

**Consumer
Scotland**

Luchd-Cleachdaidh Alba

Summary of responses to consultation on draft work programme 2024/25

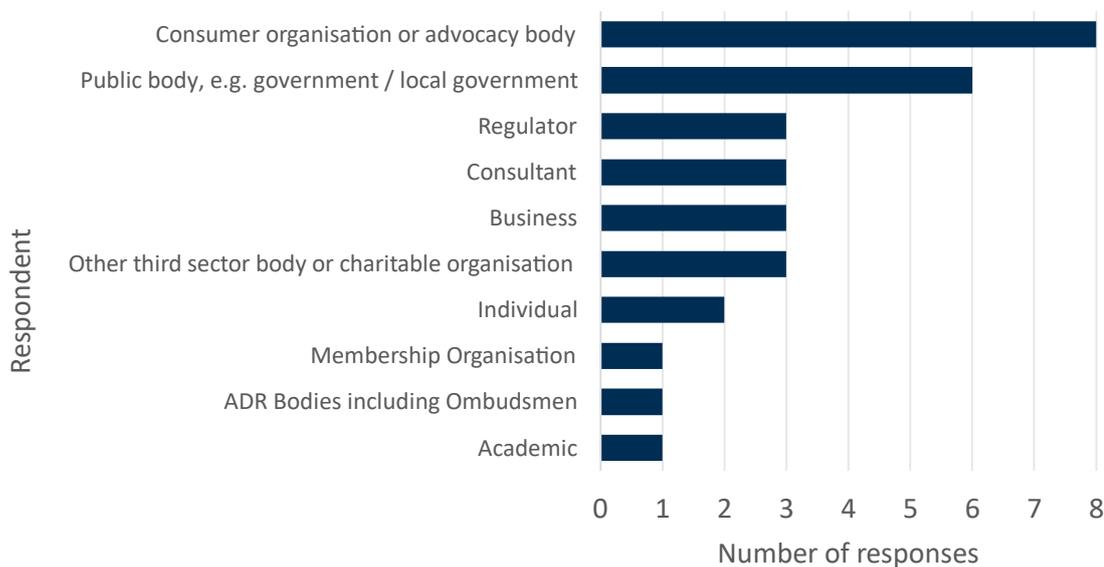
March 2024

Introduction

- 1.1 In developing our annual Work Programme for 2024-2025, Consumer Scotland sought formal feedback on a Draft Work Programme. Consumer Scotland is committed to openness and transparency as fundamental tenets of our work, and seeking feedback on our Draft Work Programme is critical to ensuring that our activities deliver meaningful outcomes for consumers.
- 1.2 Feedback on our Draft Work Programme also helps to ensure that our activities in 2024-25 add value to, but do not duplicate the work of other advice, regulatory and enforcement bodies.
- 1.3 This document summarises responses to the consultation on our Draft Work Programme for 2024-25. The consultation period ran for four weeks in January and February 2024.
- 1.4 The Draft Work Programme sets out our priorities for the coming year across a range of sectors including energy, water and postal services. It also covers key markets in the wider economy, our cross-market work and the development of our work relating to the Consumer Duty on public bodies, our investigations function and information for consumers.
- 1.5 Feedback from the consultation on the Draft Work Programme has been used to inform Consumer Scotland's final Work Programme, which has been published alongside this document, and laid before the Scottish Parliament.
- 1.6 We received 31 formal responses to our consultation. These came primarily from organisations, but also from individuals including members of the public, consultants and academics. We are grateful to all those who provided feedback (Chart 1).

Chart 1: Respondents by category

Number of respondents to Consumer Scotland’s consultation on its 2024-25 Work Programme, by category of respondent



- 1.7 The feedback received during the consultation process has provided generally strong support for the proposals set out in the Draft Work Programme.
- 1.8 Respondents offered broad support for the themes and expressed a desire to collaborate with Consumer Scotland in the co-delivery of the proposed activities in the Draft Work Programme.
- 1.9 Notwithstanding the broad support, one theme that emerged was that the Work Programme would benefit from being clearer about how our proposed activities would contribute to various outcomes. We have strengthened our description of our approach in the Introduction and in the Delivering Our Work Programme sections of the final Work Programme.
- 1.10 The rest of this document summarises the more specific responses to our draft work programme, structured according to the proposed activities, workstreams, specific market areas and themes on which we consulted. The organisations that formally responded to the consultation are listed in Appendix 1.

Understanding the consumer experience

- 1.11 Responses were positive about the additional detail provided in the work programme about how Consumer Scotland will fulfil our statutory functions, particularly around investigations. As might be expected, our investigations work was of particular interest to stakeholder organisations with their own investigation functions, but was also positively commented on by other stakeholders as well. Debt was recommended as a potential topic for a Consumer Scotland investigation, not only due to intractable debt

being an emerging legacy of the cost of living crisis, but also due to the existence of a range of different debt gathering practices in different markets.

- 1.12 Although not something commented on in a large number of responses, some did choose to touch on our planned work to produce new evidence, relevant across the entire work programme. Respondents highlighted that in order to avoid duplication, work in this area should be targeted at areas that did not already benefit from extensive understanding, and recommended the identification of clear links between the work being undertaken and outcomes. Respondents also noted that when undertaking previous research, Consumer Scotland had made efforts to seek out a range of different consumer voices, and recommended that there should be a continued effort to achieve this.
- 1.13 We received some suggestions identifying consumer harm within specific markets not currently considered within our work programme. Suggestions for consideration included:
- Dynamic pricing, particularly within the music industry
 - The impact on consumers of the loss of high street banks
 - New build developments and factoring with a number of specific examples of current or future harm highlighted
- 1.14 Whilst we do not plan substantial work in these areas this year, we will continue to work with relevant UK stakeholders and examine evidence to understand the nature and scale of consumer harm, and consider the potential for future action.

Putting consumers at the centre of systems

- 1.15 Consultees responded positively to both our proposed cross-market approach and the specific workstreams planned. Specific comments were made in relation to some of these, which are covered in more detail below.
- 1.16 Our workstream on fairer markets received strong support with many responses highlighting the importance of considering the specific experiences of consumers in vulnerable circumstances and identifying this as a priority for their own organisations. Responses included suggestions for markets that particularly impact certain groups of consumers, for example the adult social care system, and also for pieces of work that could improve the current situation for consumers in vulnerable circumstances, for example supporting data sharing between organisations that provide support.
- 1.17 There was considerable interest in and support for planned work in relation to public services, including offers of assistance in developing guidance around the new Consumer Duty. Respondents noted that the implementation of this duty will be challenging and considered that it would be informative to make strong links between the Consumer Duty principles and what this means in practice.

Improving the way markets work for consumers

- 1.18 There were a small number of responses that made comments specifically in relation to workstreams in this area of the work programme rather than making broader comments relevant to the whole programme.
- 1.19 In relation to planned work on the rental market, respondents were supportive of this as a focus, and commented that there were issues around both social and private renting that could be considered, as well as fruitful comparisons to be drawn between the two. There was interest from stakeholders in discussing potential collaboration opportunities.
- 1.20 The workstream on legal services was welcomed by key stakeholders, particularly in light of the ongoing legislative reform. Respondents commented on the need for consumer insight and a strong consumer voice to underpin decision making and felt that the research evidence on consumers' attitudes and experienced provided by Consumer Scotland would help to inform the debate.

Making the energy market work for consumers

- 1.21 A large number of consultees provided comment and feedback on the energy aspects of our work programme.
- 1.22 There was generally positive support for our proposed work around the transition to net zero and affordable energy. Respondents agreed that it is important that all consumers can benefit from the transition. Respondents were also supportive of Consumer Scotland becoming the statutory consumer advocate for heat network consumers in Scotland, and expressed keenness to engage with us on that.
- 1.23 There was support for continued work on "off grid heating" within the workstream looking at energy systems for rural consumers, particularly given the unregulated nature of this market.
- 1.24 Across responses, respondents emphasised the importance of our work taking into account the needs of vulnerable consumers – and of being aware of the changing nature and dimensions of vulnerability – and a keen interest in collaborating with us on relevant aspects of the work programme.
- 1.25 Respondents also encouraged us to recognise the role of consumers as more active participants of the energy transition, rather than merely passive consumers.
- 1.26 A number of respondents made the point that, in delivering our work programme, Consumer Scotland needs to be aware of the constraints and challenges that exist in the broader supply-chain. This includes the financial and regulatory constraints that suppliers face.
- 1.27 A number of respondents raised the challenges that social landlords and local authority landlords can face in relation to meter debt when tenancies change. The subsequent

engagements between landlords and energy suppliers can often be protracted, and result in properties remaining vacant for extended periods.

- 1.28 A number of suggestions for particular focuses of our work were also raised. These included:
- Addressing challenges in relation to Electric Vehicle usage, given known challenges around access to charging points and rising prices.
 - Focussing on various metering issues. These issues include the upcoming turn off of the radio tele switch signal (RTS) which can create issues in large parts of Scotland's rural areas which are unable to connect to the WAN network needed to power a smart meter.
 - Consideration of the barriers and challenges in relation to adoption of low carbon technologies in new build properties.
 - Suggestion that we engage with Ofgem to access information and data on the energy industry.
 - Encouraging Consumer Scotland to enable a widened understanding of the energy services and tariffs available to consumers.

A connected future-ready postal market

- 1.29 There was a positive response to Consumer Scotland's proposed post workstreams for 2024-25.
- 1.30 Respondents were unanimously of the view that Consumer Scotland will need to play an important role in shaping the debate around the future of the Universal Service Offering. The importance of collaboration with other stakeholders on this issue was frequently noted. One stakeholder for example said 'There is a clear need for statutory advocacy bodies to work to protect the needs of all consumers when this legal obligation is under discussion'.
- 1.31 Consultees were positive about the proposed net zero workstream. One stakeholder highlighted the value in better understanding consumer views on Pick-Up and Drop-Off (PUDO) points as an environmentally sustainable lever. But more than one respondent also remarked that it is important that net zero isn't simply used as a cover to make cuts to the USO.
- 1.32 Respondents were also supportive of the 'consumer focussed PO network' workstream, highlighting the importance of PO's to both vulnerable consumers and small businesses, especially in the context of the challenges facing Post Office branches. One respondent suggested putting a particular emphasis on the issue of access to cash.
- 1.33 There was also support for the proposed workstream on an inclusive postal market, with one consultee remarking that the findings from this work could have useful transferability to other parts of the UK.

- 1.34 However, some stakeholders were of the view that the Work Programme should contain further detail on the specific nature of activities proposed, with one stakeholder asking for further clarity on costs.

A water sector ready for climate change mitigation and adaptation

- 1.35 There was a strong degree of support for all four of the proposed workstreams under this theme. One water sector consultee stated that the Work Programme provides a 'robust template for delivering vital work' and ensuring that 'consumers have meaningful involvement in key decisions and policies'.
- 1.36 Consumer Scotland's role in shaping the market, and in influencing the development of proposals for the Strategic Review 2027-2033, was strongly welcomed.
- 1.37 Several consultees highlighted a strong commonality between Consumer Scotland's proposed work, and the anticipated or ongoing work of their own organisations. This was equally true for the workstream on the transition to a more sustainable water sector, as well as the workstream seeking to understand consumer experience of the sector.
- 1.38 Several stakeholders drew our attention to relevant research of their own that is likely to be informative for our proposed work in 2024-25. We are grateful for those suggestions and will engage with the relevant organisations to follow-up on those suggestions.
- 1.39 Sector stakeholders unanimously expressed enthusiasm in working with Consumer Scotland throughout the year. Our attention was also drawn to the Customer Research Coordination Group as a partner, which we are indeed a member of.

General comments and recommendations

- 1.40 Overall, respondents were very supportive of the connecting cross-cutting themes identified by Consumer Scotland and agreed that these captured the key issues currently facing consumers in Scotland. Respondents also highlighted that their organisations had identified similar strategic themes, which offered a strong basis for collaboration. In relation to the work programme highlighting which cross-cutting theme individual workstreams were specifically relevant to, some respondents felt that it would be important not to lose sight of the importance of all three themes to every workstream, even where there was not currently a clear and obvious link.
- 1.41 While there was agreement that the issues identified for inclusion in the work programme were appropriate, some respondents also commented on the breadth of our work programme as well as highlighting the high level descriptions of the individual workstreams. These respondents recommended the identification of tangible and

defined outcomes within individual workstreams as the best way to deliver impact that would also have the benefit of being able to assess progress.

- 1.42 Many respondents highlighted ongoing work and interests within their own organisations that were complementary to Consumer Scotland's plans. Respondents positively described ongoing collaboration with Consumer Scotland and welcomed the continued opportunities to work together to deliver maximum impact. There was specific support for Consumer Scotland's convening work, for example administering the Consumer Network and hosting or co-hosting events on specific issues. One respondent stated that they felt that our convening role was a 'key part of Consumer Scotland's strategic function', and welcomed the commitment within the work programme to develop this.

Annex A: List of formal respondents

Aberdeen Renewable Energy Group
Advice Direct Scotland (ADS)
Citizens Advice x 2
Citizens Advice Scotland
Competition and Markets Authority
Consumer Council Northern Ireland
Consumer Council for Water
Drinking Water Quality Regulator
East Ayrshire Council
Energy Saving Trust
Glasgow Caledonian University (academic member of staff)
Individual Consultant
Local Authority (NFD)
LCP Delta
Member of the Public x 2
Member of Vulnerable Consumers Advisory Committee
Minority Ethnic Carers of People Project (MECOPP)
National Federation of Sub Postmasters
Renfrewshire Council Housing Service
Royal Mail
Scottish and Southern Electricity Networks
Scottish Legal Complaints Commission
Scottish Parliament – Fair Work and Economy Committee
Scottish Power
Scottish Water
SCOTSS (Society of Chief Officers of Trading Standards Scotland)
Transport Focus
Trust Alliance Group (TAG)
West Dunbartonshire Council