

CONSUMER FOCUS AND CONSUMER FOCUS POST POLICY ADVOCACY

Deputy Chief Executive: Philip Cullum
Director of External Relations: Adam Scorer

1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1 Energy

Energy Bill

- 1.1.1. The Second Reading of the Energy Bill is complete and the Committee sessions commenced on 7 June. Consumer Focus submitted written evidence, and our work was cited in the first session with Huw Irranca-Davies MP (Shadow Energy Minister) describing our 10 asks for a fair Green Deal as “coherent and compelling”. MPs from the Shadow DECC team, from the Liberal Democrats and the Green Party have tabled amendments developed from our policy lines.

ScottishPower Price Rise

- 1.1.2 ScottishPower announced price increases effective from 1 August of an average of 10% on electricity and 19% on gas. However, the headline average price increase masks some considerable differences across regions, payment methods and tariffs. This prompted further investigation and we made a referral to Ofgem on 9 June outlining concerns around a new tariff launched by ScottishPower, which had the potential to mislead consumers. Ofgem has confirmed it will be launching an investigation under consumer protection regulations.
- 1.1.3 Our strong media response to the price rise generated significant media interest with interviews through the day on the main national TV stations, starting with Sky News in the early afternoon and finishing with BBC’s 10 O’clock News. There was blanket national and regional radio coverage, with the news reported on the day and follow up on BBC Radio 4’s *You and Yours*, *File on Four* and *Money Box*. An interview the following week on *Money Box*, where our revised fuel poverty figures were highlighted led to the highest hit rate on our website, and traffic to our energy apps doubled in the last month.
- 1.1.4 Our comment was used in most of the national newspapers, and included a comment piece in the *Daily Mail* and a podcast for the *Financial Times*, while the weekend press examined the impact of Scottish Power’s announcement in more detail. Included in on-line coverage was a guest comment on Money Saving Expert arguing that the energy market isn’t working and that the ‘*Big Six need to feel the hot breath of competition on their necks...*’

Green Deal

- 1.1.5 DECC has announced more detail on the Government’s plans for the Green Deal. The announcements broadly reflect the evidence that we have put forward over the past 8 months through our series of research projects and discussion papers and progress is summarised here against our 10 key policy asks.

Our 10 key policy asks	Progress following announcements in May/June 2011
Will advice reflect how consumers use their homes?	Green - DECC is developing processes to handle scenarios where current occupants have very different use patterns to the standard for their property type.
Will the Green Deal be sold responsibly?	Amber - The Consumer Credit regulations will apply to Green Deal finance. Our main concern in this area at present is the lack of attention by DECC to the presentation of clear and comparable quotes (on which the finance will be based).
Will the Green Deal prompt action, or just make measures more affordable?	Amber – Greg Barker MP has said that the biggest lever will be the additional incentives but notes that this is in the hands of the Chancellor
Will the Government include heating systems in measures?	Green – DECC has taken a broad approach to measures, in line with our ask for a focus on cost and carbon savings rather than a limited number of named measures.
Will the Green Deal overcome the upfront cost barrier to microgeneration?	Amber - The Government has announced that Green Deal advice will cover energy generation as well as efficiency measures, but this does not address the barrier of upfront cost.
Will the Green Deal erode, rather than enhance, consumer protections in the energy market?	<p>Red – Government amendments to the Energy Bill (at the time of writing) give a confused picture of who is liable for debt management. They have said this liability will sit with Green Deal providers, but still provide the power to disconnect consumers for non-payment of the Green Deal charge.</p> <p>A further area of concern is the application of the Green Deal charge to prepayment meters. Consumer Focus has developed consumer protection principles for PPM users taking up the Green Deal which were submitted to the ERA / DECC group looking at prepay issues.</p>
How will consumers be protected?	Amber – The Government has adopted one of our proposed options for redress by announcing that Green Deal payments will be regulated by Ofgem, with customers able to seek redress through the Energy Ombudsman. The independent Green Deal advice line will also provide advice and referrals to consumers. We remain concerned whether this will meet the needs of vulnerable consumers.
Will landlords be able to rent out dangerously cold homes?	Amber – The Government has announced its intention to ban the letting of dangerously cold homes from 2018 but we continue to ask them, with other groups, to bring this forward.
Will the new Energy Company Obligation (ECO) help those most in need?	Amber – Unlike the current energy obligation, the ECO will be targeted to those in need of additional finance due to either income or the cost of measures, i.e. households in fuel poverty, and those in solid walled homes. We want it primarily focussed on the former, and this issue will be consulted on in the autumn.
Will the low carbon transition	Amber - Solid wall insulation in non-fuel poor households will be funded

push some households into fuel poverty?	by a mix of ECO subsidy and Green Deal finance to minimise the overall distributional impact of the ECO on energy bills. We continue to ask for an initial focus of ECO spend on fuel poor households, particularly those in solid walled homes (see below).
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- 1.1.6 We prepared a briefing on the new Energy Company Obligation for MPs to inform their discussions at the Energy Bill committee stage. We commissioned the Association for the Conservation of Energy to explore the potential of bringing down the costs of solid wall insulation and held initial talks with the National Federation of Housing Associations about the role social housing providers can play. We also commissioned Centre for Sustainable Energy to give a report on reforming environmental and social levies for a sub group of the Government's Fuel Poverty Advisory Group, chaired by Derek Lickorish.

Smart metering

- 1.1.7 The Government published its decision document on the Smart Meter Prospectus. We had a number of successes which are the product of our work over the last two years.

Protections - smart from the start

- 1.1.8 We successfully pushed for a mandatory Supplier Installation Code of Practice to cover the 50 million gas and electricity smart meter installations to safeguard consumers and ensure they have the help and support they need.
- 1.1.9 We expressed our concerns to the Energy Minister on the Prospectus Decision to allow the sale of tariffs, products, and services during an installation visit. We carried out a survey of customers' attitude towards doorstep sales to strengthen our evidence base. The results show a high level of distrust amongst consumers and a general unwillingness to tolerate doorstep sales.
- 1.1.10 We spoke at the Westminster Energy Environment and Transport Seminar chaired by Lord Whitty and Lord Steel; at the ERA workshop on the Code of Practice; and met repeatedly with DECC officials who are now reviewing their decision.

Hills Fuel Poverty Review

- 1.1.11 We responded to DECC's call for evidence on Hills Fuel Poverty Review with two reports: the Definition and Measurement of fuel poverty, by Dr Eldin Fahmy of the School of Policy Studies, and Spending Patterns and Inflation experience of Low Income Households, by the Institute for Fiscal Studies.

In-home displays

- 1.1.12 Following sustained work by Consumer Focus, Government decided to mandate that all households be provided with a separate in-home energy display (of energy consumption) worth on average £15 per customer for both gas and electricity at no extra cost. The right to a display that meets minimum standards will include customers who have already received a smart meter. We also managed to get the decision included in the draft EU Energy Efficiency Directive. Suppliers now also 'have to have regard to inclusivity by design' when providing displays, which ensures those with visual impairments or dexterity problems have a display they can use.

Data privacy and security

- 1.1.13 DECC adopted most of our proposals around data access and use. This included minimum standards to ensure the smart metering system meets privacy and security by design principles. They are "currently minded to define regulated duties narrowly".
- 1.1.14 We have now completed the first stage of our investigation into suppliers' compliance with data protection legislation. It was concluded that none of the energy suppliers are fully compliant with existing legislation. We are currently in discussion with suppliers over the legal advice and agree timetables for compliance.

Low income and vulnerable consumers

- 1.1.15 We succeeded in getting the 'right to chose' included in the European Regulator's Association (ERGEG's) Smart Metering Best Practice Guidelines which states that "all consumers" should be able to benefit from smart metering. DECC also officially said they will consider the case for establishing an extra help scheme for vulnerable consumers during rollout. They are also committed to review the impact of smart metering on low income and vulnerable consumers.
- 1.1.16 There is also pressure at an EU level to move to time of use pricing across the board as it was recognised that the current tariff could result in some customers being worse off.

Benefits realisation

- 1.1.17 Following our concerns about completing rollout of smart meters by 2016/17, the Minister has reversed its decision. Government will consult on an end date of 2019 instead. We are working with DECC and the Cabinet Office on developing plans to deliver energy saving strategies for consumers. DECC stated that Ofgem would proactively monitor the progress of rollout including the consumer experience, and it requires suppliers to report annually.
- 1.1.18 We have submitted new reporting codes to Consumer Direct to capture smart metering issues and will be training their advisors as well as the EHU on their relevance and how to use them.

Key stakeholder activity

- 1.1.19 Since the last Board meeting, we have spoken at a number of events attended by a range of decision and policy makers from across industry and UK/EU Government. These include an EU Commission and European Smart Metering Industry Group (ESMIG) event on maximising energy efficiency savings from smart meters; the Low Carbon Network Fund workshop with NEA on balancing innovation and complexity with new smart tariffs; the Westminster Energy Environment and Transport seminar on smart metering; and at the Ireland industry conference on consumer engagement.
- 1.1.20 We met again with the National Audit Office to discuss transparency and accountability around rollout, and participated in the second stage of the OCG Gateway Review. We met with Unite to discuss potential areas of common working on smart metering, especially on the detail of the Installation Code of Practice.

- 1.1.21 At the end of May, we submitted editorial recommendations on the draft proposal for a new energy efficiency Directive due to be adopted by the Commission in late June. Our recommendations were welcomed by both DG Energy and DG Consumers and were shared with BEUC and the Green NGO lobby.

Data matching

- 1.1.22 Consumer Focus worked with a range of organisations including Save the Children; Age UK; National Energy Action and UK Public Health Association, on an amendment to the Energy Bill. This was to allow the DWP to match benefits data with fuel company records so that low income consumers can automatically benefit from the Warm Home Discount, smart meter extra help support and the new energy company obligation. We are also working closely with British Gas.

Market structure

- 1.1.23 In early May, we organised a meeting programme for Christine Farnish and Mike O'Connor to meet with senior officials in the Commission, the European Parliament and BEUC. This programme covered the recommendations in the CF paper on Regulated Industries and Consumers, in addition to specific energy advocacy concerns.
- 1.1.24 Working jointly with the International team and with European bodies, we successfully lobbied for a number of amendments to the Wholesale Market Integrity and Transparency Regulation. These inclusions will allow the European regulator, ACER, to monitor and report on the large energy companies trading activities.

Retail Market Review (RMR)

- 1.1.25 Consumer Focus provided evidence to the Select Committee and various consumer and charitable organisations reviewing Ofgem's RMR. This was to provide background information for their consultation responses. We have had a series of meetings with Ofgem and individual suppliers to discuss the RMR in more detail. Ofgem is now minded to adopt a series of initiatives Consumer Focus has been pushing for.

New entrant

- 1.1.26 Cooperative Energy launched in May. Its tariff offering was based on Consumer Focus's concerns as expressed in the December 2010 open letter to Ofgem. It is seeking to position itself as an ethical supplier - on environmental and social grounds - and is open to views from Consumer Focus on what its priorities should be.

Billing

- 1.1.27 Our report *Missing the Mark* was published in early June. It summarises three pieces of research carried out in 2010-11 exploring consumer attitudes and reactions to energy bills and annual statements. Our research has been shared with DECC throughout the process to help them develop an evidence based approach that meets the needs of all consumer groups. We have now submitted our report on energy bills and annual statements.

Sales and marketing

- 1.1.28 Consumer Focus assisted Surrey Trading Standards in building its case against SSE who was subsequently found guilty of breaching the CPR in using a misleading sales scrip. This was a major victory for Trading Standards and will hopefully inspire other local TSS to prosecute other suppliers.

Micro-business

- 1.1.29 We held a roundtable for business groups and suppliers that kicked off our new “protection gap” approach to micro-businesses for the next two years. We began a media and stakeholder campaign to give micro-businesses the same back-billing rights as domestic consumers. We also launched a report on debt and disconnection cases for micro-businesses, *Small business, big price*, which painted a very vivid picture of the problems faced by micro businesses.

Supporting vulnerable consumers

- 1.1.30 Our reports reviewing suppliers’ Fuel Direct policies were circulated to suppliers in late April. The reports highlighted best practice and made recommendations to each supplier. We participated in a series of joint meetings with Ofgem and each of the suppliers which highlighted that suppliers are continuing to make progress following the 2008-09 Ofgem/Consumer Focus review.

Energy Ombudsman

- 1.1.31 We have been working with the International team and attended meetings with the EC Alternative Dispute Resolution (ADR) working group. We have produced a briefing for the group and responded to the drafts report. We defended consumers’ needs during the meetings.

Consumer Direct

- 1.1.32 During our regular quarterly meetings with Consumer Direct, we raised concerns about the closure of the CD website and shift of energy consumer information to direct.gov. We remain concerned about access to information, particularly the lack of a telephone number for consumers to call for further help and advice.

Energy Networks Association

- 1.1.33 We attended the Energy Networks Association consumer redress working group to discuss DNO stakeholder engagement plans and agreed to provide the forum with regular updates on a more formal basis,

1.2 Post

Association of Convenience Stores (ACS) Forum

- 1.2.1 The ACS Forum brings together individuals from across the retail industry, ranging from some of the big multiples, such as the Co-op and Budgens, through to independent retailers. We presented the key findings and recommendations coming out of the Post Office Locals report at the Forum.

Community Post Offices Workshop

- 1.2.2 Following our work surveying and building an online directory of Community Post Offices (Post Offices either run or hosted by communities), we organised a workshop event bringing together operators of community post offices throughout the UK and representatives from key stakeholder organisations. These include ACRE, NFSP, the Plunkett Foundation and the Social Enterprise Coalition, to discuss issues facing community post offices and the support needed for post office service provision. This work has been welcomed by Ed Davey MP and will form the basis of a forthcoming report to further ensure that Community Post Offices receive the support they need, both from Post Office Ltd. and more widely.

Business as Usual Post Office Work

- 1.2.3 We attended a meeting with Cambridge City Council and Post Office Ltd due to complaints made by local users. POL agreed an action plan to improve average waiting times and the overall quality of service experienced at this branch. They also agreed to work with the City Council to establish a better post box facility for local businesses. This case demonstrates how we can provide support and assistance to local representatives just when it is needed to ensure a positive outcome for consumers.

Royal Mail's Quarter 4 and whole year 2010-11 Quality of Service figures

- 1.2.4 We responded to Royal Mail's QoS report where it failed to meet its targets for First and Second Class and the Special Delivery service during Q4 and throughout 2010-11. Royal Mail claimed that when its results were adjusted to take account of the volcanic ash and poor winter weather, it met or exceeded its targets for First and Second Class post. Such a claim is subject to detailed investigation by Postcomm before it accepts any revisions on the basis of force majeure.
- 1.2.5 In our response we noted that these figures exclude the worst weather over the Christmas period (6th December-1st January) and that there was mild weather for most of winter. We also have evidence of ongoing local delivery problems caused by Royal Mail's modernisation programme.

Royal Mail's modernisation programme

- 1.2.6 We wrote to Royal Mail about our concerns with the implementation of its modernisation programme and in particular the lack of information being made to affected consumers at a local level. Royal Mail has accepted the need to keep consumers informed of the roll-out and its potential impact. This includes trials of a dedicated telephone helpline and writing to local consumers. It has also agreed to notify us of planned communications.

Royal Mail's complaints handling procedures

- 1.2.7 We have lobbied Royal Mail to address the multiple issues with its complaints handling processes. This has achieved considerable success. Royal Mail has implemented improvements to its telephone system that have reduced waiting times and customer confusion, it has also facilitated complaint escalation. We saw evidence of these changes during our visit to its main Customer Services centre in Plymouth in May.

Postal regulatory framework for 2012 and beyond

- 1.2.8 In the past 3 months we, and colleagues in the nations, have attended Postcomm workshops on key consultations and have responded to four significant ones. Three were designed to conclude its analyses of postal markets, update and clarify the content of Royal Mail's Licence, and review access arrangements. In our responses we did not oppose Postcomm's proposals but highlighted some potential concerns about rural SMEs and quality of service metrics.
- 1.2.9 The fourth consultation was launched to initiate discussion on regulatory safeguards from 2012 onwards in advance of the transfer of regulatory responsibility to Ofcom. We concluded that without further information about the likely impact, we cannot support a move to ex post regulation, particularly for universal service products. However, we acknowledged that this was an initial response and that we would respond in more detail to the full price control which is due to be published following vesting of the Postal Services Bill. We have also met with Ofcom and plan further meetings to guide them on issues around Royal Mail's complaint handling process and the changes made to it.

Postal Services Bill

- 1.2.10 The Postal Services Bill has now completed its passage through the House of Lords, with Commons consideration of Lords amendments on Thursday 9th June. During the passage of the Bill the government accepted no non-government amendments but we did secure the following 'wins':
- Reassurances around duration of the Inter-Business Agreement between Royal Mail and Post Office Ltd
 - Government amendment to allow the Secretary of State to direct Ofcom to take, or refrain from taking, action to ensure that sufficient access points are provided throughout the United Kingdom to meet the interests of the public
 - Government amendment specifying that the Post Office annual report must include details of the services offered by the Post Office on behalf of a universal postal service provider, as well as details of the wider postal services that are available
 - Letter from the Minister for Postal Affairs, Ed Davey, giving reassurances of the government's commitment to consumer protections

Meeting with Moya Greene

- 1.2.11 We met with Moya Greene, CEO of Royal Mail, on 13 June. This was a high-level strategic discussion at a time of considerable change for Royal Mail and the wider regulatory regime.

International conference

- 1.2.12 We attended the Rutgers 19th Conference on Postal and Delivery Economics at the beginning of June, chairing one session and participating in others. The conference focused heavily on the slump in mail volumes and e-substitution and the future of the USO - all very pertinent topics. The conference also provided a good opportunity to hold informal talks with Postcomm and Ofcom.

Board post strategy discussion

- 1.2.13 The Board held wide-ranging discussions on CF policy on postal services and postal network issues at its awayday session including consideration of Royal Mail's Condition 21 applications.

Consumer Focus Post (NI)

Post Office Locals -Letters to Ministers, MPs, MLAs

- 1.2.14 Following the recent Assembly elections in Northern Ireland, a letter outlining all key Northern Ireland postal issues has been issued to all newly appointed MLAs, MPs and key stakeholders. In particular, we have used this contact opportunity to raise the proposed rollout of PO locals across the UK and to launch the national Consumer Focus report– 'Local but limited', which we could not publish at the same time as our colleagues in London, due to Political Purdah in Northern Ireland.
- 1.2.15 We have also written separately to three newly appointed Ministers in Northern Ireland whose departments have a particular relevance in postal issues. We welcomed them and outlined all the current key mail and post office issues. These departments include the Department for Social Development, Department for Rural and Agricultural Development, and the Department for Enterprise, Trade and Investment. We have also asked for consideration and support for a Post Office diversification fund in Northern Ireland, similar to the fund already in place in Scotland and Wales.

Royal Mail Quality of Service

- 1.2.16 With the publication of Royal Mail's annual quality of service results, we have been discussing our disappointment with Royal Mail in NI about their use of self-adjusted figures, and we were critical in the media about this ploy.

MP Briefings – Postal Services Bill and Northern Ireland Postal Issues

- 1.2.17 We are arranging to meet with Northern Ireland MPs on the Postal Services Bill and other pertinent Northern Ireland postal issues. We have also arranged a meeting with Naomi Long MP, a member of the Alliance Party with a keen interest in postal issues.

Research Programme

- 1.2.18 We have now received reports on the following research pieces:
- Mail Delivery Problems in Northern Ireland – with a special focus on difficulties at flats and HMOs
 - A mystery shopping survey to assess the experience, access and customer service throughout Northern Ireland's post office network.
 - Annual Consumer Satisfaction survey
- 1.2.19 Using these findings and other relevant information collated, we are currently drafting reports on both Mail Delivery Issues and Customer Experience at the Northern Ireland's Post Office Network. We hope to publish these reports by late summer.

1.3 Financial Services

Cost of credit caps

1.3.1 In May, we attended a parliamentary roundtable held by Stella Creasy MP, where we put forward our position on this issue. Following this event, we met with Stella to discuss the issues in more detail.

Consultation responses

1.3.2 We responded to three major consultations:

- BIS' consultation on reforming the consumer credit regime. Here we expressed support for a move to a single regulator but strongly argued against the repeal of the Consumer Credit Act
- the FSA DP consultation on Product Intervention
- The HMT consultation on the future of financial regulation.

1.3.3 In both of the latter consultations we proposed measures to prevent a repeat of the waves of mis-selling scandals that have beset the financial services industry. In addition to these, we responded to OFT's Debt collection guidance.

Principles of Regulation

1.3.4 We hosted an event with NCF and Sheila Nicoll from the FSA on the future of regulation of financial services, Stephen Locke chaired the event. We discussed how best banks could be regulated yet given the freedom to innovate productively. It was a productive event and teased out many of the issues currently under review by the FSA and Government and placed us in an influential position to affect the changes that are afoot.

Payday lending

1.3.5 The Payday Lending Forum continues to meet and a Statement of Good Practice for the industry is being drafted. The aim is to produce a code that will deal with many of the concerns in this market, particularly those raised by our report into this market, *'Keeping the Plates Spinning'*.

Cash ISAs

1.3.6 We published research on switching in the Cash ISA markets and found poor levels of switching among those whose bonus or teaser rate had come to an end. We wrote to the FSA with our concerns that the low average interest rates on offer were proof that continuously, the market is not working for consumers. The FSA disappointingly replied to the effect that it was a case of "buyer beware". We are considering our next steps in this market. We also supported Baroness Stowell who spoke out in the Lords and the press about how Cash ISA saving rates compare badly with other saving products.

Research

- 1.3.7 Research undertaken in this period include: Synthesis/Poverty Premium project - the final report has been delivered (aiming to publish in July), Affordable credit (aiming to publish in July), and Payment methods polling. The polling was carried out and the data is proving a useful resource with, for example, Philip Cullum delivering a speech to the Payments Council. A short note on the findings will be published at a future date.

Independent Commission on Banking (ICB)

- 1.3.8 We will submit our response to the ICB interim report on 4 July, proposing ways to make the market function better for consumers. One issue which we are considering is the case for a USO in banking to ensure that all banks offer essential products such as minimum standard basic bank accounts.

1.4 Communications/digital

Net neutrality

- 1.4.1 Activities focused around putting pressure on UK government and European Commission to safeguard guarantees on the open internet to promote consumers' access and choice to the internet services and content, including online public services,
- 1.4.2 We participated in a number of stakeholder activities including: giving a speech at the Ministerial Roundtable on the Open Internet chaired by Minister Ed Vaizey, speaking at the DEAPG event on Net Neutrality, and we attended bilateral meetings with the Broadband Stakeholder Group. We also attended the Ministerial led BSG stakeholder event on the open internet this month.

E-commerce

- 1.4.3 Activities aimed to influence the EU agenda with regard to e-commerce to influence the Commission's communication on the E-commerce Directive expected this autumn. We contributed to the DG Sanco research on e-commerce and we spoke at the Westminster Forum, "The UK and the Digital Agenda for Europe e-Commerce Directive and the Digital Single Market". We met with the European Commission officials from DG Market and DG Sanco, and worked with the OECD Consumer Policy Committee on the review of the e-commerce guidelines. We also presented and spoke at the OECD workshop.

Data protection

- 1.4.4 We met with government and European Commission's officials lobbying to take account of consumer concerns about data protection and privacy during the review of the EU Data Protection Directive. Activities over the last three months include: meetings with MoJ, meetings with the European Commission officials from DG Justice and DG Sanco, Representing CF at the ICO Data Sharing Code of Practice Launch - Houses of Parliament, and Representing CF at biannual meetings with ICO.

UK Copyright

- 1.4.5 Prof Hargreaves published his independent review of IP and Growth in May. The review has a significant focus on copyright. Key recommendations include evidence based copyright policy, and the adoption of an integrated approach to copyright enforcement – consisting of updating the UK copyright law enforcement, education and measures, to strengthen and grow legitimate markets.
- 1.4.6 We communicated our support to relevant Ministers at BIS, DCMS and parliamentarians, and we met with IPO officials to discuss the proposals in detail. The Government’s formal response (July) is to be combined with an announcement on the next steps on implementing the Digital Economy Act.
- 1.4.7 The Judicial Review of the Digital Economy Act has now been heard and judgement handed down. The High Court only upheld part of the challenge on cost (compliance with the Authorisation Directive). Responding to our intervention, it acknowledged the risk of a “chilling effect” on internet access and many others. It was silent on the legal uncertainty to consumers who have to prove their innocence to avoid consequences such as disconnection from the internet. BT and TalkTalk have applied for permission to appeal. If they are granted permission, the case will most likely be referred to the European Court of Justice, as it concerns compliance with EU law.

1.5 Public services

Online Public Services

- 1.5.1 Consumer Focus and Thinkpublic co-hosted a workshop that centred on the project’s research findings. It explored the challenges that consumer expectations presented and included a deliberation of how the consumer proposals could best be realised. The wide ranging discussion also covered the role of government and third parties in providing services of different types. Discussion from the workshop will form part of the outputs of our research project examining what consumers want, need and expect from their online public services.

Care leavers

- 1.5.2 We held a workshop to highlight the findings of our research into the experiences of care leavers, which examined how easy it is for care leavers to access public services, identifying common barriers this group experience. The workshop was hosted by a panel of care leavers who had played an instrumental role in designing the research and carrying out interviews with their peers across England.
- 1.5.3 The workshop was attended by representatives of service providers including the police, Jobcentre Plus, Directgov and Connexions, who were able to give their perspective on the findings of our research. We are now writing the final report, which will combine the research with our stakeholder input.

Police

1.5.4 Consumer Focus met with Home Office officials in the local police, crime and justice unit. Its work involves making the police more transparent, responsive and accountable. Discussions focused on complaints handling and the new clauses introduced to the Policing Reform and Social Responsibility Bill during committee stages. These address many of the points we raised in our report. All complaints will be looked into, recorded and reported. Information on complaints will now also be publicly available via the Independent Police Commission.

1.6 Consumer law and redress

At EU level

1.6.1 The Consumer Rights Directive (CRD) has nearly finished its passage through the European legislative process; first reading agreement of the Council and European Parliament (EP) is expected at the end of June or beginning of July. The indications are that we will have succeeded with our main advocacy objectives. UK consumers' right to reject faulty goods is preserved as the relevant section of the draft directive has been deleted. Our regulators' right to introduce additional information requirements to address consumer detriment has, for the most part, been preserved. A number of other requirements have also been either deleted from the draft or preserved. A full analysis will be undertaken when we have final text.

1.6.2 The European Commission appear determined to proceed with an EU optional instrument which we, BEUC, the UK government and most UK stakeholders do not support. We had meetings with a number of UK MEPs in Brussels to seek support for our views prior to the adoption of the EP opinion. The ECR (European Conservatives and Reformists) strongly support our views but the EPP and ALDE support the Commission's approach. A proposal is anticipated in the autumn.

1.6.3 We participated in the EU Consumer Summit workshops on capacity building in consumer organisations and the link between behaviour change and consumer information. These sessions helped to inform the early stages of drafting of the post 2013 Consumer Strategy and the draft consumer empowerment communication.

1.6.4 We responded to the European Commission's consultation documents on Alternative Dispute Resolution, and Collective Redress. We expect to know how the Commission intends to proceed in the autumn.

At UK level

1.6.5 The Law Commissions published a consultation document on how to improve consumer redress for misleading and aggressive practices. We are currently working on our response (deadline 12 July). The outcome of this consultation will be implemented as part of the government's planned Consumer Rights Bill which will also implement the CRD, simplify the law of sale of goods and services, clarify how consumer law applies to digital products, amend the unfair contract terms legislation and simplify, align and restate in one place powers for enforcers. .

1.7 Other

Private Rented Sector

1.7.1 We met with Alison Seabeck, the Shadow Housing Minister to discuss our report 'Opening the door'. The Minister agreed to organise an industry roundtable to discuss how improvements can be made to the sector, including the introduction of reputational regulation. Prospective dates for a roundtable are currently being looked into.

Bailey Report Recommendation

1.7.2 Consumer Focus' successfully influenced Government policy on the commercialisation of children. There are 3 recommendations from *Tangled Web* incorporated in the recommendations:

- Banning the employment of children as brand ambassadors
- Aligning the age of a child as up to 16
- Greater transparency across the self, co- and regulatory frameworks

An NCC report: *Fair Game?* is also referenced.

CONSUMER FOCUS FINANCE AND OPERATIONS

Director Finance and Operations: Graham Clark

1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1 Finance

- NAO carried out external audit. The accounts were highly praised by the Audit and Risk Committee
- Clear Line Of Sight (CLOS) initial mapping completed.
- Whole of Government Accounts (WGA) balance verification completed.

1.2 HR

- Managed annual appraisal process, including appraisal refresher workshops with almost a 70% attendance rate. First level moderation complete.
- Completed and submitted AOC certificate in relation to Pensions
- Managed HR implications of GB restructure
- Managed recruitment process arising from re-populating organisation following recruitment freeze and restructure. Almost 30 vacancies at outset, currently running with 22 vacancies.
- Management of and attendance at employment tribunal with positive outcome.
- Policy updates to reflect April legislative changes for; absence management, maternity and paternity, retirement to reflect abolition of default retirement age.
- Introduced additional workflows on a self service basis for HRPro, to allow updating of training records and updating of personal details, name, address, bank.
- Recruitment of 3 new HR staff – two to fill current vacancies and one with TUPE experience to form basis of transition capacity.

1.3 IT

- Hardware audits completed
- Annual IT security review completed

2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING

2.1 Finance

- Insertion of budgets into Open Accounts and production of April/May management reports.
- CLOS Mapping for 2010/11 accounts. AI/SJ to attend training course organised by BIS.
- WGA mapping for 2010/11 accounts. AI to attend training course organised by HM Treasury

2.2 HR

- Securing agreement from BIS/Cabinet to advertise externally for our business critical vacancies

- Ability to attract and recruit to ‘approved’ business critical vacancies in the open market when we are only in a position to offer fixed term contracts.
- Providing a proactive and effective HR service with substantially reduced resources.
- Inducting 3 new additional resources into HR
- Gaining clarity in relation to timescales for transfers/closures to inform planning process

2.3 IT

- Review of IT strategy

2.4 Legal

- Considering proposed settlement to resolve logo trademark challenge with Grant Thornton PLC

NATIONAL SOCIAL MARKETING CENTRE

Director: John Bromley

1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1 The NSMC has entered into a consortium agreement with the Futures Group to provide services for reproductive health for **DFID**. The consortium's PPQ has been shortlisted and we will now be working with consortium partners on a formal tender which if successful, will mean the consortium becomes a framework supplier to DFID, members of which can then bid for country specific contracts.

1.2 The NSMC has held meetings with **PSI, PAHO** and **AED** all of whom are keen to work collaboratively with the Centre. Each recognises that The NSMC's core competencies in training, capacity building, programme evaluation and VFM could add considerable value to their own planned work streams. We are also developing a proposal for a pilot project designed to demonstrate the effectiveness of using a social marketing approach to address NCD's in developing countries. This pilot is likely to be undertaken in Barbados.

1.3 All modules for The NSMC's **online training programme** have been completed and we are now in the user-testing phase. Work continues to integrate the new Module Learning Management System (from which the modules will be accessed) with the NSMC's new e-commerce and customer relationship database systems. Completion by end of July.

1.4 The NSMC is working with the **Chartered Institute of Marketing** to develop a practical **social marketing diploma** course that can be adapted and delivered for a range of different NSMC customers.

1.5 We have completed the first stage of the research with councillors and **Directors of Public Health** exploring the issues DPH's will need to address when responsibility for public health moves into local authorities. We are using the research to develop a master class for DPHs.

1.6 The first stage of a three stage research project for **Bromley Healthcare** on engaging with GPs and the new GP Consortia Newcastle has been completed.

1.7 In April the NSMC initiated a 'learn by doing' pilot project to help local authorities in the North East achieve the following objectives:

- Reduce energy wastage in schools during 'out of hours' periods;
- Increase the uptake of loft insulation among the "able to pay" owner occupiers;
- Increase car sharing among council staff.

Primary research has been initiated for all pilots and the overall project is scheduled for completion on 23 September 2011. **DECC** has requested a summary of the insulation pilot to include in a **joint paper being prepared with the Behavioural Insights Team** in the Cabinet Office which will include a number of pilot schemes relating to energy efficiency.

1.8 In March the NSMC delivered two half-day workshops to assist **The Charity Commission** with their strategic planning process. The workshops used a social marketing approach to show how the Commission could encourage smaller charities to self-serve and reduce the need for direct support from Commission staff.

1.9 In May senior staff from **THL** visited The NSMC to discuss ideas for embedding social marketing approach within their organisation. THL has asked The NSMC to provide training and strategic advice for The Smoke Free Metropolitan Area project in Helsinki & a national Patient Safety project.

1.10 **Consumer Focus Wales** requested that The NSMC prepare a proposal for the development of a 12-month social marketing intervention to help targeted audiences in Wales to pay the best possible price for their household energy.

1.11 The NSMC co-facilitated a planning workshop for **The Commonwealth Foundation** and media delegates who are looking to develop a “Vote in Peace” campaign to reduce election violence among young people. The team presented their ideas to Commonwealth Ambassadors at a meeting in Harare hosted by Matthew Neuhaus, the Australian Ambassador in Zimbabwe.

1.12 The NSMC facilitated a Green Communications Discussion Group for the **Guardian Sustainable Business Quarterly** designed to find out how private sector organisations can most effectively engage, inspire and change consumer behaviour to help people make more sustainable choices and live more sustainable lifestyles.

1.13 In April the NSMC hosted a successful breakfast seminar with 15 senior client managers from a range of organizations including the **Department of Health**, the **Money Advice Service** and **Department of Transport**. The seminar focused on how the **New Zealand Health Sponsorship Council (HSC)** has used a social marketing to achieve healthy lifestyle changes in areas such as tobacco control and problem gambling.

1.14 The NSMC Value for Money Tool (VFM) attracted substantial interest from attendees at the Second World Social Marketing Conference in Dublin. The tool can be adapted and used to evaluate the effectiveness of behaviour change interventions across sectors.

2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING

2.1 The Centre’s key priority is to reduce costs, secure contracts and launch services (such as the online training programme) to (a) demonstrate demand for proposed NEWCO services thereby making a strong and verifiable case for sustainability and (b) to ensure sufficient revenue streams are in place to cover operating costs following transition.



CONSUMER FOCUS WALES

Senior Director: Maria Battle

1. ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1. Post Offices

1.1.1. We met Lisa Clarridge from the Welsh Government on 15 June to discuss our work planning for 2011/12 and the future of the Post Office Diversification Fund. She informed us as a result of making community participation a condition of being given diversification funding (at our request) and our guide being sent to all applicants there has been a substantial increase in local community consultations.

1.2. Right to Manage Online Tool

1.2.1. CFI and CF Labs completed the on-line tool which was launched on 11 May. This online tool will walk users through the steps necessary to decide whether they are legally entitled to exercise the right to manage their block of flats.

1.2.2. The tool was featured on the DirectGov website, as well as The Federation of Private Residents Associations (FPRA) website. Since the launch date, 2390 separate visits have been made to the site either through the stand-alone CF Labs site or through the Consumer Focus corporate site. CFI is producing an article by way of follow up which is due to be published by FPRA in July. CF Labs will demonstrate the Right to Manage tool at the TSI conference in June.

2. ENERGY

2.1. Off-gas

2.1.1. Consumer Focus Wales's formal response to the Off-grid Energy Market Study was submitted to the OFT on 3 June. Our response referred to our off-gas research last year as well as additional evidence we'd gathered through our 'call for evidence' to the public last month. This generated some really good examples of people's experiences living in off-grid properties, particularly during last winter, with a total of 32 responses received from north, mid and south Wales.

2.1.2. We also hosted the OFT Wales Stakeholder event for the market study on 6 June. The original two sessions were condensed into one due to the number of confirmed attendees but there was still a good mix of representatives around the table, including industry, consumer, local and Welsh Government representatives.

2.2. Fuel Poverty Coalition

- 2.2.1. The Fuel Poverty Coalition Cymru wants to ensure the new Welsh Government develops a more ambitious plan to tackle fuel poverty. On 6 July 2011 the coalition will be launching their revised calls for action '*Countdown to affordable warmth: an agenda for the new Welsh Government*'.
- 2.2.2. The '*Hit Fuel Poverty for 6*' event is being sponsored by Mark Isherwood AM. The new Minister for Environment and Sustainable Development, John Griffiths AM will be speaking. The main aim of the event is to encourage Assembly Members new and old to sign up to the Charter and revised calls. There will also be a cricket-themed photo opportunity for Assembly Members.

2.3. Cross-Party Group on Fuel Poverty

- 2.3.1. We are in the process of working with Mark Isherwood's office (as previous Chair of the Group) to re-register the Cross Party Group on Fuel Poverty. It is anticipated the first meeting of the Group will be held in late September.

2.4. Ministerial Energy Supplier Round Table

- 2.4.1. The next Ministerial Energy Supplier round table is due to take place on 4 July. This will be the first round table with the new Minister, John Griffiths AM. Consumer Focus Wales has been invited to attend and we have offered to provide a paper highlighting consumer issues in the energy sector (as we have done for previous round tables).

2.5. Energy Market

- 2.5.1. On 29 June Consumer Focus Wales will be joining seven other 'energy related' organisations for an 'Energy Market' event. The event, being organised by Ofgem and the Energy Savings Trust, will be an opportunity for new Assembly Members and their researchers to find out more about who does what in the energy field in Wales. In addition to those named above other participating organisations include NEA Cymru, Citizens Advice Cymru, Renewable UK, Carbon Trust and Community Housing Cymru.

3. POST

3.1. Royal Mail

- 3.1.1. Consumer Focus Wales issued a press release on the end of year performance for the Quality of Service targets for First Class Stamped and Metered mail for postcode areas in Wales. Royal Mail met seven of the eight postcode targets for the year. However, the results for the fourth quarter of the year are very disappointing in Wales, with five out of the eight postcode areas failing to meet the first class delivery target of 91.5 per cent next day delivery. Newport missed its target in three of the four quarters last year – even after the figures were revised - and we will be interested to hear Royal Mail's reasons for this.



- 3.1.2. We are currently awaiting the annual figures for complaints to Royal Mail in Wales, which we expect sometime in June or July. Following this, we will issue the Quarterly Post Report to stakeholders and launch our online map, which contains Royal Mail Quality of Service data for First Classed Stamped and Metered mail (quarterly) and annual complaints data for Welsh postcodes.

3.2. Post Offices

- 3.2.1. We have advised 2 Assembly members on a possible Code of Conduct issue with a Post Office and on a long term closure in her constituency area.
- 3.2.2. Rebecca Thomas accompanied Richard Brown on visits to some Locals and Partner Outreach Post Offices in rural Wales, as part of Consumer Focus work on understanding the future of the network and the suitability of the Locals model for deep rural locations. The visits will help inform the criteria for the community research Consumer Focus Wales will be undertaking this in the summer.
- 3.2.3. Liz Withers met Richard Williams, Director of RNID Cymru on 16 June to take forward the joint project on accessibility of post offices for people with sensory impairments, along with RNIB Cymru.

4. PARK HOMES

- 4.1. We are continuing our scoping of issues affecting park home owners with CFI. On 18 May Liz Withers and Gemma Bowen met the President of the Residential Property Tribunal Service for Wales to discuss the new arrangements coming into force later this year to transfer jurisdiction for dispute resolution between residents and site owners from the county court to the service. As a result of the meeting, the service has agreed to consider including a session to hear from park home residents directly as part of their training for their new role. The residential property tribunal service is also currently subject to a review by the Welsh Government and is due to move to the First Minister's delivery unit. We have made contact with the Welsh Government with a view to feeding into this review to ensure that consideration is given to the additional resources needed to support the tribunal to deliver more effectively for residents including providing clear accessible information. This is particularly important as at present the service offered and information available in Wales is limited

5. CONSUMERS AND REGULATORY SERVICES

- 5.1. Liz Withers has been drawing together comments from the Local Better Regulation Office (LBRO) and the Welsh Government on the draft research report. The findings will be discussed at the Wales Regulator's forum on 20 June and consideration given to next steps for local and national regulators, the Welsh Government and LBRO. This discussion will also inform the short policy report that Consumer Focus Wales will put together for LBRO as part of our commitment on this project.

6. FOOD HYGIENE

- 6.1. On 19 May Liz Withers attended a meeting at the Cabinet Office with the behavioural insights team (who have been established to identify innovative ways to encourage behaviour change and empower consumers) regarding the Food Hygiene ratings scheme. The Food Standards Agency (FSA) and Which? also attended the meeting. This was a good opportunity to highlight CF labs prototype website for the scheme and to explain the benefits of adopting the additional functions that the prototype provided above and beyond the FSA's existing site. Many of these additional functions would enable the behavioural insights team to deliver on some of their key proposals for the scheme as detailed in the new Consumer Empowerment Strategy. We also encouraged the FSA to continue to seek to make these changes to their current site at the earliest opportunity.
- 6.2. Maria Battle and Liz Withers will be meeting with the FSA Wales to continue to press for mandatory display of food hygiene ratings and have requested a meeting with the Minister who has responsibility for Food Safety Lesley Griffiths AM. We have also sent letters asking for formal responses from all those bodies we made recommendations to in our last report on the implementation of Professor Pennington's recommendations.
- 6.3. We responded to the FSA consultation on civil sanctions on 23 May, which reflected our evidence calling for enforcement to be made easier for environmental health officers. Rhys attended the FSA Wales Advisory Committee meeting to give feedback on their proposed response to our report. We will be giving the FSA feedback on their plans to charge full cost recovery for food hygiene inspections.

7. HEALTH

- 7.1. Liz Withers and Rebecca Thomas have been working with NSMC to inform some work they plan to undertake around health inequalities. The research will focus on attitudes and barriers to accessing GP surgeries in England and Wales and will look at those experiencing specific long term chronic conditions (respiratory and cardiac) from social groups C2DE. We anticipate there will be a separate Welsh report from the research and are currently discussing this option with NSMC.

8. CONSUMER FOCUS INVESTIGATIONS

8.1. Private Car-Parking Operators

- 8.1.1. CFI has met with the RAC and will be issuing a joint letter (probably with Citizens Advice also) to be sent to the Minister for Transport, Philip Hammonds outlining the key "asks" for improving the experience of the users of private car parks. CFI is meeting with the DVLA to discuss the release by them of registered keeper details. The team has put together a note with next steps for consideration by SMT

8.2. Freedom of Information

- 8.2.1. CFI has been assisting CFW to challenge the refusal by various councils to release food hygiene reports under the Freedom of Information/Environmental Information Regulations. Final decisions are expected shortly from the ICO which will then be reviewed and actioned appropriately.

8.3. Thrive/rent to buy

- 8.3.1. CFI has been doing work examining the concerns felt by consumers who use rent to buy services. Typically, consumers use these kinds of businesses to purchase white goods over an extended period of time, often at higher rates of interest.
- 8.3.2. CFI worked with a charity called Thrive to source case studies for them which have then be used to influence the production of an industry code of practice. The four main operators in the industry sector were represented at a working group session in May to discuss the terms of the code.
- 8.3.3. CFI will also provide the OFT with evidence relating to the sale of warranties linked with credit agreements. This evidence will be used as part of a market study being undertaken by the OFT in to warranties and should ensure that the concerns felt by the most vulnerable consumers are heard and taken in to account by the OFT.
- 8.3.4. CFI will be attending the TSI Conference in Bournemouth on 21 – 23 June presenting a casebook mini-theatre session

9. CF LABS

9.1. CF Wales Mail Report

- 9.1.1. CF Labs have developed a website aimed at improving access to and comprehension of Royal Mail's complaints and quality of service data covering Wales. The website utilises technologies including mapping, charts and trend analysis allowing a level of contextualisation of the information previously unavailable. The resource is collaboration between CF Labs and the Wales policy team. It is intended to replace CFW's quarterly post report, offering the above mentioned benefits over the current static PDF format.
- 9.1.2. The site will be launched in late June/early July to coincide with the release of the annual complaints to Royal Mail figures which constitute part of the end of year reporting on quality of service.

9.2. Online Public Services (OPS) Manifesto website

- 9.2.1. CF Labs are currently developing a website to support the release of a CF GB report and accompanying manifesto on peoples' perceptions of how online public services should be designed.



- 9.2.2. The former Community and Public Services team commissioned the social design agency Thinkpublic to carry out extensive research into consumer opinion on the limitations of current online public services and how these could be improved. Through focus groups, street interviews and interactive one-to-one sessions a draft manifesto was produced accompanied by a report detailing the research methodology.
- 9.2.3. The OPS project has an active life beyond the publication of the report and the manifesto and the site has been designed to allow comment and discussion on the project materials. Feedback garnered through this mechanism will be used to inform the project as it develops.
- 9.2.4. An OPS workshop/hackday event is scheduled for late July to facilitate further discussion and allow for prototype development based on recommended features. To this end the site has been developed with the capacity to cover live events in realtime with facilities such as live blogging and twitter integration. The site will be launched to coincide with this event.

9.3. StayPrivate.org

- 9.3.1. The StayPrivate.org website has been expanded to provide bulk submission capability for Trading Standards offices. These offices are often called upon to act on behalf of vulnerable consumers who are unsure as to how to use the website or simply have no internet access. Previously, Trading Standards offices had to use the standard submission mechanism which was designed for creating individual accounts and demanded that the registrant supply an email address in order to receive activation emails from the service. The new enhancements make bulk submission easier by offering the following features:
- individual activation emails are routed back to specified Trading Standards email addresses bypassing the need for registrants to have email accounts
 - Trading Standards offices can access and maintain a list of registrants submitted by office
 - multiple Trading Standards representatives can be designated to a single office's user account enabling delegation of work
- 9.3.2. These enhancements have been put in place in readiness for demonstration of the website at the Trading Standards conference in June. The aim is to encourage more Trading Standards offices to use the service, thus increasing its take-up and ultimately benefiting more consumers.

10. CHALLENGES RUNNING UP TO NEXT BOARD MEETING

- 10.1 Responding to the consumer landscape proposals, ensuring a strong advocacy model for Wales, recruiting staff to vacant posts, delivering on the work programme



CONSUMER FOCUS SCOTLAND

Senior Director: Marieke Dwarshuis

1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1 Change/impact achieved

POLICY

- On 22 March Ofcom published its proposals for the auction and release of 800MHz and 2.6GHz spectrum in the UK. The proposals include a provision that one of the new licences for using this spectrum will include an obligation upon the provider to deliver a mobile telecommunications service to at least 95% of the UK population by 2017, including ***“a requirement to cover a certain proportion of the population in particular areas – for example in certain rural areas”***. This is the first time that any type of broadband coverage obligation has been placed upon a provider in the UK. CFS has argued consistently over the past two years that any broadband coverage obligation should not simply establish a UK-wide target – but should include additional, local or regional, targets, to ensure coverage is delivered in rural and remote parts of Scotland. We have regularly highlighted the Post Office Access Criteria as an example of where regional coverage targets can be used to support UK-wide targets, to ensure services are delivered in rural areas. Ofcom’s proposals therefore reflect this key issue that we have highlighted. We will be responding to the Ofcom consultation, in order to input to the design of the regional, local or rural targets and achieve the best possible outcome for consumers in Scotland.
- The Private Rented Housing (Scotland) Bill was passed by the Scottish Parliament on 17 March. CFS is a member of the Scottish Private Rented Sector Strategy Group, which previously played an important role in identifying and agreeing the measures to be included in the Bill. As a member of this Group we played a key role in helping to shape the content of the Bill to ensure that its provisions are in the consumer interest. In particular, the Bill includes a number of provisions to provide more and better information to tenants and prospective tenants about landlords and properties in the sector, and to improve the coherence and functionality of various regulations that govern the sector.
- The Scottish Government has issued a formal response to the report of the Civil Justice Advisory Group, published by Consumer Focus Scotland in January 2011. Overall, the Scottish Government was supportive of the majority of the recommendations, albeit recognising the constraints which the current spending climate may place on progressing some of these recommendations. The Scottish Court Service has published its Corporate Plan for 2011-14. This plan refers to the Civil Justice Advisory Group’s recommendations on establishing simplified procedures and for improving public understanding of the options available for resolving civil disputes.

- The Scottish Government's Freedom of Information Unit has been in contact with CFS about finding a means for seeking the public's views on Freedom of Information prior to introducing an FOI amendment Bill in the next session of the Scottish Parliament. In response to a recent consultation on possible extension of the coverage of the Freedom of Information Act, CFS had expressed a clear view that before any changes were made, research should be carried out into the views and experiences of users. These discussions may result in some form of involvement for the Consumer Network.
- In February, CFS published a discussion paper on Energy Efficiency in Private Sector Housing in Scotland: Regulation and the Consumer Interest. The Scottish Government subsequently published its position paper in late March. The Government's paper is largely in line with our recommendations, and specifically references our discussion document on a number of occasions.
- Independent evaluation findings for the first phase of Energy Best Deal Scotland confirm 325 frontline advisers trained, and a likely range of 1,800 – 5,300 vulnerable and disadvantaged consumers benefiting from advice on switching tariff or energy supplier. Further impacts in relation to energy efficiency advice and ongoing contact between advisers and CF's Ask the Adviser and Knowledge Base services likely but very difficult to quantify.

EHU

- Workloads are currently at a manageable level and there has been a decline in casework over the past month. EHU has continued to face challenges in resolving small business cases and they remain an increasing part of the workload. The smaller energy companies in particular are more challenging to deal with and the EHU is in the process of improving relationships and helping change their approach to complaint handling and ensuring they recognise vulnerability. A meeting was held with Npower Direct (business) as they were keen to gain a better understanding of why consumers approach the EHU for assistance. They have been tightening up their complaints process to ensure specialised advice is given from the onset of a query. Other meetings have also been planned with Opus Energy and Total Gas and Power.
- A follow up meeting took place with First Utility to obtain an update on their billing problems and for the EHU to reinforce the need for vulnerability and 'ability to pay' to be taken into account instead of imposing unaffordable payment plans. Another follow up meeting took place with Utility Warehouse and the same issues were raised in addition to their failure to offer fuel direct and set debt repayment levels too high when installing PPMs. They have since confirmed that they are reviewing their change of tenancy process and reducing debt rates when PPMs are installed. This commitment illustrates positive change as a result of the meeting. The EHU will look to set up a quarterly supplier meeting for business suppliers to help share knowledge and improve communications.



1.2 Significant activity

POLICY

- We continue to progress plans for the launch of our shoppers' rights card initiative. The initiative was raised at the Scottish Retail Consortium's board meeting in March, and following that meeting John Lewis has confirmed it will distribute the cards in its Edinburgh and Aberdeen stores. Boots have also expressed an interest in distributing the cards to its 6000 staff. Through contacting the Scottish Grocers Federation, we have also received initial interest from Spar and NISA. We are keen that the cards be distributed widely, including in rural areas, and the Community Retailing Network has indicated that its members would be keen to support the initiative. We aim to hold a Ministerial launch of this initiative in late June, with a reception for MSPs.
- On 21 March we launched the findings of a survey of consumers of land-owning land management companies in Scotland. A copy of the survey report was sent to all MSPs and Scottish MPs. Nearly two-thirds of research respondents said they were fairly dissatisfied or very dissatisfied with the service their land management company is providing; while seven in ten respondents said they would be likely to change their land management provider if they were able to do so. There is a complex legal relationship between home owners and land-owning land management companies and the Scottish Government is currently consulting on potential solutions for homeowners who wish to change provider. CFS will be responding to this consultation. To inform our response we issued a call for evidence to gather feedback from homeowners who live on estates which are served by land-owning land management companies and who have experienced problems.
- Following recent recruitment activity, the number of volunteer members of the Consumer Network has now reached 480. We are planning to invite our members to a celebratory event once we reach 500. The Consumer Network has been working on a project with HM Inspectorate of Constabulary to develop its user focus and have been completing a survey to give their views on the accessibility of their annual report. The Network has been asked to give their comments on the new Complaints Form which is being developed by the Scottish Public Services Ombudsman, and members of the Consumer Network who have experiences of the 'off-gas grid' market have been invited to attend a discussion group in the Borders. A further group is being planned for people who live in and around Tayside.

EHU

- The Head of EHU met with Keith Jones, Advisory Officer from Citizens Advice Scotland (CAS) to discuss in detail the role of EHU, structure and processes, and referral pathways from Consumer Direct. It is likely that Keith will be involved in the transition and it is therefore pertinent to build relationships to ensure CAS have a better understanding of the complexities and challenges of managing the EHU.
- A conference call was held with EDF to clarify escalation contacts, highlight ways in which they could improve their responses to EHU complaint letters and their new initiative with CAB to offer independent holistic debt advice.



Community Food and Health Scotland (CFHS)

- The CFS/CFHS study into the food needs of older people in the community has been completed and will be presented to the June meeting of the CFS Board shortly before a presentation on its theme is made at the NHS Quality Improvement Scotland conference on 'Improving Nutrition: Improving Care'. CFHS's research role is complemented by its nurturing of activity on the ground and a number of initiatives working with older people and others involving minority ethnic communities and early year's interventions have been financially supported.

Health Rights Information Scotland (HRIS)

- HRIS provided considerable comment on NHS Inform's draft Quality and Accessibility Framework for Consumer Health Information, including examples of good practice and relevant case studies. The draft framework will undergo peer review at a workshop on 12 May, before going out for wider public consultation in the summer.
- The Patient Rights (Scotland) Bill received Royal Assent on 31 March 2011 – this places a duty on Scottish Ministers to publish a Charter of Patient Rights and Responsibilities. The Scottish Government has asked HRIS to lead on the development of the Charter.

Healthyliving award (HLA)

- The award criteria have been redrafted to ensure compliance with European regulation on Health Claims. Piloting of the new criteria is scheduled to take place in July 2011.

WATER – transfer

- An asset disposal strategy has been received by CFS from WWS; a due diligence document has been received by CFS from WWS and further information has been requested; and assets which have been identified for transfer have been formally agreed.
- Completion of due diligence material from WWS.
- Identification of relevant documentation to transfer from WWS.
- Knowledge Transfer Sessions completed.
- Distribution of Interim Measures Letter and Responses.

Challenges running up to next Board meeting

POLICY

- Maintaining a profile in the following policy areas: public services, health and social care; post and digital communications, pending recruitment and induction of new policy staff.
- Integrating lessons from EBDS into mainstream Scottish Government energy advice programmes.
- Finalising and publishing the following:
 - Report on post offices and local government services
 - Report on social care preferences in older age
 - Report on food services for older people in the community
 - Digital consumers policy paper



- Launch of our shoppers' rights card initiative. We now have a commitment to distribute approximately 140,000 cards in a variety of locations, including large retailers, CABx, libraries, trading standards departments and community shops. We expect the new Minister for Energy, Enterprise and Tourism to launch the initiative.
- We have been called to give evidence to the Scottish Parliament's Energy, Enterprise and Tourism Committee, on the impact of rising energy prices on consumers, on 29 June. The EET Committee has initiated an inquiry on energy pricing following the recent price increase announcement by Scottish Power.

EHU

- Challenges will arise around resourcing the EHU over coming months, where there will be at least 3 and possible as many as 5 vacancies at Consumer Adviser level. Secondments from industry and CAS are being considered as well as potential for external recruitment.

WATER – transfer

- The confirmation order has now been signed and the date of transfer will be 15th August

COMMUNICATIONS

- Formulating a strategy to ensure maximum engagement of stakeholders with BIS consultation.
- Ensuring a smooth induction for new Communications Manager (starting 11 July).
- Producing and publishing the CFS Annual Review for 2010/11.

Scottish Accessible Information Forum (SAIF)

- Exploratory meetings to be held with possible alternative hosts for SAIF and Scottish Government.

Community Food and Health Scotland (CFHS)

- The discussions with Scottish Government and other national health intermediaries determining priorities for future government investment in community-lead health improvement are ongoing. The challenge will be to deliver an ambitious business plan whilst negotiating CFHS's long term future.

Healthyliving award (HLA)

- Challenges remain to ensure the redeveloped HLA is working within the limitations of the European regulation on Health Claims and to retain stakeholder support for the award post redevelopment and launch; piloting will take place in July 2011, with a launch scheduled to take place in September 2011.

2010-11 BALANCED SCORECARD

Perspective	Objectives	KPI	Q1	Q2	Q3	Q4	
IMPACT	A.1 Help consumers get better value from goods and services	A.1.1 Instances of consumers benefiting from our work	46,696,821 ¹				1457 cases handled by EHU (1209 complaints 248 enquiries)
		A.1.2 Estimated value of consumer benefit from our advocacy	£91,280,000 ¹				
		A.1.3 Compensation and other payments achieved for individual consumers	£176,552 (EHU only)	£181,765 (EHU only)	£238,670 (EHU only)	£193,975 (EHU only)	
		A.1.4 # of specified online tool build projects undertaken by CF Labs (target = 3 per year)	1	0	4	3	
	A.2 Identify and reduce the detriment faced by consumers who are at a disadvantage	A.2.1 Estimated value of consumer benefit from our advocacy for consumers who are at a disadvantage	£5,566,518 (subset of A.1.2)				
	A.3 Promote an environment in which consumers take action for themselves	A.3.1 # of consumers benefiting from our designated empowerment initiatives	3,874,226 ³ (subset of A.1.1)				
		A.3.2 # of establishments in Scotland accredited by the Healthy Living Award (target = 20% annual increase)	69	124	74		
	A.4 Improve complaint handling procedures and redress mechanisms	A.4.1 % reduction in energy and postal complaints received at 8 weeks (not deadlocked) by the ombudsman, as a result of lack of resolution	0.14 decrease	0.47 increase	0.87 decrease	0.12 increase	
	A.5 Ensure that the interests of current and future consumers are at the core of consumer policy development by government and regulators	A.5.1 # of changes to legislation, regulation, government frameworks and codes of practice	44				
	A.6 Deliver results that help vulnerable people resolve complaints about energy and postal services	A.6.1 % of Extra Help Unit customers that Consumer Focus was able to impact beneficially	91.5	96	94	95	
		A.6.2 % of Extra Help Unit customers satisfied or very satisfied with the quality of service received.	84	86	87	85	

PARTNERSHIPS	B.1	Maintain a strong external profile in which stakeholders understand our role and see us as credible and influential	B.1.1	Stakeholder influence rating (from reputation audit)	Annual	Annual	Annual	Annual
			B.1.2	Stakeholder impact rating (from reputation audit)	Annual	Annual	Annual	Annual
			B.1.3	# of external referrals received by Consumer Focus Investigations	5	7	9	5
	B.2	Work closely with stakeholders across sectors and build productive partnerships that deliver more for consumers	B.2.1	% of projects which identify an external partnership arrangement in the delivery of the work (does not include external working groups)	0	6	13	1
	B.3	Maximise the benefits of being a cross-nation organisation through effective communication and identifying opportunities for collaboration	B.3.1	% of employees who know where to find and how to access information, across nations, critical to their jobs	Not surveyed	Not surveyed	Not surveyed	Not surveyed
B.3.2			# of internal cross-organisational working groups	4	8	12		

OUR DEVELOPMENT	C.1	Bring together cross-sector information to identify and address current and emerging issues	C.1.1	# of cross-sector and comparative research undertaken	2	0	1	2
	C.2	Provide a positive, engaging and respectful work environment where staff feel valued and motivated	C.2.1	Staff engagement index score (EIS)	Survey to be undertaken in late 2011			
			C.2.2	% annualised turnover rate	11.1	13.5	12.8	12.0
			C.2.3	Average days absent per employee	1.3	0.5	0.72	0.5
	C.3	Develop our staff with the mix of knowledge, skills and support needed to succeed	C.3.2	# of training days delivered	36	18	21.5	40.5
C.3.3			% of staff who feel they are supported with the learning and development needed to do the job	Not surveyed	Not surveyed	Not surveyed	Not surveyed	

VALUE	D.1	Deliver our work on time, on budget and to a high quality standard	D.1.1	Net Surplus or deficit	Not reported	Not reported	Not reported	Surplus 133k
	D.3	Promote efficiency savings and operate in a sustainable way	D.3.1	Progress towards achievement of £2.4 in cuts and efficiency savings to live within new grant level	Not reported	Not reported	Not reported	£2.4m achieved in a manner to operate within

								annual grant and provide ongoing savings for future years
			D.3.2	Total CO2 (Kg) saved through recycling (paper, plastic, cans, and toner)	2250	2380	2376	2388

¹ Includes 1.8M Npower consumers, 18M cash ISAs consumers, 8000 consumer of prison phone calls in Scotland, 100,000 consumers to benefit from our work on energy efficiency in Scotland, 600,000 consumers in Wales in fuel poverty, 2.9M post office users in Wales benefiting from Post Office diversification, 300,000 push chair consumers, 11M car park consumers, 1M from new FSA guidance on the separation of equipment for cooked and raw foods (based on the number of people reported to suffer from a food related illness annually), 600,000 Welsh consumers benefiting from citizen-centred improvements to the Welsh Language legislation, 3.6M residents and others in the areas policed by Avon & Somerset, Surrey, and Cambridgeshire whose forces are planning to benchmark their services against the recommendations in our policing report, 333,000 recipients of the green giro benefiting from our campaign work to maintain post office access, 1.145M benefiting from our campaign 'Sorry you were out...Enquiry offices and Delivery Practices in NI,' 850,000 benefiting from Ulster Bank joining with others to offer access to banking through NI PO network, 4000 from CFI referral prompting letting agency to review its procedures for switching tenants' energy supplies, 175,518 from post office diversification funding across Scotland, 12,670 in Scotland benefiting from information leaflets on domestic energy supply, 6000 benefiting from Energy Best Deal in Scotland

² Includes £70M from Npower, £15M annual from cash ISAs, £480,000 from reduction in prison calls in Scotland, £1.2M for push chair consumers, £4M from car park investigation, £600,000 from Energy Best Deal Scotland,

³ Includes 600,000 energy switching consumers (during the period), 24,368 consumers signed up to stay private (during the period), 30,888 visitors to our Recalled Products website, 200,000 influenced from mobile phone deal advice leaflets, 67,000 influenced from leaflets distributed to libraries, 6000 consumers benefiting from information on repairs and maintenance of tenement properties, 2500 consumers benefited from information distributed to aid support workers on switching to digital TV, 800 consumers who utilised our website and postcards to respond to the FSA consultation on the separation of equipment for raw and ready foods, 2M consumers benefited from improved information on switching to digital TV and the helpscheme, 430,000 benefitted from direct support and installation via the helpscheme (as switchovers have taken place in some regions), 500,000 post office users subject to minimum safeguards on service changes through CoP, 12,670 in Scotland benefiting from information leaflets on domestic energy supply,