

Consumer Focus Board

Paper 5

Title: CEO Report

Purpose: For information

Date of meeting: 10 February 2011

Responsible officer: Mike O'Connor

Prepared by: Mike O'Connor and SMT

Attachments: Directorate Reports

1 Overview

- 1.1 Consumer Focus is living in conditions of extreme uncertainty following the Government's announcement of its plans to transfer our functions to Citizens Advice and Citizens Advice Scotland. This is inevitably taking a toll on staff morale and we are seeing a steady stream of people leaving the organisation. Each one is a loss and sorely felt. We are implementing a voluntary redundancy scheme and consulting on a compulsory scheme. This is placing extreme stress on the organisation, both in terms of management systems and individuals.
- 1.2 It is asking a lot of people to carry on delivering for consumers in this situation but that is exactly what we are doing. If one reads the following report one cannot but be struck by the sheer volume of hard, relevant work people are doing in difficult circumstances. We are often too busy to keep a record of our achievements. Some occur after long campaigns, e.g. DECC has announced that it intends to scrap energy companies' ability to unilaterally block changes to their licences on an ex ante basis and replace it with an ex post appeals process. The current regime means that a single large supplier can block a proposed change, so reform is urgently needed. Under the revised rules Consumer Focus will pick up a new statutory right, as a designated body with the right of appeal – the only non-industry participant to be given this right. The change comes as part of the transposition of the EU 3rd package in to UK law. We have been instrumental in delivering this change – we argued hard for reform in this area at the time of the last Energy Act, drafting a Lib Dem amendment that gained Conservative support although it was voted down at the time. This reform will make it easier to get better and stronger consumer protections introduced.
- 1.3 Others are achievements "in the making", e.g. our research on Post Office Locals which I believe will enable us to help make this important new development for our Post Offices work better for consumers. We continue to make vital and unique contribution to the debate on copyright reform. Our message on behalf of consumers continues to be heard where it matters, e.g. the successes which Consumer Focus Wales and Consumer Focus Scotland is having with the Welsh Assembly Government and the Scottish Government. Through our Extra Help Unit we continue to provide vital help to vulnerable consumers and small businesses. Even in this difficult climate the National Social Marketing Centre continues to win contracts. I could go on but I hope it is clear that we can continue to be proud of what we are achieving.

Challenges ahead

- 1.4 We cannot rest on our laurels, indeed we will not be allowed to. The future will be different and we need to ensure that we can influence the way in which consumers can be represented to ensure that they get an excellent service. There are huge changes going on, or plans are being laid for huge changes, in the consumer protection/empowerment/advice and enforcement world. This is a once in a lifetime opportunity to help make sure that consumer interests are better represented. It would be a lost opportunity if the debate centred on where the work was done, rather than how it can be done best in the consumer interest.
- 1.5 The forthcoming Government consultation is a vital opportunity for us and others to help build a system which works effectively and efficiently for consumers and, aside from all the internal matters and transitions that we will need to deal with over the coming months, we need to rise to the challenge of making an important contribution.

2 Action for the Board

The Board is asked to NOTE this report.