Focus was keen to be involved in further thinking on how the new proposals could be made to work.

- 5.3 Further work on the response would take place in the next few days and a new section on the devolved nations would be added. The final response would be agreed by MO'C and CF, and sent to BIS the following week.
- 5.4 Further work on the RIU prospectus would also take place in the next few day and Board members were asked to email any comments on the draft to CF.
- 5.5 MD said that BIS had received approximately 150 responses to date and it was hoped that the outcome could be announced by the end of the year. She also confirmed the intention that Ed Davey would convene a round table discussion within the next few weeks. BIS recognised the challenges for Consumer Focus of the uncertainty and implications for staff and MD confirmed that BIS would convene a Joint Transition Board, to meet before the public announcement was made.
- 5.6 The Consumer Insight paper was almost complete and would be emailed to Board members. It would be published in October/November and launched at an event for invitees.

## **6 BUDGET AND FINANCIAL PLANNING (Paper 6.1 and 6.2)**

- 6.1 **2011/12 mid year reporting** The Board considered the mid year forecast, noting the current underspend and factors which will influence the position to the end of the year. SMT was considering what potential additional projects could be undertaken and how they could be delivered.
- 6.2 **2012/13 budget** The updated indicative funding range received from BIS had improved since the initial indication but as currently stated would still cut a further £0.6 - £1.3m. The actual settlement was expected before the end of 2011 and the worst case scenario from all funding streams was a £1.8m cut. The Board reviewed the strategic principles which it had agreed for 2011/12 but felt that detailed planning could not be done at this stage. MO'C/GC would prepare on the basis of the worst case scenario and come back to the Board in November.
- 6.3 Despite the uncertainty, Consumer Focus had a legal obligation to publish its proposed workplan and it was agreed that a simplified version, based on updating the current programme and in line with budget principles, be published on the website only. The Board agreed it was essential to maintain some flexibility within the plan to respond to significant issues which may arise.

## **7 TRANSITION MANAGEMENT (Paper 7)**

- 7.1 The Board noted the work done to date, agreed the work which needed to be done in the future and agreed the general case for extra resources. The Board was concerned about the pressures which the organisation would face in the remainder of its life and noted the limitations this would impose on what could be delivered for consumers. The Board was also concerned about the impact on SMT and the risk to the leadership function, and asked for this to be added to the risk register.
- 7.2 SD advised the Board that the internal auditors had recommended that a special Transition sub-committee be formed. The Board discussed options including some combination of the existing committees, or ER, SD, CF and MO'C. The Board had previously decided that transition be a standing item on the Board agenda and now agreed that, as transition was a matter for the whole Board, rather than have another Committee, ring fenced time would be allocated at all Board meetings for this item.

**8 FORWARD LOOK (Paper 8)**

8.1 The Board welcomed the impressive range of work planned and hoped that it could be accomplished.

**9 ANY OTHER BUSINESS**

9.1 The Board noted the meetings calendar for 2012/13. Board meetings from January 2012 onwards were scheduled to start at 11.00am. It was possible that an earlier start might be needed because of pressure on the agenda, but this would be avoided if at all possible.

9.2 Additional arrangements would be made so that from now to closure Board members would have the opportunity to meet monthly by teleconference or face-to-face for any necessary discussions. If papers were to be needed, it was to be expected that they would be sent 48 hours in advance and would take the form of brief bullet points.

**10 NEXT MEETING**

**10 November 2011** Fleetbank House, starting at 9.30am and ending no later than 3.30pm.

**11 REVIEW OF MEETING**

11.1 The Board agreed that the revised agenda had worked well; the papers had been excellent and the meeting productive and well chaired.

<b><u>Signatories</u></b>	
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Chair, Consumer Focus	Date
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Chief Executive, Consumer Focus	Date

## ACTION POINTS:

Minute Item	Action	Owner	Timing	Status as @ 3.11.11
1	<ul style="list-style-type: none"> <li>• <b>policy updates</b> circulate and arrange for discussions</li> </ul>	SMT	Oct	On agenda for November Board
5	<ul style="list-style-type: none"> <li>• <b>consumer landscape consultation:</b> complete and send response and RIU prospectus</li> <li>• <b>Ed Davey round table:</b> liaise with BIS</li> <li>• <b>consumer insight paper:</b> complete, mail to Board, launch with event Oct/Nov</li> </ul>	MO'C/CF	Oct	<p>Done</p> <p>No news as yet</p> <p><i>Through consumers' eyes – to be launched 1.12.11</i></p>
6	<ul style="list-style-type: none"> <li>• <b>2011/12:</b> review/update projects</li> <li>• <b>2012/13 budget:</b> planning to Nov Board</li> <li>• <b>workplan:</b> publish proposals on website</li> </ul>	<p>SMT</p> <p>MO'C/GC</p> <p>SMT</p>	<p>Oct</p> <p>Oct/Nov</p> <p>Jan</p>	<p>Being done</p> <p>To be done when budget info received</p> <p>Oral update to November Board</p>
7	<ul style="list-style-type: none"> <li>• <b>risk register:</b> add <i>loss of leadership</i></li> <li>• <b>transition:</b> standing item for Board (no new Committee)</li> </ul>			<p>Done</p> <p>Done</p>
9	<ul style="list-style-type: none"> <li>• Monthly opportunity for Board members to meet in person or by telecon: arrange</li> </ul>	SH	Oct	On agenda for November Board