

CONSUMER FOCUS: MINUTES OF MAIN BOARD MEETING No.33

Draft minutes of formal Board business item taken at meeting held on
24 May 2011 at the Hesperia Hotel, London Victoria SW1V 1QA

This minute is not confidential

Present

Christine Farnish	(CF)	Chair, Consumer Focus
Anna Walker	(AW)	Board member/ Vice Chair
Enid Rowlands	(ER)	Board member / HR&R Committee Chair
Sharon Darcy	(SD)	Board member /A&R Committee Chair
Rick Hill	(RH)	Board member / Consumer Focus (Post) Northern Ireland Chair
Douglas Sinclair	(DS)	Board member / Consumer Focus Scotland 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

In attendance

Mike O'Connor	(MO'C)	Chief Executive, Consumer Focus
Philip Cullum	(PC)	Deputy Chief Executive, Consumer Focus
Graham Clark	(GC)	Director of Finance and Operations
Marieke Dwarshuis	(MD)	Senior Director, Consumer Focus Scotland (by telecon)
Maria Battle	(MB)	Senior Director, Consumer Focus Wales
Adam Scorer	(AS)	Interim Director Reputation and Impact
Susannah Hughes	(SH)	Head of Secretariat
Robert Hammond	(RH)	Programme Leader, Post Offices/Post

Apologies

Stephen Locke	(SAL)	Board member/ Vice Chair
John Bromley	(JB)	Director, NSMC

POST AND POSTAL SERVICES STRATEGIC ISSUES

1 POSTAL SERVICES ISSUES

- 1.1 Board members had received a recent paper from David Stubbs, an independent postal services consultant who had been commissioned to do this work by Consumer Focus. That paper brought together and updated his two previous papers for Consumer Focus and gave his expert opinion and recommendations on Richard Hooper's updated report to Government. The previous papers had been discussed at earlier meetings by the Board, who had given clear strategic steer in relation to implications for Consumer Focus policy priorities.
- 1.2 The paper now considered by the Board provided an update, an opportunity to consider strategic positioning and to agree a general policy position with regard to some specific issues.
- 1.3 **The Postal Services Bill** had been introduced and Royal Assent was likely in July 2011.
- 1.3.1 The Board **ENDORSED** the Parliamentary strategy being pursued by the Executive with respect to the Bill.
- 1.4 **Joint research with Postcomm on needs of consumers from a USO service.**
- 1.4.1 The Board **ENDORSED** the general policy position on the removal of bulk mail from the USO and diverse ancillary matters; Postcomm's market analysis; access arrangements to competitors of Royal Mail, and the 2012 price control.
- 1.4.2 The Board **AGREED** that Consumer Focus would:
- feedback to Postcomm that a consumer body must have access to proper mailflow data in order to be able to give full input to any consultation;
 - do a forward looking piece of work on the **USO** in 2012;
 - offer to work with Ofcom as a trusted partner as the agenda is moved forward more radically.

2 ROYAL MAIL APPLICATIONS UNDER LICENCE CONDITION 21

- 2.1 The Board discussed three applications from Royal Mail under Licence Condition 21. This discussion was confidential and the minute is recorded separately.

3 POST OFFICE ISSUES

- 3.1 The Awayday paper reviewed Consumer Focus priorities in the context of critical issues facing the post office network and sought strategic steer from the Board in relation to the separation of Post Office Limited (POL) and Royal Mail; support for the postal network; optimal alignment of Consumer Focus activities. The paper was comprehensive in terms of POL challenges but did not include reference to work done in Consumer Focus Scotland, Northern Ireland or Wales.
- 3.2 The Board considered the paper focused more on the needs of the post office network than of consumers. The rate and scope of change for the post office network was considerable and increasing. Research to date had shown that consumer experiences of the post office local initiative was often very poor and POL had shown no appetite for engaging with Consumer Focus or consumers directly, although a meeting was now scheduled for MO'C and Robert Hammond to meet with Paula Vennells, Managing Director, POL.

3.3 The issue was politically sensitive and the Minister had welcomed the work done by Consumer Focus. POL did not fall under any regulated industries structure.

3.4 The Board **AGREED** that:

- POL be encouraged to seek more sustainable, positive, entrepreneurial solutions
- A further paper, re-focused from producer driven to consumer perspective, would be brought to the Board before the end of the year.