



House of Commons
Welsh Affairs Committee

Representation of consumer interests in Wales

Seventh Report of Session 2010–12

Volume I

Volume I: Report, together with formal minutes, oral and written evidence

Additional written evidence is contained in Volume II, available on the Committee website at www.parliament.uk/welshcom

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The Welsh Affairs Committee

The Welsh Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Secretary of State for Wales (including relations with the National Assembly for Wales).

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Powers

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Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the internet at www.parliament.uk/welshcom

The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in printed volumes.

Additional written evidence may be published on the internet only.

Committee staff

The current staff of the Committee is Adrian Jenner (Clerk), Anwen Rees (Inquiry Manager), Jenny Nelson (Senior Committee Assistant), Dabinder Rai (Committee Assistant), Edward Bolton (Committee Support Assistant) and Jessica Bridges-Palmer (Media Officer).

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Summary

Consumer advocacy plays an important part in the Welsh economy. Organisations including Consumer Focus Wales and Citizens Advice represent consumers' interests in their dealings with businesses, industry regulators and the UK and Welsh Governments. A significant aspect of their work is to ensure that consumers receive a fair deal in their daily lives. Advocacy is particularly important to those termed the most vulnerable in Welsh society—including people on low incomes, people with disabilities, older people, and those living in rural areas. At its most effective, consumer advocacy enables policy development to be consumer-driven rather than production-led.

The Department for Business, Innovation and Skills (BIS) has announced its plans to abolish Consumer Focus Wales and to transfer some or all of its functions to Citizens Advice Cymru. A final decision on the future representation of consumers in the UK will be taken once Ministers have considered the findings of the Department's public consultation.

The Government's proposals, announced in October 2010, have caused ongoing uncertainty. The Committee calls on the Government to publish, without delay, its detailed plans for how Consumer Focus Wales' powers and responsibilities will be exercised in the future.

The Committee is not wholly persuaded by the Government's reasons for abolishing Consumer Focus Wales. However, given the current financial situation there is a strong case for examining whether consumer interests are represented in the most efficient and cost-effective way.

Should the Government proceed with its proposals, it must ensure that Citizens Advice Cymru replicates the best attributes of Consumer Focus Wales. These include its statutory independence from interference by ministers or its parent organisation, its "Welsh focus" which ensures that it concentrates predominantly on the special interests of consumers in Wales and its present level of funding. The successor body should continue to challenge the regulator when appropriate and publish the evidence needed to inform public policy at a strategic level. The Government should provide guarantees that these features will be protected in any successor body.

Consumer matters fall increasingly under the responsibility of the National Assembly for Wales. The Committee recommends that the Government conduct a review, before the end of this Parliament, on whether or not it is appropriate to devolve responsibility for consumer affairs to the National Assembly for Wales. The Commission on Devolution in Wales should also consider this matter when it reviews the powers of the National Assembly for Wales.

1 Introduction

1. On 14 October 2010 the Department for Business, Innovation and Skills (BIS) announced its intention to abolish Consumer Focus (including its organisations in Scotland and Wales) as part of its plans for reform of the way in which consumer interests are represented in the UK.¹ The Government included Consumer Focus in Schedule 1 of the Public Bodies Bill as a specified public body which a BIS Minister could abolish by order.²

2. BIS announced that it was “minded” to transfer some or all of the functions of Consumer Focus Wales to Citizens Advice, but that it would make a final decision once it had considered the findings of *Empowering and Protecting Consumers*, its public consultation on consumer representation in the UK.³ The consultation was held between 10 June and 27 September 2011 and focused on how consumer regulation, enforcement and advocacy in England, Scotland and Wales should be organised in future. The Government plans to implement its proposals from April 2013.⁴

3. Since its establishment in 2007 Consumer Focus Wales has been a well-regarded advocate for consumers in Wales and its proposed abolition has raised a number of concerns. On 6 September 2011 we announced our inquiry into the implications of the Government’s proposals for Welsh consumers. We were particularly keen to investigate whether Citizens Advice had the capacity to assume the role and functions of Consumer Focus Wales as envisaged under the Government’s proposals.⁵

4. On 22 October 2011 we took oral evidence from: Citizens Advice Cymru, Which? Consumer Focus Wales and Ed Davey MP, Parliamentary-Under Secretary of State for Employment Relations and Consumer and Postal Affairs, Department for Business, Innovation and Skills. We also received written evidence from a number of individuals and organisations.⁶

5. The draft order concerning Consumer Focus would, when laid before Parliament, be subject to a laying period of 40 days which may be extended to 60 days by a recommendation from the ‘charged’ committee. On 8 December 2011, the Liaison Committee agreed to a change to the Standing Orders proposed by the Deputy Leader of the House which would make the departmental select committee with responsibility for scrutinising the department of the Minister who had laid the draft order the ‘charged’ committee under the Act. In the case of Consumer Focus, the ‘charged’ Committee would be the Business, Innovation and Skills Committee. Our inquiry, although not part of the

1 HC Deb, 14 October 2010, col 505

2 Public Bodies Bill (2010–12)

3 Department for Business, Innovation and Skills, *Empowering and Protecting Consumers: Consultation on institutional changes for provision of consumer information, advice, education, advocacy and enforcement*, July 2011

4 Q 75

5 <http://www.welsh-affairs-committee/one-off-sessions/representation-of-consumer-interests-in-wales/>

6 For a list of witnesses and written evidence see page 19 of this Report

parliamentary process described, is the first inquiry by a select committee into a body listed in the Schedules of the Public Bodies Act.

6. This Report and the evidence we publish with it, is our contribution to the Government's consultation. In reporting our findings, we have not attempted to re-run the Government's consultation, nor to address every issue which was raised by witnesses in our inquiry. We have instead provided our analysis of the impact of the Government's proposals on consumer advocacy in Wales. While we have identified some areas which concern us and matters which we believe require clarification, our Report should be seen as a contribution to the debate about how in future the representation of Welsh consumers could be made both more effective and efficient. **We expect BIS to take our Report into account when the draft order regarding the future of Consumer Focus is laid.**

2 Consumer advocacy in Wales

Current arrangements

7. Consumer policy is reserved to the UK Parliament. Throughout the country the enforcement of consumer legislation is carried out locally by Local Authority Trading Standards Services (LATSS). At a national level, the Office of Fair Trading (OFT) enforces both competition and consumer protection laws.

8. Consumer organisations act as representatives of people, including those considered vulnerable, in their grievances and disputes with public and private organisations. According to BIS, the effectiveness of consumer advocacy bodies “depends on their ability to identify consumer concerns that need to be addressed in the development of public policy and regulation”.⁷ In addition, “consumer advocacy must be underpinned by good quality research and rigorous economic analysis”.⁸

9. Responsibility for advocating consumer interests in the UK rests with Consumer Focus and Citizens Advice, both of which receive either all or part of their funding from the taxpayer. Other “sectoral consumer bodies” such as those for the railways and aviation, have responsibility for representing and acting as advocates for the interests of consumers in their specific areas. In addition, independent consumer organisations such as Which? carry out similar types of activities without receiving public funding.⁹

Consumer Focus Wales

10. Consumer Focus was established by the Consumers, Estate Agents and Redress (CEAR) Act 2007.¹⁰ Consumer Focus’s £10 million annual budget is provided by BIS and by levies on the gas, electricity and postal industries. The organisation has separate operations in England, Scotland and Wales; Consumer Focus Wales receives approximately 10% of the total national budget of Consumer Focus.¹¹

11. The main functions of Consumer Focus Wales are to undertake and publish research about consumer matters affecting, in particular, the gas, electricity and postal sectors.¹² Although its primary focus is on Wales the organisation has, on a number of occasions, led on issues affecting both Wales and England including its campaign to enhance the legal rights of people living in park homes.¹³ The organisation also investigates cases of complaints using its statutory powers, for example, the power to appeal certain decisions made by the regulator on behalf of consumers. An Extra Help Unit also provides assistance

7 Department for Business, Innovation and Skills, *Empowering and Protecting Consumers: Consultation on institutional changes for provision of consumer information, advice, education, advocacy and enforcement*, July 2011

8 Ev 25

9 *Ibid.*

10 *Ibid.*

11 Q 39

12 Ev 19

13 Q 31

and advice for “vulnerable gas, electricity and postal services consumers and for electricity and gas consumers who are facing difficulties because of disconnection, or possible disconnection, of supply”.¹⁴

Citizens Advice

12. The Citizens Advice Service (which operates across England and Wales) is an independent, charitable membership organisation whose members, the Citizens Advice Bureaux, are themselves independent charities. The Bureaux provide advice to individuals on a wide range of matters via telephone, online and face-to-face contact at the bureaux.

13. Citizens Advice Cymru does not have either a specific policy function or the statutory powers possessed by Consumer Focus. The organisation is largely concerned with managing the work of their Bureaux network in Wales. This network comprises bureaux in every county in Wales and the service is delivered from approximately 247 advice surgeries across the country.¹⁵

Proposed Changes

14. Although the Government has announced its intention to change the way consumer interests are represented in Wales there is uncertainty about what that change will comprise. In October 2010 the Government published the Public Bodies Bill which enabled Ministers to abolish a list of public organisations set out in the Bill. The list included Consumer Focus (including Consumer Focus Wales) and made provision for Ministers to “abolish, merge or transfer the functions of Consumer Focus”.¹⁶ During consideration of the Bill in the Public Bill Committee, the Government rejected an amendment which would have removed Consumer Focus from the scope of the Bill.¹⁷ The Bill received Royal Assent on 14 December 2011.

15. In written evidence BIS stated that, while Ministers had not yet made a final decision, they were “minded” to transfer the functions of Consumer Focus Wales to Citizens Advice.¹⁸ According to the Government, consumers in Wales would benefit from its functions being transferred to “an organisation with strong brand awareness and a broad consumer outreach” and that “the consultation suggests that the Citizens Advice Service is well placed to deliver on these two criteria”.¹⁹ During our inquiry, the Minister confirmed that discussions were ongoing with Which? a private consumer organisation, to discuss a possible partnership role with Citizens Advice.²⁰

14 Ev 24

15 Ev 26

16 Public Bodies Bill (2010–12)

17 Public Bodies Bill Committee, 11 October 2011 col 294

18 Ev 25

19 Ev 27

20 Q 65

16. The continued uncertainty over the future of Consumer Focus Wales and the absence of firm proposals for its replacement has been unsettling for its employees.²¹ Liz Withers, Head of Policy at Consumer Focus Wales described the past year as “very difficult” for staff.²² The Department confirmed that a final decision on the future of Consumer Focus would only be made once Ministers had considered the findings of its consultation; this will be some 15 months since the initial announcement was made.

17. The Government should end quickly the ongoing uncertainty about the future of Consumer Focus Wales. We recommend that the Government publish, without delay, its detailed plans for how Consumer Focus Wales’ powers and responsibilities will be exercised in the future.

Rationale for the decision

18. A number of witnesses argued that the Department had not made its reasons for making these changes sufficiently clear.²³

19. The performance of Consumer Focus Wales was universally praised by our witnesses who argued that the organisation had proved to be very effective in bringing consumer interests to public attention through its research and campaigning.²⁴ The Minister, Ed Davey MP, stated that:

Consumer Focus Wales has an excellent record, and I want to put on record [...] that any changes in no way suggest that the coalition Government is criticising Consumer Focus Wales.²⁵

20. However, the Minister also argued that change was necessary for two reasons. First, he argued that Consumer Focus and Citizens Advice carried out similar functions and often duplicated each other’s work:

Part of the rationale is to try to free up resources. We all know we are in a difficult financial climate. What was clear when we started out on this work was that there is a degree of duplication. That does not make sense. It is not in the consumers’ interests. If we can end duplication and reduce waste, then, clearly, there is potential to have more resource.²⁶

When we asked the Minister to provide examples of duplication he told us that “When you have a Government consultation you get separate submissions from Citizens Advice and Consumer Focus”.²⁷

21 Ev 29

22 Q 26

23 Ev w1, Ev w3

24 Ev w1–w7

25 Q 60

26 *Ibid.*

27 Q 61

21. We received no other evidence that the two organisations duplicated each other's work or that consumers were in anyway confused by the arrangements. Maria Battle, Senior Director, Consumer Focus Wales, argued that:

If we look at the work that Citizens Advice Cymru do very well in Wales, it tends to be based on the client base, which is the debt work, the financial inclusion and welfare benefits work, which is all very important. If we look at the sort of work that we have done, it is the broad range. For example, in post offices we are looking at the delivery of local authority services through post offices.

Helene Hayes, Partnership Advocacy Manager, Citizens Advice, reinforced this argument and maintained that Consumer Focus Wales and Citizens Advice took great care not to cover the same areas of work or duplicate each other's efforts.²⁸

22. We are not persuaded by the Government's argument that Consumer Focus Wales and Citizens Advice regularly duplicate each other's work. On the contrary, the evidence we received is clear that the two organisations have deliberately avoided such duplication of effort by focusing their work on separate areas of consumer interest.

23. The second argument made by the Minister was that, in the light of the current financial situation and severe pressures on public finances, public money would be more efficiently channelled through one organisation rather than two. Both Mr Davey and Citizens Advice argued that the attributes of the two organisations were complementary. The Minister further argued that if the best of both organisations were joined together, a more efficient and cost-effective organisation could emerge.²⁹

24. However, it is unclear whether the £10 million funding provided by BIS to Consumer Focus nationally (including the £1.1 million received by Consumer Focus Wales) would be transferred entirely to Citizens Advice under the Government's proposals. Mr Davey told us: "I cannot pre-judge the decision we will make about particular funding streams".³⁰

25. Given the current financial situation there is a strong case for looking at whether consumer interests are represented in the most efficient and cost-effective way. We recommend that the Government writes to the Committee setting out what savings it expects to make from abolishing Consumer Focus and transferring its powers to Citizens Advice. The letter should include a timetable identifying when these savings will be achieved. In addition, the UK Government must ensure that the proposed successor body for Wales is resourced adequately.

28 Q 8

29 Q 57, Q 52

30 Q 78

3 Future representation of Welsh consumers

26. The Government maintained that the purpose of any new arrangements was not to reduce the level of support for consumers in Wales “but rather to deliver a better service”.³¹ The evidence we received from a number of witnesses suggested that this commitment will only be realised if the strengths of Consumer Focus Wales are replicated in Citizens Advice, possibly in partnership with another organisation.

Statutory Powers

27. The Consumers, Estate Agents and Redress Act 2007 sets out the powers of Consumer Focus Wales.³² Witnesses agreed that any successor body to Consumer Focus Wales should be given similar statutory powers. The most significant powers are those it exercises in relation to regulating the postal and energy sectors. These are powers of “investigation, reporting and advocacy” which enables it to receive on request information from Government and industry regulators.³³

28. We heard during our inquiry about a number of examples of how Consumer Focus Wales had used its powers effectively on behalf of consumers. Witnesses referred to the organisation’s successful campaign challenging the charging policy of energy providers in Wales. Another example cited was the organisation’s work in challenging the Welsh Government to implement the recommendations for improving food safety made following the Public Inquiry into the outbreak in South Wales of E.coli O157 in 2005.³⁴

29. Neither Citizens Advice Cymru nor Which? possess the same powers as Consumer Focus Wales. Both organisations do have “super complaint powers” which enable them to report to the Office of Fair Trading instances when it believes that a market is not working in the interests of customers, but these powers fall short of those currently enjoyed by Consumer Focus Wales.

30. The evidence we received from the Welsh Government argued for clarification about whether the powers and duties of Consumer Focus Wales would be transferred to Citizens Advice Cymru, arguing that “Confirmation of such a procedure is needed to ensure that the new model for Wales truly replicates the existing one”.³⁵ Gillian Guy, Chief Executive, Citizens Advice, told us that: “We are very clear that we need the powers that Consumer Focus currently enjoys in order to perform the functions at least as well”.³⁶

31 Ev 26

32 Ev 25

33 Ev 19

34 Ev w7

35 Ev 29

36 Q 6

31. **Should the Government proceed with its proposals to abolish Consumer Focus Wales, we recommend that its statutory powers are transferred in full to its successor organisation.**

Research and policy development

32. There was widespread agreement among witnesses that Consumer Focus Wales had a strong record of undertaking good quality research which regularly informed public debate and influenced the policy of the UK and Welsh Governments.

33. Consumer Focus Wales’s research unit is based in Cardiff and staffed by up to 16 people. Researchers determine their priorities following consultation with “a broad range of consumers in Wales, including Welsh Government Ministers” but without interference from its national headquarters in London.³⁷ That freedom to establish its own priorities, it was argued, enabled researchers to identify issues that were important to Wales but not necessarily receiving great public attention. The organisation gave examples of this “horizon scanning” which included raising the issue of fuel poverty in rural areas.³⁸

34. The Welsh Government described Citizens Advice Cymru’s research unit as “much smaller” and noted that the organisation did not have “an equivalent dedicated policy and research capability focused on Welsh needs”.³⁹ In contrast to the research-led approach taken by Consumer Focus Wales, Citizens Advice told us that it gathered information about the issues facing consumers in Wales and across the UK from a “bottom-up” process—from conversations with the people who attended advice surgeries in 247 locations across Wales. According to Citizens Advice its service in Wales “helped over 123,000 people deal with almost 402,000 problems” most of which related to financial matters.⁴⁰ Citizens Advice told us that the information it derived from this approach led to advocacy campaigns including those targeted at payment protection plans and free school uniforms in Wales.⁴¹

35. Several witnesses argued that it was important that Consumer Focus Wales’ research function should be reflected in any new arrangements. Gillian Guy recognised that Citizens Advice would have to adapt its approach and invest in its research department:

We understand the proposed changes will involve us in making some significant changes, for example to shift our policy and campaigns work from being based predominantly on the evidence from our clients, to the need to undertake research looking at the wider experience of consumers in Wales.⁴²

36. The different approaches to research taken by Consumer Focus Wales and Citizens Advice are equally valid. The extensive range of bureaux across Wales enables Citizens

37 Ev 22

38 *Ibid.*

39 Ev 29

40 Ev 15

41 Ev 16

42 Ev 18

Advice to hear directly from individuals about the problems particular to Wales. In contrast the research-led approach of Consumer Focus Wales enables it to identify potential problems or market failures. The service to consumers in Wales would suffer if either approach were to be lost.

37. We recommend that the Government sets out its plans for ensuring that the expertise and research capabilities of Consumer Focus Wales are maintained under the new arrangements. This should include an appropriately resourced research unit based in Wales which, through effective horizon-scanning, pro-actively identifies consumer problems but that is also responsive to the issues raised directly by consumers living in Wales. The successor body should continue to challenge the regulator when appropriate and publish the evidence needed to inform public policy at a strategic level in the manner that Consumer Focus Wales did so successfully in connection with fuel poverty and food standards in Welsh schools. The Government should, in its response to this Report, make clear what emphasis the new organisation should place on client-driven and research-led investigations.

Maintaining a Welsh focus

38. Several witnesses argued that any model for consumer representation proposed by the Government should provide for a body with governance arrangements that ensure that decisions about what work it undertakes are made in Wales.

39. The 2007 Consumers, Estate Agents and Redress Act makes provision for a territorial committee of Consumer Focus to be based in Wales. Under the Act, Consumer Focus Wales is afforded a large degree of autonomy in shaping and approving its plan of work without, for example, interference from the national body. The Governance arrangements also provide that Consumer Focus Wales is responsible for areas of consumer policy specifically within Wales.⁴³ Further autonomy is provided by the generous provision to Consumer Focus Wales of 10% of Consumer Focus's overall budget, totalling some £1.1 million in 2010–11.⁴⁴

40. Citizens Advice Cymru, however, does not enjoy the same institutional independence from Citizens Advice. A sub-committee of the main Citizens Advice Board considers Wales-specific advice and advocacy issues. Unlike Consumer Focus Wales, there is currently no separate Wales Board.

41. Witnesses were concerned that under the new arrangements the successor body would not be able to govern its own affairs and maintain a strong focus on Welsh interests. Consumer Focus Wales argued that:

One of our primary concerns is not the way in which this Citizens Advice sub Committee may have a degree of autonomy but how this autonomy may be limited

43 Ev 19

44 Q 39

in its scope. Another concern we have is there will be no representative from Wales on the executive of Citizens Advice and there are no plans to do so.⁴⁵

Gillian Guy told us that Citizens Advice was open to changing its internal governance to ensure that Citizens Advice Cymru was able to set its own agenda:

We want to make sure that that governance is strengthened. We will look at the terms of reference of our Welsh committee and make sure that they are strong enough to be resilient on that basis.⁴⁶

The Minister told us that:

I envisage, and this is certainly in our thinking, if we go ahead with the Citizens Advice model, that there would be offices in Wales. I believe similar sorts of models for the governance of Citizens Advice, if we pursue that option, can be equally effective for the consumers of Wales with Citizens Advice.⁴⁷

42. Should the Government proceed with its proposals, it must ensure that Citizens Advice Cymru is given the same legal independence as that currently exercised by Consumer Focus Wales. The new body should provide guarantees that it will have a permanent headquarters in Wales and its independence from any parent organisation should be set out clearly. We further recommend that the Director of Citizens Advice Cymru should also sit on the board of the parent organisation for England and Wales.

Future Accountability

43. Consumer Focus Wales told us that its work was increasingly concerned with matters affecting consumers for which legislative responsibility was devolved to the Welsh Assembly:

The devolution settlement at the moment puts the functions firmly into Wales. What we focus on is where the solutions are. The solutions may lie with the Welsh Government or with the UK Government. For example, the Food Hygiene Bill that is going to be introduced [by the Welsh Government] was a result of our work, and it means there will be a mandatory display across Wales which will enhance the rights of all consumers in Wales to see whether or not that place is safe for them to eat at. The Housing Bill is in the Welsh Government, and in that Bill we are looking at influencing the protection of private tenants and for Park Home tenants.⁴⁸

Consumer Focus Wales supported attempts by some Members of Parliament to amend the Public Bodies Bill during its scrutiny in the Public Bill Committee. The intention of the amendment was that in future Consumer Focus or any successor body would be primarily accountable to Welsh Ministers rather than the UK Government. This suggestion was supported by the Welsh Government.⁴⁹

45 Ev 23

46 Q 17

47 Q 63

48 Q 53

49 Ev 30

44. The UK Government, however, rejected the proposed amendment stating that:

We believe that this amendment is not necessary to deliver an organisation of equal or better standing than Consumer Focus Wales [...] Further, the interaction we intend to embed in any future model of consumer advocacy will ensure that Welsh Ministers and the Welsh Government will have a crucial role to play and a mechanism within which it can play that role.⁵⁰

45. Although the Government rejected the option of devolving responsibility for consumer affairs to the National Assembly for Wales, we believe that this proposition is not without merit. As Consumer Focus Wales has demonstrated, much of its work in Wales falls under the responsibility of the Assembly and Welsh Government ministers. This situation is likely to develop in the future along with calls for the responsibility for the body representing consumers in Wales to be devolved. **We recommend that, in the short term at least, while the successor body should remain accountable to the UK Parliament, it should maintain its strong links with the National Assembly for Wales.**

46. **We further recommend that the Government conduct a review of the new arrangements for consumer representation two years after their implementation. This review should examine whether or not it is appropriate to devolve responsibility for consumer affairs to the National Assembly for Wales. We call on the Commission on Devolution in Wales to consider this matter when it reviews the powers of the National Assembly for Wales.**

Conclusions and recommendations

Introduction

1. We expect BIS to take our Report into account when the draft order regarding the future of Consumer Focus is laid. (Paragraph 6)

Proposed changes

2. The Government should quickly end the ongoing uncertainty about the future of Consumer Focus Wales. We recommend that the Government publish, without delay, its detailed plans for how Consumer Focus Wales' powers and responsibilities will be exercised in the future. (Paragraph 17)

Rationale for the decision

3. We are not persuaded by the Government's argument that Consumer Focus Wales and Citizens Advice regularly duplicate each other's work. On the contrary, the evidence we received is clear that the two organisations have deliberately avoided such duplication of effort by focusing their work on separate areas of consumer interest. (Paragraph 22)
4. Given the current financial situation there is a strong case for looking at whether consumer interests are represented in the most efficient and cost-effective way. We recommend that the Government writes to the Committee setting out what savings it expects to make from abolishing Consumer Focus and transferring its powers to Citizens Advice. The letter should include a timetable identifying when these savings will be achieved. In addition, the UK Government must ensure that the proposed successor body for Wales is resourced adequately. (Paragraph 25)

Statutory powers

5. Should the Government proceed with its proposals to abolish Consumer Focus Wales, we recommend that its statutory powers are transferred in full to its successor organisation. (Paragraph 31)

Research and policy development

6. We recommend that the Government sets out its plans for ensuring that the expertise and research capabilities of Consumer Focus Wales are maintained under the new arrangements. This should include an appropriately resourced research unit based in Wales which, through effective horizon-scanning, pro-actively identifies consumer problems but which is also responsive to the issues raised directly by consumers living in Wales. The successor body should continue to challenge the regulator when appropriate and publish the evidence needed to inform public policy at a strategic level in the manner that Consumer Focus Wales did so successfully in connection with fuel poverty and food standards in Welsh schools. The Government should, in its response to this Report, make clear what emphasis the new

organisation should place on client-driven and research-led investigations. (Paragraph 37)

Maintaining a Welsh focus

7. Should the Government proceed with its proposals, it must ensure that Citizens Advice Cymru is given the same legal independence as that currently exercised by Consumer Focus Wales. The new body should provide guarantees that it will have a permanent headquarters in Wales and its independence from any parent organisation should be set out clearly. We further recommend that the Director of Citizens Advice Cymru should also sit on the board of the parent organisation for England and Wales. (Paragraph 42)

Future accountability

8. We recommend that, in the short term at least, while the successor body should remain accountable to the UK Parliament, it should maintain its strong links with the National Assembly for Wales. (Paragraph 45)
9. We further recommend that the Government conduct a review of the new arrangements for consumer representation two years after their implementation. This review should examine whether or not it is appropriate to devolve responsibility for consumer affairs to the National Assembly for Wales. We call on the Commission on Devolution in Wales to consider this matter when it reviews the powers of the National Assembly for Wales. (Paragraph 46)

Formal Minutes

Tuesday 13 December 2011

Members present:

David T.C. Davies, in the Chair

Stuart Andrew
Geraint Davies
Jonathan Edwards
Nia Griffith

Jessica Morden
Mr Robin Walker
Mr Mark Williams

Draft Report (*Representation of consumer interests in Wales*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 46 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Seventh Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for publishing on 18 October and 8 November 2011.

[Adjourned till Tuesday 17 January at 10.00 am

Witnesses

Tuesday 18 October 2001

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Vivienne Sugar , Chair, Maria Battle , Senior Director, and Liz Withers , Head of Policy, Consumer Focus Wales	Ev 5
Mr Edward Davey MP , Parliamentary-Under Secretary of State for Employment Relations and Consumer and Postal Affairs, Department for Business, Innovation and Skills	Ev 10

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3	Department for Business, Innovation and Skills	Ev 25
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5	Children's Commissioner for Wales	Ev 30

List of additional written evidence

(published in Volume II on the Committee's website www.parliament.uk/welshcom)

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2	Rachel and Tim Jebbett and John Purvin	Ev w1
3	Thrive	Ev w3
4	Sharon Mills	Ev w4
5	Shelter Cymru	Ev w5
6	Welsh Refugee Council	Ev w6
7	Ingrid Gubbay	Ev w7

List of Reports from the Committee during the current Parliament

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Fourth Report	The future of the Newport Passport Office	HC 590
Fifth Special Report	The Severn Crossings Toll: Government Response to the Committee's Third Report of Session 2010–11	HC 837
Sixth Special Report	Proposed Legislative Competence Orders relating to Organ Donation and Cycle Paths	HC 896–I
Seventh Special Report	The proposed amendment of Schedule 7 to the Government of Wales Act 2006: Government Response to the Committee's Second Report of Session 2010–11	HC 918
Fifth Report	S4C	HC 614
Sixth Report	Pre-appointment hearing with the Government's preferred candidate for the Chairman of the S4C Authority	HC 1061–I

Oral evidence

Taken before the Welsh Affairs Committee on Tuesday 18 October 2011

Members present:

David T. C. Davies (Chair)

Stuart Andrew
Guto Bebb
Geraint Davies
Jonathan Edwards

Karen Lumley
Jessica Morden
Mr Robin Walker
Mr Mark Williams

Examination of Witnesses

Witnesses: **Gillian Guy**, Chief Executive, Citizens Advice, **Helene Hayes**, Partnership Development Manager, Citizens Advice Cymru, and **Louise Hanson**, Head of Advocacy, Which?, gave evidence.

Chair: Good morning. We are on quite a tight schedule this morning. I am going to ask everyone for very quick questions and answers and start right away with Mark Williams, who called for this inquiry.

Mr Williams: Chair, I do not know whether it is in order at this stage to declare any interests. My wife was until recently a trustee of our excellent local Citizens Advice Bureau in Aberystwyth.

Chair: Are there any other interests to declare?

Jonathan Edwards: Yes, Chair. I used to work for Citizens Advice.

Q1 Mr Williams: It is good to see everybody here. I want to talk first about the issue of the Government's consultation. Has the timetable set by BIS given individuals and organisations like yours sufficient time to respond to the Government's suggestions about your future?

Gillian Guy: As far as Citizens Advice is concerned, the answer would be yes to that. It has prompted us to have many conversations with other organisations which are affected by the proposals. To some extent it was a little drawn out in that the conversation started at the back end of last year, even before the consultation was formally out. We did not wait until that document came out to start our conversations. We have put responses in and those responses, as we get to digest them, are helping to shape our proposals for the future.

Q2 Mr Williams: From the very early stages of the Government's plans on the future of quangos, they made very clear their intention to change the status of Consumer Focus and shift some of those responsibilities to Citizens Advice. Do you agree with those people who have asserted that, in many ways, the consultation has been a pointless exercise because the Government knew the direction of travel from those very early days even before the consultation started?

Gillian Guy: I guess people will have their views on that and they have clearly expressed some of them to you. It was important that we started to have some discussions before the consultation to see whether some of these things were even feasible and viable. That was the basis of them, and all of our proposals

and discussions have been very much couched in terms of "if this happens", not "when this happens". We are also very clear that we will continue working in the consumer area, no matter what the decisions are.

Mr Williams: It is very refreshing to hear you talk in terms of "if" rather than "when". We have some interesting questions later on and we will see if that is the case with our later witnesses also. Thank you.

Q3 Chair: Does Louise Hanson from Which? have any thoughts as to whether the consultation was properly done or not?

Louise Hanson: We have been very involved, as other consumer organisations have, in talking to BIS civil servants. I am very interested to see the full range of proposals because, whereas the future of Consumer Focus is one aspect of the consultation, there are some other major areas that are being consulted on, particularly the changes to the Office of Fair Trading and enforcement of consumer policy and consumer law, which equally have huge impacts for Welsh consumers.

Q4 Chair: Did you feel it was a fair consultation?

Louise Hanson: Yes. We were involved and there was plenty of time to do that. I would agree with Gillian that it has been a very long process and there have been some similar changes throughout that.

Q5 Mr Williams: In terms of the Consumer Focus Wales office, which is the subject of this morning, have Which? been involved in the discussions on potential models for Wales from the start?

Louise Hanson: Not directly in that we have not been talking individually with people in Wales about Consumer Focus Wales, no.

Q6 Karen Lumley: To both of you, do you welcome the Government's willingness to transfer Consumer Focus' powers to Citizens Advice, and have the Government been very clear on what powers are to be transferred?

Chair: Perhaps Ms Hayes would start.

Helene Hayes: You will have to excuse me. I am a little nervous.

Chair: Don't worry. We are literally here to find out information and not to interrogate you.

Helene Hayes: Can I hand over to Gillian to start on powers? That seems more appropriate.

Gillian Guy: Only because it is general to England and Wales. We have been very clear from the start of the conversation and during the course of the consultation that we would want to fill the gap that would be left if Consumer Focus' functions were moved, and that if we did fill that gap we would need both powers and resources. We are very clear that we need the powers that Consumer Focus currently enjoys in order to perform the functions at least as well, and we would hope to enhance the way we can do that because we would bring behind that the whole of Citizens Advice, particularly Citizens Advice Cymru in Wales, and also the partnership with Which?.

Louise Hanson: We would agree that the partnership discussions that we have been having and the very particular role that has been outlined for Which? may well require some of the powers that currently Consumer Focus holds. We would want to make sure that none of those powers disappear if these changes are taken forward, because those powers are there to help consumers. We want to make sure that, whichever organisations continue to do the work, they have the proper powers to make that happen.

Q7 Chair: Can I ask you a very direct question to summarise this? If you were given the powers and the money—the resources—would the service to consumers be the same, better or worse in your view?

Louise Hanson: Hopefully, it would be better and—importantly—different.

Q8 Chair: Can I ask Citizens Advice what you think?

Helene Hayes: We certainly recognise the good work that has been done by Consumer Focus and Consumer Focus Wales. We welcome the consultations and opportunity to review the different consumer work that is done by different organisations, and we would look to build on that good work. We have worked with Consumer Focus in partnership in Wales previously without duplicating. We are working in partnership with them and we would look to improve that work.

Chair: A better job.

Helene Hayes: There is always room for improvement as organisations move forward.

Q9 Jessica Morden: Given the current economic climate and the demands, in particular upon CABs at the moment, and the increase in demand for advice, do you think it is the right time to be transferring power, with all the upheaval that that would bring with it, and narrowing advice and research to just one agency?

Helene Hayes: I am not sure our intention, if the powers and functions were transferred, is to narrow the research just to our client base. That is a misunderstanding that exists.

Q10 Jessica Morden: I just meant narrower, rather than two organisations narrowing into one

organisation, albeit with the research and the work that you do with the client base.

Gillian Guy: The point about the resources transferring as well as the functions is the same for any voluntary sector organisation—and we are both charities sitting here—picking up functions and absorbing them within their current resources. It is right to point out that we are all stretched at the moment and there are threats and problems around resources being available. We are very clear that these functions will require resourcing. We are also very clear that the enhancement we can bring is joining together what Citizens Advice currently does and where it is currently located through the Bureaux in every single community throughout England and Wales in order to enhance those functions but not to do them on a shoestring. It really is important that the resources are there for them. That is where the partnership with Which? comes into being, because there is expertise there. There is already a function going on in the Which? organisation, about which Louise is well capable of speaking. We want to harness that to what we do in the Bureaux, as well as the masses of evidence we get from our 2 million people who come through the door every year, and make clear that that evidence goes together with the research and analysis that we will do in deepening our policy function so that we can perform much better for consumers in the future.

Q11 Karen Lumley: Bearing in mind that you are a charity, how easy will it be to transfer the associated legal powers that Consumer Focus has?

Louise Hanson: We are both charities and we already have certain powers. For example, we both hold super-complaint powers. Which? is a charity and we are the only organisation that has representative powers under the Enterprise Act to take a case to the Competition Appeal Tribunal, which we did with the football shirts case. We also have the ability to take private enforcement actions. As charities, we are able to have certain functions if they are given to us by the Secretary of State. I do not have any legal advice at the minute to be able to say exactly how that would work, but there are ways in which charities can perform these things in the public interest because that is also what we are here to do.

Q12 Chair: As, for example, the RSPCA could do.

Louise Hanson: Exactly. They have enforcement powers.

Q13 Geraint Davies: I want to ask you about disruption. It seems to me that, at a time when there is withdrawal of legal aid, Citizens Advice are being challenged to bid for all sorts of other things. We are now saying, "Let's transfer research on consumer matters and you can appeal against decisions of the regulator", and there is a lot of complexity and difference. With that process of disruption, even if we end up in a better place, do you not feel that will undermine consumer advocacy and coherence, in the short term at least?

Gillian Guy: There are two things that we are very clear about ensuring. One of those, if the functions

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come across to us from Consumer Focus, is no diminution in the service, and that includes, by the way, Consumer Direct. There are two elements to this. The other is that we would not be reckless with the service that is currently provided by Citizens Advice Bureaux. It was a very measured conclusion that we would be able to absorb these functions with minimum disruption to our current services and feel that they could enhance our current services. The reason for that is that we can strengthen our local advocacy function, which is there at the moment but is not fully resourced.

We can also deepen our policy function at the centre, again in partnership with Which?, and make sure that we have the resources harnessed together to do what we do on policy currently better for consumers, and that will help us with those additional resources. In so far as the change to the organisation is concerned, it starts principally as a change to Citizens Advice, the overarching organisation, with no disruption to Bureaux themselves, and then we manage that change. We have been very clear with BIS that we must have resources for transition, and they have given us resources for that transition should we go through the whole process. They have done it for Consumer Direct so far, and we are managing the change as a very separate and clear programme of change, not asking people to do that and also their day job.

Q14 Geraint Davies: In other words, the focus will be ensuring that the Citizens Advice service is not disrupted and is retained, and then the attempt will be made, hopefully with additional transition funding, to build up Consumer Focus and not have too many babies thrown out with the bath water. Is that it? You are saying you will try and preserve Citizens Advice, but during this change there will be a risk, will there not, to the Consumer Focus function and, therefore, for consumers?

Gillian Guy: The risk to Consumer Focus' function is the time in which transition takes place. If we can just get on to a decision, so we are talking not about if it is an "if" or a "when" but about what is going to happen, we can then start proper transitional planning and make sure we do not lose resources and the knowledge base from Consumer Focus. That is the principal risk. I do not think there is a risk, because we would plan the transition to the nth degree, and we will protect both sides of that transition, both existing Citizens Advice functions and also the Consumer Focus functions.

Q15 Geraint Davies: The overall funding will be retained. Is that right?

Gillian Guy: Yes.

Q16 Jonathan Edwards: Of primary concern to us is what the consumer advocacy landscape will look like in Wales after or if these changes are implemented. The reason for that is that Consumer Focus Wales has a very impressive operation in Wales at the moment. It gets about 10% of the funding of Consumer Focus. If the changes go through, can you tell us what share the Welsh office of Citizens Advice Cymru get of the research funding budget from

Citizens Advice and the staffing resource? Also, will all the functions currently performed by Consumer Focus in Wales be performed by Citizens Advice Cymru or will some be re-reserved down to your headquarters in London?

Gillian Guy: I am going to start and then I am going to hand over to Helene, because getting a Welsh perspective on this will be more useful. We will do that by saying that we do not want to see—I keep saying this—any diminution of what goes on in Wales at the moment. We think we can strengthen it, and Helene has some reasons for that, given our current practice in Citizens Advice Cymru.

Helene Hayes: As Gillian said, there is no intention to reduce the resources in the transfer to Wales. The Committee may not be aware, but there are distinct events that Citizens Advice Cymru hold. We attend the Eisteddfod. That is a policy platform for us. We launched the England and Wales "Spot the Scam" campaign with Citizens Advice around the consumer interest in Wales. There are already a number of instances where Citizens Advice Cymru sets its own agenda and its programme of work. There is no intention to reduce that. We also have examples of specialist services that are based in our Cardiff office in Wales, not just for vulnerable consumers in Wales in terms of debt relief orders or money advice, but also to help to advise the Insolvency Service on guidance, for example. In that way they influence guidance for vulnerable consumers across England and Wales. There are quite a few examples of how Wales sets its own agenda and examples of how it influences the agenda for vulnerable consumers in England and Wales.

Q17 Jonathan Edwards: Are you in a position to commit to giving the same resource that currently Consumer Focus gives Consumer Focus Wales from Citizens Advice to Citizens Advice Cymru? That is very important to us. We want the functions performed in Wales, not in London.

Gillian Guy: The functions will be performed in Wales. We are looking to strengthen the governance arrangements that we currently have, which are pretty strong anyway, in giving Citizens Advice Cymru some autonomy and independence around issues not just in Wales but that affect Wales, which is a much broader definition, as you will be clear. We want to make sure that that governance is strengthened. We will look at the terms of reference of our Welsh committee and make sure that they are strong enough to be resilient on that basis. We will also be making sure that there is representation at our England and Wales board that goes in both directions. We have two members who go on the Welsh committee who come from Wales themselves currently, and that gives us that strength and resilience around our governance, but we will be looking to bolster that. There are other things that are done in Consumer Focus in Wales that have GB implications—their investigations team and also the lab function that they have. That is really exciting for GB, and we want them to stay in Wales but see them grow in terms of their influence across England and Wales.

Q18 Guto Bebb: You have already mentioned in one of your responses the fact that you have had discussions with BIS relating to a transition of resources. Could you expand upon the discussions that you have had with Ministers in relation to the proposed takeover of Consumer Focus?

Gillian Guy: We are not proposing a takeover of Consumer Focus. I am not going to fall for that one. If Consumer Focus does come our way and, therefore, we need to have some preparatory conversations about that, there need to be some markers in the ground, as you might expect from an organisation wishing to protect itself and protect its service. Our reputation is important in that, if we take on the functions, we must perform them well, because that is what we do at Citizens Advice, and, therefore, it is necessary to continue that. We would not take on anything that we did not think we could do. We would not take on anything that did not have adequate resources to do it and might damage us in other ways. We also need proper transition and so we need transitional funding. The conversations have been along those lines. If this is to happen, then there will have to be that kind of provision. We have also had conversations, in particular with Carl Sargeant within the Welsh Government, giving some reassurance on the governance proposals and a strengthening of the terms of reference to make sure there is autonomy in Citizens Advice Cymru to pick up these functions. Again, that is about preserving resources.

Q19 Guto Bebb: But, if the opportunity does arise, you are quite confident that Citizens Advice could be in a position to meet the challenges, if the decision was made, as a result of consultation, to advocate a merger.

Gillian Guy: We are quite confident, and we are quietly confident that in not too short a time we will be able to enhance that service because we will bring what we currently have in Citizens Advice, and, indeed, in Which?. What we ought to be doing here is talking about consumers and thinking how we can strengthen their voice in what is going to be a particularly difficult time with what we are going through currently, particularly in Wales, where I would say that there are issues of rurality, fuel poverty, homelessness and housing, on which we need to be very strong advocates. Our ambition is to enhance that service.

Q20 Guto Bebb: In a Welsh context, the Government have stated that one of the advantages that Citizens Advice has is that you have the local Bureaux, which are doing work across Wales. In what way do you envisage the local Bureaux feeding into the central CAB office? Is it going to be a bottom-up service or is it going to be top-down? What influence will the local service Bureaux have on the way in which you will deliver services if this proposed merger happens?

Helene Hayes: You are right: we do have Bureaux in 247 community outlets across Wales. Increasingly, we deliver services in other people's premises, so we are working to get our service out there into the community to meet the needs of vulnerable people. I think it will be a mixture of both. When we are talking

about the functions and powers, certain decisions will be made by central office and experts there, but, in terms of the network in Wales, we already have existing structures where we bring the network together with Citizens Advice Cymru. It will bring our member Bureaux together and they will influence the design. We have social policy strategy groups and local cluster groupings where Bureaux get together to share good practice with each other and multi-agency forums. We have a number of networks that we run around vulnerable consumers in terms of money advice or what we call financial capability. We have all these networks where we bring the Bureaux together to share good practice and to influence the design of services.

Q21 Guto Bebb: The explanation as to the way in which the local Bureaux work and contribute to the service in Wales is most important, but what other advantages do you think Citizens Advice might offer in a Welsh context if this proposal goes ahead?

Helene Hayes: Are you thinking specifically of the influence of the Bureaux network?

Q22 Guto Bebb: If this proposal goes ahead, do you believe they will get other advantages in addition to the local Bureaux that we should be looking at?

Helene Hayes: The multi-agency networks and forums that I referred to earlier, especially around financial capability and money advice, relate to the consumer functions. There is the strength of our partnership work in Wales and our public affairs work. We are involved in fuel poverty forums and so on. We return submissions in terms of child poverty. There is work we do that already puts us in a good place in terms of partnership working with others. Citizens Advice has a role in co-ordinating quality standards IT infrastructure, and we also have an integrated telephone service in Wales. We are ahead of England in that respect. That has bilingual provision and we are very keen in all of our work with other bodies to ensure that there is not just Welsh language provision but that the advice that is given is given from the Welsh context. There is a point beyond language that is important because of the devolved areas in Wales. By that, I mean we ensure that our advisers are rooted in the Welsh context and the partnerships and the different structures that exist in Wales.

Q23 Chair: You would be committed, say, to the continuation of a bilingual help line for customers.

Helene Hayes: We are absolutely adamant, and have been since October 2007, that any provision is bilingual from the start.

Q24 Chair: Have you had any discussions with Welsh Assembly Government Ministers, because it is possible that the Welsh Assembly may decide to do things slightly differently if it gets the power? Have you had those discussions and do you sense support for this all-in-one proposal in the Assembly?

Helene Hayes: I have not been party to those discussions.

Gillian Guy: I have been party to the discussions, as I say, with the Minister in the Welsh Government and

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the emphasis there is what is going to be good for consumers in Wales. We have a shared agenda on that. No matter what happens, and I am aware that there is a whole variety of things that could happen, we will position ourselves to say that this is a good offer for consumers in Wales. I believe, from the conversations that we have had, that that will gain ground within the Welsh Government as well.

Q25 Mr Williams: I appreciate what you said earlier about the uniqueness of some of the challenges facing us in Wales and our constituents. You talked about rurality and rural poverty and homelessness, and there are many others as well. You also talked earlier about some autonomy in governance arrangements in discussions you have had with Ministers at Assembly level, and that is all very welcome. Do you feel that the representation of consumer interests should ultimately be the responsibility of Cardiff or Westminster politicians? Some of us have been quite active in the Public Bodies Bill, and one of the things we were trying to achieve there, rather than have what could be perceived as a Westminster-imposed model on Wales, was devolution of those responsibilities so that the Assembly Government could arrive at the governance arrangements it wishes to achieve. What are your thoughts on that?

Gillian Guy: The thought I have already expressed, which is probably as far as I will go on this, is to say that if it lies with Cardiff to decide how consumer issues are dealt with in the future, we would want to put our joint proposal to you in Cardiff and say we believe this will work for consumers in Wales as an enhanced service for them, and we will either persuade you of that or not.

That said, it is also important to look at these governance arrangements and think where the advocacy leads will come from for Wales. As well as there being a committee in Wales, given all the partnerships that are already in place and the close relationship that Citizens Advice Cymru has across the whole of Wales, there will be more than an influence—a drive, a steer—for the kinds of advocacy priorities that are taken up through the Wales organisation. That will probably influence the Westminster situation as well, but we are very clear that there needs to be that influence. There will also be a strategy input to what we do in England and Wales that will come through Wales, making sure there is strength there, regardless of whether it is one government or another that commissions this.

Mr Williams: I welcome those sentiments. They are important, and we are back to the “when” and the “if” because we have a little time longer to wait in terms of what the arrangements will be. It is worth reiterating, first, appreciation for what you as an organisation and Which? do across Wales. That is recognised, I am sure, by all of us, but for some there is also a point of principle that, whether decisions are made here in this place or ultimately in Cardiff Bay, they should capitalise on the expertise. Those of us who have advocated the devolution principles are not arguing for one body in particular but that the decisions should be made by Welsh Ministers rather than, with respect to my colleagues later on, by people operating from BIS in Whitehall.

Chair: That is a good statement to end on. Although I may not agree with all of that, I would like to add my thanks to Citizens Advice and Which? for the very good work that they do. Thank you very much indeed.

Witnesses: **Vivienne Sugar**, Chair, **Maria Battle**, Senior Director, and **Liz Withers**, Head of Policy, Consumer Focus Wales, gave evidence.

Chair: Thank you for coming along this morning. I am going to go straight into the questions with Jonathan Edwards.

Q26 Jonathan Edwards: In your view, was there any point to the BIS consultation, or do you think the Government had already made up their mind prior to the consultation? Also, do you think that individuals and organisations have had sufficient time to respond to the consultation?

Vivienne Sugar: It has been an interesting journey because, until the late summer of last year, the signals coming from Government were about brigading consumer organisations together around Consumer Focus, and then we had the announcement about public bodies. In January we had the Competition and Markets Authority consultation. We had to wait until June for the consumer landscape consultation, and, although that consultation talks about the possibilities of different solutions in Wales, the vehicle to do that—the Public Bodies Bill—is running ahead. It has felt a bit like trying to do a jigsaw with bits missing, because we are not quite sure what is going to happen with trading standards and so on, but nobody has

shown us the complete picture on the box yet. It has not been easy.

I am immensely proud of what the team have produced over this difficult year because of the uncertainty about the future, but the consultation has given people in Wales the opportunity to express their views. We know that there is an appetite for some slightly different arrangements being considered in Wales, and we are hoping that the Minister considers the comments that people have given as part of that consultation and will take them on board. The difficulty, we understand from his Permanent Secretary, is that he is not going to make an announcement about the results of the consultation until just before Christmas, by which time the Public Bodies Bill will have been enacted, which closes the door on different arrangements.

Chair: Thank you for that. That was a very good answer and we needed to hear a good opening statement, but I would like to appeal once more, with the utmost respect, to try and keep things short if possible.

Q27 Mr Walker: Would you accept the Government’s basic premise that the consumer

landscape is complicated and there is a need for rationalisation?

Vivienne Sugar: I do not think that has been the case in Wales. We work very closely together. I chair the consumer bodies group, where, with Citizens Advice colleagues, the Consumer Council for Water and Local Better Regulation Office, we all sit together.¹ We share our work plans to make sure there is not duplication. We look for opportunities of synergy. It has not felt as though it was a landscape in need of big reform. Certainly, there is the opportunity for closer working together in terms of streamlining. There are a number of public bodies in Wales where we could do a bit more of back office function-sharing, that kind of thing.

Q28 Mr Walker: I believe Consumer Focus was itself a product of the merger of different organisations coming together. How would you say this situation is different from that?

Vivienne Sugar: With the merger of Postwatch, Energywatch and the former Consumer Council, it was a managed process bringing three statutory bodies together. This is qualitatively different because you are moving from an organisation that has statutory functions into a charity, which operates by different rules, the accountability will be different, and so on. I do not think it is a fair comparison.

Q29 Chair: Would you accept that a charity could be given statutory functions, as many have been?

Vivienne Sugar: If I may, I am going to ask Maria to come in on this because she has done quite a bit of work on looking at the issue of powers.

Maria Battle: Yes, I totally agree; a charity can be given statutory powers and statutory functions. The issue here is how that charity is going to be made accountable in an open and transparent way, which is one of the principles behind the Public Bodies Bill. I am not an expert in charity law. I do know about public law, and there may be some challenges there in charity law because the functions are the statutory functions of Consumer Focus. The plan is to give it to three different charities.

Q30 Guto Bebb: You said in a previous response that the co-operation that exists in Wales between different consumer groups has been beneficial. Do you think that would have been noticed by the end user of the services—the consumer seeking advice and guidance?

Vivienne Sugar: There is a difference between what we do and what colleagues do. We do not provide a direct service to individual consumers, except through the Extra Help Unit when people have been facing disconnection and so on. Ours is about looking upstream at what is happening in terms of public policy, the delivery of services and the actions of business to look at how markets are moving. We get our intelligence from colleagues like Citizens Advice and trading standards, because we look at their trends,

but we also do research ourselves—meeting people, focus groups, market surveys and so on—to try to get the views of those people who may not be presenting to other agencies but who are disadvantaged and have deep issues that need to be brought to the fore. Perhaps Liz could tell you about a couple of the studies that have come about in that way, which you may not have seen as obvious issues which should be taken up.

Liz Withers: That is right. In terms of our work planning, we make sure we speak to advice agencies about the issues that they are seeing through their doors, because we recognise that people will trust different advice agencies. Not everyone will go to the same agency. We seek to gather intelligence that way and also directly from consumers. There are two examples I can think of off the top of my head in terms of the work we have done on E. coli and food safety, and the work we are doing now on Park homes. It is fair to say that people would not directly seek advice on both of those issues. On E. coli, for instance, you would not walk through the door and complain about food safety, but we know it is a massive concern for consumers across Wales from the research we have undertaken.

Q31 Chair: Is the inspection of restaurants and premises not something for trading standards?

Liz Withers: In terms of the work we have done in Wales, we have provided a unique role that no one else has had the opportunity or capacity to undertake because we have been independent in our review and in recommendations. The FSA and local authorities could not have done that, nor could the Welsh Government, because they were all involved in the process. As an independent consumer advocate we had a really important role to play. In terms of Park homes, initially we went to people like Citizens Advice and said, “Have you had any cases?”, because issues had been referred by individual consumers. By gathering a picture among a range of advice agencies, we were able to gain an understanding that these were issues for people, but very often they did not seek advice. There is a core group of people who are extremely vulnerable and, if we are not doing that work, we do not see that it would be done.

Q32 Guto Bebb: On that specific point, is it your view that the proposals that the Government have would possibly result in a lower quality service to Welsh consumers?

Liz Withers: At the moment we do not have enough information about the proposals to understand how there will be a difference in the type of work that we do. We are concerned that some of the work that we do will not continue in the future. There is not a great deal of overlap between the work we do and the work that Citizens Advice undertake. On some areas like fuel poverty and financial inclusion we do complementary work, but it is still very different. There are a number of areas that we work in where no one else in Wales has an oversight in terms of whole groups of consumers or is able to focus in on particular vulnerable, hard-to-reach groups. Other organisations will raise issues with us because they

¹ *Note by witness:* The membership of the Consumer Bodies Group, chaired by Consumer Focus Wales, is the Consumer Council Water Wales, Local Better Regulation Office, Wales Heads of Trading Standards, Citizen’s Advice Cymru, Office of Fair Trading, Trading Standards, Consumer Direct, Passenger Transport Users Committee and Passenger Focus.

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know we have the capacity in terms of resources and expertise to undertake the work that they perhaps are not able to do but on which they want to work in partnership with us.

Maria Battle: It is fair to say that our focus as an organisation is impact. It is not so important that consumers know about us. It is important that we gather where the detriment is and that we do something about it, and we face the UK Government and the Welsh Government, wherever the solutions lie. Also, as Liz said, we do the broad work and the preventative work. For example, when we had digital switchover in Wales, we rang every aerial supplier. We found the majority were giving bad advice. We shared that with trading standards and we went out with a public campaign, and we know that we prevented about £400 million² of detriment. We are forward-looking and broad, and the plans that we have seen today do not show that that work will continue.

Chair: I have to bring in some other people for some quick questions and answers.

Q33 Jonathan Edwards: Looking at the current landscape, would it not be fair to say, in terms of advice and advocacy, that Citizens Advice Cymru has all the information coming in from the Bureaux but they do not have the resources in terms of research capacity at the moment? That is their weakness. The weakness of Consumer Focus is that you have an amazing research capacity but none of the information-gathering, and so there is some merit in what the Government are doing in trying to combine both those elements.

Maria Battle: Citizens Advice have very worthwhile data and they have some of the problems coming through their door, but the beauty of an umbrella strategic advocate is that we will go to Shelter, Age Cymru and all the organisations as well as going into the communities where people do not seek advice. We work through the community groups. There is a risk, by relying on one set of advice data, that it is dominated, for example, by debt and benefits. There is also a risk that there are advice deserts in Wales. We know that Cardiff either closed last week or is about to close—that is the capital city closing there. The other thing, as an independent strategic consumer advocate, is that in September we published the names of all those schools and nurseries in Wales which had a food standard hygiene rating of less than 2, putting our children at risk. That was very uncomfortable for some local authorities. We are a critical friend, sometimes more critical than friendly, but, because we have independent funding, we are not a service provider and we do not rely on those local authorities for our funding, and that enables us to be stronger and stand up and champion consumers' needs in Wales.

Q34 Geraint Davies: I am concerned about disruption of service in terms of the change, and we heard from the CAB that their first priority will be to ensure that the CAB itself continues its current service, and the second priority is then to transfer your service. In what way do you think the consumer will lose out in that transition? Indeed, at a time when we

have all sorts of political problems around energy and fuel poverty and poverty generally in Wales, perhaps we need a body that will stand up to both the Welsh Assembly and the Government on these things. On the food issue, while that may be embarrassing for the Welsh Government to hear that the food is not up to scratch, do you feel that the end of Consumer Focus and its merger into Citizens Advice will impact negatively on Welsh consumers?

Liz Withers: We have real concerns about continuity, as you say, particularly at a time when consumers are facing a whole raft of challenges, and government are as well. In terms of food safety, for instance, the First Minister, as a result of our work, has initiated a food law review in Wales. We are waiting for the findings of that, but that could have a massive impact across Wales in terms of how food safety law is delivered in future. Consumers need a strong voice.

Q35 Geraint Davies: Would you say that might not have happened if we had had this change?

Liz Withers: Yes. If we had not done the work, it may not have happened. Consumers need a strong voice to make sure that any new food safety arrangements meet their needs. You mentioned energy and post. Over the next two or three years there will be some real challenges for consumers in energy and post, and it is important to recognise that Welsh consumers have particular aspects and needs in terms of both of those sectors. For instance, in terms of energy, consumers in Wales are 10% more likely to be in fuel poverty. They are also more likely to be off the gas network, and, where they are off the gas network, they are more likely to be using heating oil rather than other types of fuel, as they are in England. In terms of energy, there are some real challenges to make sure that Welsh consumers' views are fed in, both at the Welsh Government level in terms of their fuel poverty programmes—and that we monitor as a lead on the fuel poverty coalition that we have established—but also at UK Government level. As we see Eco being brought in and also the Green Deal, it is going to be incredibly important that that funding comes to Wales at equivalent levels to those in England.

Q36 Mr Williams: Could you explore a little bit more the differences in the work patterns of Consumer Focus and Citizens Advice? I have a picture in my mind of constituents of mine in Ceredigion going to appointments at CABs in Cardigan or Aberystwyth, sometimes referred to by myself, such is the level of expertise. Those complaints they have worked at, with, at some point in the process, CAB collating that information, undertaking research into the background to those cases and then presenting that information to politicians and policy makers. I am hearing from yourselves that you are doing a lot of that holistic work. Your tentacles are reaching out to other organisations interested in it. What is the initial stimulus for, say, the work you are doing on mobile home parks? What is the stimulus for getting that work done and all the notices going out to these interested parties? In other words, what is your link directly with our constituents?

² *Witness correction:* The correct figure is £400,000.

Liz Withers: In terms of our work plan, we make sure we actively go out and consult with individual consumers. For our work plan for this year for Park homes, we spoke to 15 different groups of consumers across Wales, hard-to-reach communities, some of whom access advice but also some of whom do not. That is where the Park homes issue came from. It also independently came through our investigations team. We also consult with a range of agencies to identify the types of issues that they are dealing with and then come to a view in terms of where we think we could have an impact. We have measures that we put into play in terms of decision making. We identify a problem, we see who is affected by that problem and if work has already been done, because we do not want to duplicate the work of others. Can we add value? Can we make a real difference, and can we work in partnership? Where there are opportunities to do that, having strong links with others is really valuable in terms of making a difference.

Q37 Mr Williams: At its most simplistic, is it fair to say that most of Citizens Advice work, certainly in the Bureaux, quite necessarily and quite appropriately, is a response to concerns that people bring to them, whereas you are more, at this stage, proactively seeking problems that need resolution?

Vivienne Sugar: Yes. It is a much broader canvas that we operate on.

Maria Battle: We work in different areas. It is important that, whatever happens, we come back to what is important to consumers, that that work does continue as well and it is not dominated by one client base.

Q38 Jessica Morden: Do you think there are other agencies out there that have the experience to do that broad work in the short term?

Maria Battle: In Wales?

Jessica Morden: Yes.

Maria Battle: The work we do now we have been set up specifically to do with statutory powers and with independent funding levied from the energy companies, from Royal Mail and a small part from central government.

Liz Withers: Organisations come to us and say, "We have experienced this problem. Can you do work on this, and can you work with us, because you have the resources and the expertise?"

Vivienne Sugar: Because we have a Welsh board which can agree the Welsh work programme, we are also able to be flexible. We have just had an approach from Shelter, which spotted an opportunity with the Housing Bill to do something more about the private rented sector, but they do not have the capacity to do the research. They are saying to us, "Can you flex your work programme to put in this bit of extra work, which, if we get the results we anticipate, could then influence the legislation?"

Q39 Karen Lumley: What is your annual budget?

Maria Battle: £1.1 million. It is 10% of the UK budget and it has always been around 10%. It has decreased because we have had the 26% cut in BIS funding, but it is £1.1 million.

Q40 Karen Lumley: Citizens Advice and Which? have put a proposal to the Minister on working in partnership in Wales. What is your assessment of that proposed partnership and what advantages or disadvantages do you think it will bring?

Vivienne Sugar: One of our problems is that the proposal has changed in the last few weeks with the strategic partnership with Which?, and so, whatever the consumer advocacy body is going to be in Wales, you are going to have two bodies at a UK London-based level dealing with post and energy. Which? will do some of it and Citizens Advice will do some of it, which makes the landscape more complicated than it is now.

Q41 Chair: How many people do you estimate you have helped face-to-face in the last year?

Vivienne Sugar: The main focus of our work is not face-to-face. It is looking at things that affect individuals, groups, communities, disadvantaged people and so on. Where it does affect individuals would be, for example, with the work that we did on E. coli. It is the impact on the families. Those families have come to us and said, "We did not know what was happening about food safety in Wales until you took up the issue. Nobody was coming to us and telling us how food safety in schools was going to change after the dreadful illness and death of our children."

Q42 Chair: Just so that I have a clear picture in my mind, you are really an advocacy body. You are not looking at dealing face-to-face with consumers who have problems.

Vivienne Sugar: No.

Q43 Chair: Playing devil's advocate for a moment, might there not be an argument to say that primarily money that is allocated for dealing with consumers who have problems ought to go to organisations which specialise in that, but there is a case for those organisations, if they feel there is a problem in a particular area, to allocate some of that money into doing the sort of research that you do?

Vivienne Sugar: We are, if you like, an umbrella organisation. We look at the medium to long term. We try to get upstream of problems and head them off at the pass. We work very closely with all of the different advice bodies that exist in Wales. We have a very good relationship with Citizens Advice Cymru, but with all the others as well, because they deal with slightly different client groups. We try and bring them together.

Q44 Chair: You are deciding what you think you want to undertake research into, but you are not dealing with people face-to-face. Would it not make sense for the work that you do, which no doubt is very valuable, to be commissioned by the organisations which are seeing those people face-to-face and, therefore, are in a slightly better position to decide what a major problem is?

Vivienne Sugar: You would have to form some kind of consortium of all of the advice agencies that operate in Wales.

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Q45 Chair: Or an all-in-one group.

Vivienne Sugar: Yes. It could not be Citizens Advice on its own. It would have to be everybody else as well to act as a commissioning board.

Q46 Chair: That is what is being proposed though, is it not?

Vivienne Sugar: No.

Q47 Chair: It is an amalgamation of different organisations into one organisation which will have the same powers as the others. I have read through all of this and that certainly was my understanding of it unless I have missed something.

Vivienne Sugar: There are also other bodies in Wales that provide face-to-face advice—Age Cymru, Shelter, etc. You would have to bring them all together to act as one commissioning body to get an agreement about how money was going to be spent on research. The current proposal gives it to one of those advice bodies to do it.

Q48 Guto Bebb: You have argued quite strongly that one of the strengths of your organisation is the research and the expertise that you bring to the table in looking at problems. Has there been any discussion in advance with Ministers about the possibility of transferring those individuals or that expertise over to the new proposed body or Citizens Advice? Has there been any discussion with Ministers on that specific issue?

Vivienne Sugar: We have certainly met with the Minister, Ed Davey, to stress how important it is to try to preserve the expertise so that that is not lost during the very long transition that Gillian referred to earlier. It is not clear yet whether the staff will transfer because there are legal arguments about something called COSOP and TUPE and things like that. There is no certainty about who will transfer, how many will transfer, or what the shape of the new organisation could look like. We need that to have some certainty that transfer will happen in its entirety. We appreciate the difficulty that both Which? and Citizens Advice have in that they do not yet know how much money the UK Government is prepared to pass across to them to undertake these functions if that is the decision.

Q49 Geraint Davies: What I am concerned about, and what everyone should be concerned about, is what would not have happened in the past had this happened already, and, by implication, will not happen in the future when this occurs. One example that was suggested was that the work on food standards that led to changes in food standards across our schools might not have happened. Are there any other examples of recent work you have done that you fear might not have been done under the new arrangements and, looking to the future, are there any obvious examples of work that you were going to do that you have doubts about happening, and what would be the impact on people in Wales?

Vivienne Sugar: We do quite a lot of work on public service delivery, not just on the business end of goods and services. We also have a real commitment to make

sure that those things which can be done better in co-ordination are done. Would the new organisation have produced the shoppers' rights cards that we have just issued? I do not know. We heard from the earlier witnesses that there would be some presence from Which? in Wales but they do not have an organisation at all now. How will that work? It is very difficult to answer the question about what might happen in the future when the plans are not detailed enough to know quite how they see them working.

Q50 Geraint Davies: What about the past, though?

Maria Battle: If we look at the work that Citizens Advice Cymru do very well in Wales, it tends to be based on the client base, which is the debt work, the financial inclusion and welfare benefits work, which is all very important. If we look at the sort of work that we have done, it is the broad range. For example, in post offices we are looking at the delivery of local authority services through post offices. We also influenced the diversification fund, so now, when sub-postmasters apply to diversify, they have to consult with their community and we produce the guide to that. In terms of the Welsh Language measure that went through, we were the only organisation that brought the consumer voice to the Welsh Language measure. As we know, we have some quite polarised and vociferous views on the Welsh language. There were the Park homes residents and we are doing the parcel delivery from post offices at the moment. One project that we are doing is the issue of access to post offices for people with sensory deprivation, and we are working with RNIB and RNID on that. We do a different type of work.

Q51 Jonathan Edwards: In your discussions with the UK Government have you been given any assurances that the current functions and resources that you enjoy will be transferred to Wales, or is it your understanding that it will be a matter for Citizens Advice, England or Wales, to determine where those functions and resources are allocated?

Vivienne Sugar: There is certainly no commitment on resources yet, but that is not unique to our situation. I think that applies across all Government Departments at the moment that are in the middle of budget discussions. As far as we understand it, they are still grappling with issues on quite how functions could be transferred to what is a different kind of body and how the accountability would work. As we know, for example, Which? are very proud of the fact that they do not take any Government money for their work.

Q52 Chair: We are quite proud of things like that as well, very often.

Vivienne Sugar: This proposal does involve Government money being transferred, albeit to a semi-arm's length body. As always, there is a lot of devil in the detail here.

Maria Battle: It is also important to look at what exists at the moment as well as what is being proposed. This organisation, Consumer Focus Wales, was set up in law by the Consumers, Estate Agents and Redress Act. The legislation enabled the statutory functions to be exercised by Consumer Focus Wales.

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It is a very strong devolution settlement. What is being proposed is a distinct Scottish advocacy body and to enhance a distinct Northern Irish body, but for the Consumer Focus Wales body to go to Citizens Advice, which is an England and Wales body, where the research and advocacy have been led from London traditionally, and Which? do an amazing job but have no presence in Wales. It actually lessens the devolution settlement.

Q53 Stuart Andrew: You argue in your submission that the responsibility for consumer representation should be devolved, yet many of the matters that are covered by Consumer Focus—you have mentioned the Post Office and benefits and Royal Mail—are not devolved matters. Why then should the responsibility reside in Cardiff rather than in Westminster, in your view?

Maria Battle: As I have just said, the devolution settlement at the moment puts the functions firmly into Wales. What we focus on is where the solutions are. The solutions may lie with the Welsh Government or with the UK Government. For example, the Food Hygiene Bill that is going to be introduced was a result of our work, and it means there will be a mandatory display across Wales which will enhance the rights of all consumers in Wales to see whether or not that place is safe for them to eat at. The Housing Bill is in the Welsh Government, and in that Bill we are looking at influencing the protection of private tenants and for Park Home tenants. In some of the UK markets the solutions lie with the Welsh Government. In energy, we have the Arbed scheme and the NEST scheme. The energy efficiency measures are there; the Fuel Poverty Strategy is there. Similarly with post, there is the diversification fund that I mentioned. The important thing is to go to where the solution is. Currently, in law, we have to report to Welsh Ministers and we are also accountable to the UK Government. With a very simple amendment to the Public Bodies Bill, there could still be that accountability to the UK Government and to the Welsh Minister. The consultation says that the Government are open to a different solution for Wales. The vehicle for doing that is the Public Bodies Bill and that is why we support that amendment.

Q54 Mr Williams: On that basis, presumably, you would have supported my amendment that I tabled to the Public Bodies Bill, which would have given

specific responsibility to Assembly Ministers to arrive at the structures they wish to put in place rather than have something imposed from a Whitehall level on Wales, not least because of what you have said. For instance, going back to mobile homes, the planning laws which govern some of the issues that you are addressing are the responsibility of Welsh Ministers in Wales and not the responsibility of this place. You support an amendment which would give Ministers in the Assembly the same powers that they have on environmental bodies, that power to merge and change the Government's arrangements. You support that amendment for yourselves?

Maria Battle: I would support an amendment because it is an enabling Bill. That means at least the option is open and it gives the Welsh Government time to consult on what is a better model for Wales. Not having an amendment means that that possibility at this particular time is closed off. It fits in with what the consultation says about being open.

Q55 Guto Bebb: You do offer face-to-face services with the Extra Help Unit. Can you tell me how many people made use of that service and how much was the cost of that service, because I think that is the only face-to-face service that Consumer Focus offers in Wales?

Liz Withers: We can come back to you on the figures.³

Guto Bebb: I would be grateful.

Liz Withers: In terms of what we think about the Extra Help Unit, at the moment we derive intelligence from it, as we do—and we have talked about this before—from other advice agencies.

Q56 Chair: Do many people ring that number?

Liz Withers: The Extra Help Unit is referrals through Consumer Direct and other advice organisations. People cannot ring the help line directly.

Vivienne Sugar: Except for MPs.

Liz Withers: Yes, MPs, and Assembly members. Some of those cases come directly to us to deal with in Wales on energy and post because we have the local intelligence, but we support the transition of the Extra Help Unit to Citizens Advice.

Chair: Thank you very much indeed. It is 12.30 and we have the Minister waiting outside. Thank you very much indeed for coming and talking to us today.

³ See Ev 24

Witness: **Mr Edward Davey MP**, Parliamentary-Under Secretary of State for Employment Relations and Consumer and Postal Affairs, Department for Business, Innovation and Skills, gave evidence.

Chair: Minister, good morning. Thank you very much indeed for coming today. I know you have to be out by one o'clock, as do some of us, so we will try and get through this as quickly as we can.

Q57 Mr Williams: Minister, thank you for coming and following up from the adjournment debate we had on this important subject. Turning specifically to the consultation, and I say this slightly tongue-in-cheek, there is a feeling by some that the consultation is a bit

pointless because the Government had already made up their mind in the very early stages of the talk about redefining the quango state. The agenda was sealed, the conclusion had been made that Consumer Focus Wales' functions were always going to be transferred to Citizens Advice Bureaux. What are your thoughts on that?

Mr Davey: No. This is an absolutely genuine consultation. Not only have we had the usual responses which we are currently analysing; the

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consultation has closed, as you know, but we are now at the analysis section and we will be looking at those in detail. Officials have been talking to a number of stakeholders, as have I as Minister to a massive number of stakeholders. I have met Viv Sugar from Consumer Focus Wales, I met you, Mark, and Roger Williams. I have spoken to Carl Sargeant, the Minister at the Welsh Assembly. We have had the Westminster Hall debate. We have the discussion today. I am pretty engaged with all the people who are concerned about this issue at my level. No, I think the consultation is listening. There are no final decisions at all yet. In a consultation you have to go where the Government want to go, where you are minded to go; otherwise, you are not going to get a proper debate. We are clear that there is a direction of travel which needs to make sure that, by strengthening consumer enforcement at the grass roots, we can at the same time make it less confusing for the consumers, the landscape is clearer and we reduce waste and duplication. These are all objectives. We want to work out whether the proposal we have in the consultation is the best way of meeting those objectives.

Q58 Mr Williams: I think most people around this table would share those clear objectives. Turning specifically to the timetable of the consultation, some have felt there is a slight mismatch with a consultation which will end—I am not sure when the consultation results are going to be published—after the Public Bodies Bill has finished its route through Parliament. There has been a suggestion that the Public Bodies Bill would be a useful vehicle for pursuing some of the models and yet the Bill will presumably receive Royal Assent while we are still unclear on the outcome of the consultation. What are your thoughts about the timetable? Could that have been handled better? Has that been a problem?

Mr Davey: Unless I am misunderstanding you, Mark, there is a problem in terms of what the Bill does. The Public Bodies Bill is an enabling Bill. It does not make the decision about how we are going to reform the consumer landscape. It enables a fast-track process if we make certain decisions. That is its status. It is a separate piece of work which covers, as you know, a vast number of public bodies, not just Consumer Focus and this federated organisation. I do not think there is a problem there.

Q59 Mr Williams: Would it be fair to say that the Public Bodies Bill would have been or is—it is still proceeding; we have not had the Report stage or Third Reading—a useful vehicle for exploring the range of enabling possibilities on the agenda of consumer advocacy?

Mr Davey: I am quite happy with the way the two timetables work together. I repeat: the Public Bodies Bill does not set in stone and force us to make any particular decision on the consumer landscape consultation. That would be wrong, but it is not the case.

Q60 Jessica Morden: Consumer Focus Wales said in their evidence, when they were asked if some of their work would disappear, that they do not have enough

detail about what is being proposed to know whether it will disappear or not. How can you be confident that you will be strengthening things for the consumer if we do not know at this stage if all the functions they currently carry out will continue?

Mr Davey: Part of the rationale behind a wider consultation is to try to free up resources. We all know we are in a difficult financial climate. What was clear when we started out on this work was that there is a degree of duplication. That does not make sense. It is not in the consumers' interests. If we can end duplication and reduce waste, then, clearly, there is potential to have more resource. One of the reasons why we are suggesting in the consultation that Citizens Advice is the right place for being the lead consumer advocate for consumers across the UK, as well as with a very strong Welsh voice, is its brand awareness. If you talk to people about problems, who is going to help them and where they should get advice from, many people do not know where to turn. They often turn to their local MP and come to our advice surgeries, and they are very welcome, but if we have strong brand awareness for the main consumer advice advocacy body, which I think Citizens Advice gives in spades, the wider consumer advocacy role and the protection role become, therefore, more effective.

Chair: I will probably have to speed you along a bit, Minister, I am afraid. I have your best interests at heart, though.

Q61 Jessica Morden: Neither Consumer Focus nor Citizens Advice accepts that they currently duplicate each other's work; yet in the BIS consultation they say there is much duplication. Who is right between them?

Mr Davey: I think there is. For example, when you have a Government consultation you get separate submissions from Citizens Advice and Consumer Focus. That is one example. They are both there as advocates for consumers, and, if you look at the track record of both organisations, they are very strong. Consumer Focus Wales has an excellent record, and I want to put on the record, Chair, that any changes in no way suggest that the coalition Government is criticising Consumer Focus Wales. I hope it can build on that success as well as building on the success that Citizens Advice has as a consumer advocate.

Q62 Geraint Davies: Minister, Citizens Advice are under a lot of pressure at the moment because of changes to legal aid, for example, and, indeed, the Citizens Advice centre in Cardiff, as I understand it, is closing down. Citizens Advice have said to us that financially their first priority in absorbing Consumer Focus would be to keep Citizens Advice itself on track. Do you not think there is a real risk that in this transition, given how the changes are occurring, some of the good work that Consumer Focus does will fall out of bed?

Mr Davey: I am glad you have raised that because, if that was a problem, it would be a serious one, but I do not believe it is, and it is good to be able to put this on the record. The way Citizens Advice works is that it does have a national body that does a lot of its

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detailed research, analysis and investigation, and it is linked to its Bureaux on the ground that are often funded in different ways. The national body is funded directly by BIS. The Bureaux on the ground are funded by a mixture of funding streams, primarily local government, but you mentioned MoJ funding and so on. The Bureaux on the ground are under quite serious pressure, as you say. Indeed, I am part of a cross-Government group of Ministers who try to make sure that we take a cross-Government perspective and we do not allow individual Departments to make decisions which then impact on the ability of Citizens Advice to deliver other Departments' objectives.

I accept they are under pressure, but my point is that in this model of consumer advocacy that you are investigating Consumer Focus Wales—the territorial committee of Consumer Focus GB—will be replaced by a national body, Citizens Advice, and the fact that they have Bureaux is a strength of the proposal because it means they have people feeding into them.

Q63 Geraint Davies: If I can give you a specific example, Consumer Focus did a study into *E. coli* and—it being a statutory body in Wales with teeth—that led to pressure being put on Carwyn Jones to ensure that food standards across schools in Wales were improved. If we had a situation where the Citizens Advice Bureaux are under enormous pressure because of closures and legal aid and all the rest of it, and someone came along and said, “Let us do something on *E. coli* and have a go at this”, they would say, “We don’t have time for this.” That might not have happened at all had this disruption been in place at the time they were considering doing that. Will you give an undertaking that there will be a separation within the body and those statutory powers will be retained, or is there a real risk that those sorts of studies that deliver real benefits to Wales simply will not happen?

Mr Davey: There are several points there. First of all, we envisage the powers that Consumer Focus has transferring to Citizens Advice. That is in the consultation. Secondly, the Welsh voice of consumer advocacy, I believe, will be at least as strong under these arrangements. Indeed, in terms of the governance arrangements, what is being proposed is no different from the current arrangements. People need to go back to the Act that set up Consumer Focus Wales. It is a territorial committee of Consumer Focus GB and it reports to them, but it has been a very effective champion of Welsh consumers. I believe similar sorts of models for the governance of Citizens Advice, if we pursue that option, can be equally effective for the consumers of Wales with Citizens Advice. I envisage, and this is certainly in our thinking, if we go ahead with the Citizens Advice model, that there would be offices in Wales. It would be linked into the Welsh Government in terms of sending in reports and consulting with them on their future plans. The example that you give I think could easily be replicated under the model we propose. I think we should pay tribute to Sharon Mills, who worked so well with Consumer Focus Wales following the tragic death of her son, Mason. That shows the excellent work that Consumer Focus Wales

did, and I can give you the assurance that the governance arrangements that we put in place will enable such excellent work to continue.

Q64 Jonathan Edwards: What concerns us is what is going to be the shape of the consumer advocacy landscape in Wales after all these changes come in. At the moment the Consumer Focus Wales gets about 10% of the Consumer Focus budget for an exceptional research resource. What safeguards are you going to ensure? Are you going to devolve these functions or are you going to give these functions to Citizens Advice, which is an England and Wales body, a dual national body? What safeguards are you going to put in place to ensure that Wales gets its fair share of the cake in terms of staffing and a plan for resources, and also that all the functions that Consumer Focus currently perform are performed in Wales, not by Citizens Advice in London?

Mr Davey: Let me just repeat a little bit of what I said before because I think it is germane to the answer. Consumer Focus is a federated body, so Consumer Focus Wales is under the auspices of Consumer Focus. That is why the governance structure is not any different, and it is important to remember that. In terms of budgets, I am afraid it is a bit early to say exactly what the budgets are going to be. The 10% figure that you quote includes some UK-wide research that is done by Consumer Focus Wales. Let me give this reassurance if it helps to give some colour to the answer I think you want to hear. Some of the excellent expertise that is in Consumer Focus Wales we would like to see brought across. Citizens Advice will have to grow in order to take on some of these new functions that are coming across. It will only be able to grow effectively, to make sure it is representing consumers properly in Wales and GB-wide, if it has some of the staff in Consumer Focus and Consumer Focus Wales.

Q65 Mr Walker: We have had a letter saying there is a partnership between Which? and Citizens Advice, and I am interested in hearing your views on that and how you think that will affect the ability of the organisation to take on some of these responsibilities.

Mr Davey: Let us be clear. The proposal from Citizens Advice and Which? is a new proposal that has come during the consultation and we are examining it, among other ideas. I do not want people to run away with the idea that this is a decision. It is not. Whatever model we go ahead with will need to reflect the need for the representation in Wales. That will be the key.

Q66 Mr Walker: With regard to the concern we heard earlier about Which? not having a specific Welsh branch, that will be taken into account.

Mr Davey: Absolutely.

Q67 Guto Bebb: We have received some evidence which indicates a concern that the Extra Help Unit will be transferred to Citizens Advice, and the concern that has been expressed is whether that service will continue to be provided bilingually. Would the

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Minister care to indicate whether he is of the view that that would be a provision in any new service?

Mr Davey: The reason why you can be relaxed and reassured on that is the record of Citizens Advice in helping the most vulnerable in our society. Any Member of Parliament will know that the partnership that you, as a Member of Parliament, have with the local Citizens Advice is critical to being able to help your constituents, and the fact that Citizens Advice has a Bureau in every county in Wales and has, I believe, 247 outlets in Wales, shows that Citizens Advice is embodied in Welsh society. That should reassure you.

Q68 Guto Bebb: On a wider point, consumer policy has been devolved, for example, to the Northern Ireland Assembly. Is it your view that that same devolution should occur in the context of the Welsh Assembly? Should consumer issues be devolved to the Welsh Assembly Government?

Mr Davey: You make a very tempting suggestion to a Minister who is not in the Welsh Office to speculate on further devolution. That is not a proposal in our consultation.

Q69 Chair: Have you had discussions, Minister, with Welsh Assembly Government Ministers about the possibility of transferring powers over or an all-Wales model?

Mr Davey: When I spoke to Minister Carl Sargeant we talked about a lot of things and, from memory—no doubt the record of the conversation will correct me if I am wrong—we did not discuss that.

Q70 Chair: There was no suggestion on Mr Sargeant's part that powers should be transferred over?

Mr Davey: He mentioned it in the telephone conversation. It was a very small part of a much longer conversation, where he wanted to seek my reassurance that the model we were looking at would ensure that the Welsh voice was heard loud and clear, and he seemed to be satisfied with the responses I gave him.

Q71 Chair: You felt he was quite positive overall about the proposal you were putting forward?

Mr Davey: I think so, but he would have to speak for himself.

Q72 Geraint Davies: With respect, Chair, on this point, we have had evidence from Carl Sargeant, and he does ask us to consider “the transfer of the Consumer Focus Wales functions to the Welsh Ministers and allow the Welsh Ministers in turn to transfer the functions on to an existing body or to a new body created by order for the purposes of exercising those functions”. He does want us to consider devolution.

Mr Davey: You as a Committee take evidence on what you want, but I believe that Carl Sargeant, and, indeed, the Minister, will look to this and see the importance of a GB-wide voice. Just think about it for a second. You have a lot of industries that operate across the UK. You cover Royal Mail. You could have

electricity supply companies and a whole range of different sectors. It seems to me that if you had separate consumer bodies in each of the nations of the United Kingdom, each having to look at price regulation for that sector, even though the price would be the same across the whole of the UK, that looks like a real duplication and a potential for waste of resources. I have to say I am a real devolutionist. I adore devolution. I have supported it all my political life. I will continue to support it and support localism, and I think you would expect me to say that, Chair. But, sometimes, particularly when resources are scarce, one wants to make sure that, for issues that can be very complicated for UK-wide industry sectors, those resources are really targeted to make sure the consumer is properly protected and represented.

Chair: You may wish to come back on that.

Q73 Geraint Davies: On that point, it has been suggested that, for example, on energy, there is 10% more fuel poverty in Wales, higher numbers of people are going off the gas supply, and the characteristics of the Welsh consumer in many of these areas are significantly different. Hence, while there is a lot of commonality, as you are saying, the case for the Welsh Consumer Focus model incorporated with a Welsh focus is something that is needed.

Mr Davey: The beauty of our system surely is that you get the best of both worlds, because, if there is an issue that has a genuinely Welsh dimension, there will be a Welsh aspect to the model that we are proposing, very similar to the way Consumer Focus Wales works. There will be GB-wide issues, as you have admitted, and, therefore, it would have a strong GB-wide approach, which would have a lot of experts that were needed, for example, to deal with price regulatory matters, but, if there is a particular Welsh element to the energy side, that could still be captured in the model that we are proposing. The point I would mention in your place, and you may think this is wrong, is that the thing that stands out and the difference between Welsh consumers and English consumers is the number of Welsh people who live in rural areas. If you look at the ONS data, it is the rurality of Wales compared to England which stands out, and that is why I think a Welsh voice is needed.

Q74 Mr Williams: Having pinched my question, because I wanted to talk about devolution, I appreciate what the Minister has said about devolution. I know he is a passionate devolutionist. However, there is concern in Wales about the discrepancy between, seemingly, the structures that exist in Scotland and the structures that exist in Northern Ireland. I appreciate what you said in terms of the governance arrangements for Wales, but there are many of us who are even more passionate on devolution in believing that those decisions should ultimately rest with Assembly Ministers. I am slightly perplexed by the exchanges with the Minister in Cardiff. Are discussions ongoing? Are there plans for more discussions before the end of the consultation period with Mr Sargeant?

18 October 2011 Mr Edward Davey MP

Mr Davey: The consultation period has finished. When we are analysing if there are things we need to go back to people about, we will go back to them. The consultation is not about devolution of consumer policy. The consultation is about the consumer landscape. We have not asked a question about devolution in the consultation.

Q75 Mr Williams: That may be a debate for another day. However, the date we are interested in is when the consultation will be published. Have you any idea when that is likely to happen?

Mr Davey: I wish I could give you a precise date. The consultation has only recently closed and we still have quite a lot of work to do. It is not going to be in the immediate future, but we do not want to drag our feet. We want things to be implemented from April 2013 and, when you are making these sorts of changes, it is only fair to the staff involved that you try to give them clarity as soon as you can. I know we need to give clarity to you, as a Select Committee, the Assembly Members, and, indeed, the people of Wales and the United Kingdom, but we want to get it right as well. We are not going to rush it, but I think we have enough time to make considered decisions, put them before Parliament and give the employees involved enough time to think, reflect and plan.

Mr Williams: Thank you for that. That really is important. The message that some of us in our discussions with different organisations have is the point that Geraint Davies made about the uncertainty and the disruption, not just to the whole consumer advocacy agenda but the real quality of expertise across different bodies that we can respect.

Q76 Jonathan Edwards: In Scotland and Northern Ireland there are differences in advice bodies. In Wales we have an England and Wales body. What is happening in Scotland and Northern Ireland? Are they

having the same models as the England and Wales model? What discussions are you having with the Scottish Government and the Northern Irish Government?

Mr Davey: As you know, Northern Ireland is slightly separate because of the way devolution has worked there. In Scotland, the real difference, as far as I can see, is the fact that Citizens Advice Scotland is a separately organised body. We are not going to try to pull everything up by the roots and force them together for the sake of it. What I have noticed, as a Minister who has a relationship with Citizens Advice, is how closely Citizens Advice work together, both nationally with the local Bureaux and between England and Wales and Scotland. In my discussions with their management, they are keen, partly because of the process, to develop and strengthen that partnership working.

Q77 Jonathan Edwards: Is Consumer Focus Scotland being incorporated on its own?

Mr Davey: There are similar issues to Consumer Focus Wales, but when we respond to the consultation, and I do not want to pre-judge that, we will set that all down.

Q78 Jessica Morden: If your proposals go ahead, are you going to ensure that there is proper transitional funding for whoever then takes on the service to ensure there is no disruption for consumers?

Mr Davey: Certainly, the aim is to make sure there is not disruption because we want to continue with proper protection for the consumer. Again, I cannot pre-judge the decision we will make about particular funding streams but we want to make sure that transition is as smooth as possible.

Chair: Minister, thank you very much indeed. That ends our evidence session. Thank you to all our witnesses.

Written evidence

Written evidence submitted by Citizens Advice Cymru

SUMMARY

- Citizens Advice and Citizens Advice Cymru welcome the opportunity to respond to the Welsh Affairs Committee Inquiry into the representation of consumer interests in Wales.
- We intend that Welsh consumers' interests will be specifically protected in the proposals to transfer the responsibilities of Consumer Focus to the Citizens Advice service.
- Work in Wales will be undertaken on devolved and non-devolved matters as they impact on consumers in Wales. We propose delivery of transferred advice work will be undertaken in Wales and bilingually for Welsh consumers. In terms of advocacy work we propose that, as currently within Consumer Focus, and subject to the level of funding to carry out the functions, the same proportion of funds will be devolved to work undertaken in Wales as is currently allocated under Consumer Focus.
- In Wales we will establish a Wales Policy Team initially covering work related to energy, post and communications, public service and welfare, debt and personal finance, justice and redress and goods and service. We will also establish a Communications and Public Affairs Team to maintain and develop our links with the Welsh Government and National Assembly for Wales, our partnerships with others and our media and communications work. The Wales Policy Team will use its research budget to strengthen our understanding and evidence as required.
- Citizens Advice Cymru already has devolved responsibilities within the Citizens Advice organisation. It is managed by the Director, Citizens Advice Cymru and governed by a separate Committee in and for Wales. The Committee in Wales, working with the Director, Citizens Advice Cymru, has fully delegated responsibility to set and monitor our advocacy work arising from policy and legislation as it relates to citizens and consumers in Wales.
- Citizens Advice Cymru will have delegated responsibility to undertake work on devolved matters and on non-devolved matters where they impact on consumers in Wales.
- Citizens Advice Cymru has worked with, and been answerable to, the National Assembly for Wales and the Welsh Government. We are happy to have a close relationship with, and report to, the National Assembly for Wales and the Welsh Government on the consumer advocacy work undertaken by us in future. How this is formally required is a matter for BIS and the Welsh Government to conclude.

1. INTRODUCTION

1.1 Citizens Advice and Citizens Advice Cymru welcome the opportunity to respond to the Welsh Affairs Committee Inquiry into the representation of consumer interests in Wales.

1.2 The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination. The service aims:

- to provide the advice people need for the problems they face; and
- to improve the policies and practices that affect people's lives.

1.3 The Citizens Advice Cymru service is a network of 25 independent advice centres that provide free, impartial advice from more than 240 locations in Wales, including courts, GPs' surgeries, hospitals and community centres. Citizens Advice Cymru is part of the Citizens Advice service which operates across England and Wales and is a sister organisation to Citizens Advice Scotland which operate in Scotland. There are a total of 450 member bureaux across England, Wales and Scotland.

1.4 In 2010–11 the CAB service in Wales helped over 123,000 people deal with almost 402,000 problems. These included more than 145,000 debt problems, almost 8,000 problems related to energy, over 7,500 related to water and over 7,400 to communications. There were additionally over 6,000 non-debt related consumer problems. Across England, Wales and Scotland last year the Citizens Advice service delivered advice to at least 2.5 million clients on 7.6 million problems.

1.5 Citizens Advice has a track record on advocacy and campaigns and since 2005 because of our work:

- 6.5 million people get a better deal on payment protection insurance.
- 750,000 energy customers who use prepayment meters are better off.
- 2.4 million people in 600 communities get free to use cash machines.
- 50 DWP phone lines are free of charge to mobile phone users.

1.6 Citizens Advice Cymru worked to ensure that the Welsh citizen was represented in these and other campaigns across GB. In addition specifically in Wales our work has helped ensure:

- each year 84,000 children are eligible for free School uniforms in Wales;
- the Wales guides for financial support for higher education students in 2011–12 are accurate and targeted;
- eligibility for Child Trust Fund has been clarified and publicised to enhance take-up;
- water company debtors no longer face eviction for non-payment for water charges;
- accurate information is provided to migrant workers in Wales through the Welsh Government; and
- eligibility for NEST, the Welsh Government's fuel poverty scheme, has been clarified and publicised.

1.7 Citizens Advice Cymru has always sought to work closely with Consumer Focus Wales and other consumer advocacy organisations in Wales. Consumer Focus Wales and Citizens Advice Cymru have tackled different policy areas of work in the recent past. Given the resources in Wales available for consumer advocacy the Citizens Advice Cymru Committee decided not to seek to duplicate with the work of Consumer Focus Wales and other organisations.

1.8 Citizens Advice Cymru and the bureau service in Wales have worked very closely with Trading Standards services including exchange of information, referral arrangements for clients and joint research and campaigns. We look forward to strengthening this relationship in future.

1.9 At the Eisteddfod Genedlaethol this year Citizens Advice Cymru launched our Spot the Scam campaign in partnership with Wales Heads of Trading Standards and gathered data on scams impacting consumers in Wales. In excess of 275 questionnaires were returned in one day alone.

1.10 Citizens Advice Cymru has been a longstanding member of the Consumer Direct Wales Advisory Board and has close links to the Wales Illegal Money Lending Unit which has enabled us to fast track particularly vulnerable clients to advice.

2. ORGANISATIONAL ARRANGEMENTS

2.1 We intend that the interests of consumers in Wales will be specifically protected in the proposals to transfer the responsibilities of Consumer Focus to the Citizens Advice service.

2.2 Citizens Advice Cymru already has devolved responsibilities within the Citizens Advice organisation. It is managed by the Director, Citizens Advice Cymru, and governed by a separate Committee in, and for Wales. The Committee in Wales, working with the Director, Citizens Advice Cymru, has full delegated responsibility to set and monitor our advocacy work arising from policy and legislation as it relates to citizens and consumers in Wales. In the event that the functions of Consumer Focus Wales are transferred to the Citizens Advice service we expect we will need to further revise the terms of reference of the Citizens Advice Cymru Committee so as to fully and properly reflect the wider brief. We will discuss the details of the terms with the Welsh Government.

2.3 The Director, Citizens Advice Cymru reports directly to the Chief Executive of Citizens Advice and works within the organisation at the highest level. It is the Director's responsibility to provide leadership to the Citizens Advice service within Wales, ensure effective governance in Wales, develop and maintain effective working relationships with the Welsh Government, the National Assembly for Wales and other key stakeholders and develop and implement strategies and policies which provide a responsible influence on legislation, policy and social exclusion strategies in Wales.

2.4 We intend that work in Wales will be undertaken on devolved and non-devolved matters as they impact on consumers in Wales. Our proposals for the delivery of advice are that our delivery is undertaken in Wales and bilingually for consumers from Wales. In terms of advocacy work we are proposing that, as currently within Consumer Focus and subject to the level of funding to carry out the functions, the same proportion of funds will be devolved to work undertaken in Wales as is currently allocated under Consumer Focus.

2.5 Citizens Advice Cymru has worked with, and been answerable to, the National Assembly for Wales and the Welsh Government on other matters. For this reason we are content to have a close relationship with, and report to, the National Assembly for Wales on consumer matters. It is also important that the organisation undertaking consumer advice and advocacy in Wales works closely with the organisation reporting to the UK Government since much of the work related to the consumer landscape will relate to non-devolved matters. It is vital that the impact on the Welsh consumer is reflected in UK and GB policy work. For this reason the strength of a Wales-based body, with decision making at a Wales level, but with the strongest influence and link to the bodies undertaking this work in England, Scotland and across Great Britain, will advantage the Welsh consumer. Citizens Advice, Citizens Advice Scotland and Citizens Advice Cymru working together and with Which? offers this advantage.

3. Protecting and Empowering Consumers in Wales—Advice and Information

3.1 We have a long track record of protecting and empowering consumers in Wales. Our proposals in response to the BIS consultation include a holistic approach to information, advice, advocacy and education.

3.2 We propose to strengthen access to advice services for consumers by integrating the work undertaken by Consumer Direct with our current extensive advice services.

3.3 Responsibility for delivering a service to replace the Consumer Direct service will move to Citizens Advice service in April 2012. We have designed and are commissioning a service on that basis. The service will deal with up to 1.8 million phone and web enquiries. We will handle the current range of consumer enquiries to the same depth of advice as now and with no interruption to provision. We intend to keep the Consumer Direct number and maintain inward transfers from Trading Standards as well as onward referrals.

3.4 We are planning to match data provision for all existing stakeholders and to enhance this post-2012 which will allow both for continued enforcement action taken with the current data by Trading Standards, and for them to use our more extensive evidence base in this work.

3.5 We are undertaking a procurement exercise with commercial suppliers to be the first point of contact for consumer enquiries. As part of this procurement we have stipulated that delivery for consumers in Wales will be delivered from a centre in Wales and will be delivered bilingually. The supplier's staff will be appropriately trained, will use Citizens Advice information systems and our consumer content which is being enhanced.

4. PROTECTING AND EMPOWERING CONSUMERS IN WALES—CONSUMER ADVOCACY

4.1 If the functions of Consumer Focus and the relevant functions of the Office of Fair Trading relating to research and consumer education, are transferred to the Citizens Advice service, this will bring together the advice and the advocacy work into one single system, a way of working which we have used successfully over the last 70 years to advise individuals, and to influence and change policy for citizens and communities.

4.2 Implementation of the change will involve Citizens Advice creating a new division to lead on policy and advocacy and bringing together our existing policy, research and campaigns activities with those of Consumer Focus. Alongside this will be new teams in Wales who will lead on Wales-specific policy and advocacy work and feed the Wales perspective into the GB work and decisions.

4.3 A research and analytics function will be developed serving GB and in addition, there will be a research capacity managed in Wales to specifically support the Wales priorities.

4.4 We propose that the investigation function currently delivered from Wales continues, as now, working with the enforcement community across GB, reflecting the more significant working relationship we expect to have with the consumer protection and enforcement community.

4.5 We will develop topic specific teams which we can expand as priorities change and develop, both at a GB level and in Wales.

4.6 In Wales we will establish a Wales Policy Team initially covering work related to:

- energy;
- post and communications;
- public service and welfare;
- debt and personal finance;
- justice and redress; and
- goods and services.

4.7 We will also add to our current Wales Communications and Public Affairs Team to maintain and develop our links with the Welsh Government and National Assembly for Wales, our partnerships with others, and our media and communications work. We already have established a Partnership Advisory Group and will build on this as part of this work. The Wales Policy Team will use its research budget to strengthen our understanding and evidence as required.

4.8 We will establish local empowerment groups led by our bureaux which will bring together local partners and individual consumers to develop campaigns and priorities which may be taken forward locally, regionally, nationally or at a GB/UK level.

4.9 Our detailed evidence of impacts on our current clients in Wales, particularly the most vulnerable clients will be brought together with the experiences of the Consumer Direct Wales clients. The addition of our new research capability, and local empowerment groups through our local network, will strengthen the voice of Welsh consumers.

4.10 Citizens Advice Cymru will have delegated responsibility to undertake work on devolved matters and on non-devolved matters where they impact on consumers in Wales. Clearly it will be important on behalf of consumers in Wales to continue to work, together with colleagues from UK/GB, to press for improvements in policy at UK government and commercial level, and to ensure that, where there is potential for specific

detriment to consumers in Wales, such as in the energy markets, the voice of Welsh consumers is heard and influences the policies of the Welsh Government and Wales-based companies as well as UK government and international companies.

4.11 We have committed in our plans that the resource allocated for this in Wales will, subject to BIS finalising the total available resource, be an equivalent percentage to that currently being expended on advocacy by Consumer Focus Wales. We consider that there will be some savings across the budgets from the shared services already funded within Citizens Advice including management, finance, HR, information provision and administration. We intend to reinvest any savings in the local consumer empowerment proposals in Wales to strengthen the individual's voice at a local and national level

5. TRANSFER OF POWERS AND REPORTING

5.1 Whilst this is a matter for the Government, we are planning on the basis that all the substantive statutory functions are transferred to the Citizens Advice service, including the investigations power, and functions in relation to the energy and postal services markets. We do not wish to see any diminution in capability of the consumer advocacy services, in Wales and across Great Britain and believe that these are fundamental to the future effectiveness of consumer advocacy.

5.2 Citizens Advice Cymru has worked with and been answerable to the National Assembly for Wales and the Welsh Government. We are happy to have a close relationship with and report to the National Assembly for Wales and the Welsh Government on the consumer advocacy work undertaken by us in future. How this is formally required is a matter for BIS and the Welsh Government to conclude.

6. FUTURE

6.1 We understand the proposed changes will involve us in making some significant changes, for example to shift our policy and campaigns work from being based predominantly on the evidence from our clients, to the need to undertake research looking at the wider experience of consumers in Wales. Once we are operating a replacement for the Consumer Direct service, this will give us additional in-depth evidence about consumers' experiences and, together with the research and policy capacity expected to transfer to us from Consumer Focus Wales, including a Wales-specific research capability, we will have a powerful evidence-base and capacity to represent Welsh consumers.

6.2 The work of Citizens Advice Cymru has always been based on the experiences and needs of citizens in Wales, particularly the most vulnerable or disadvantaged. This work should not be restricted to particular sectors or types of service. The Citizens Advice Cymru service delivers both advice services and policy and advocacy work on a holistic basis. We have a long history of championing the cause of the most vulnerable and disadvantaged citizens and consumers. We also believe that the definition of "consumer" for the purposes of the Consumer Focus functions must remain at its widest including both goods and service and public services.

6.3 In terms of the future we are very keen to learn from the good practice and success of Consumer Focus Wales. We would hope to be able to transfer current expertise in areas where we have not previously held them, and would wish to discuss early transfer to enable staff certainty where possible. However this is dependant on the timescales for decision-making and certainty from BIS on the scope of the remit which will transfer to us and the level of resources.

September 2011

Written evidence submitted by Consumer Focus Wales

1. ABOUT US

1.1 Consumer Focus Wales (CFW) is the independent citizen voice standing up for citizens in Wales in the public and private sectors, in devolved and non devolved areas with a strong focus on vulnerable consumers. This enables us uniquely to work between public services and business.

1.2 In advocating for consumers we aim to influence change and shape policy to better reflect the needs of consumers. We have a specific focus on vulnerable consumers, particularly those on low incomes, people with disabilities, people living in rural areas and older people. In addition, we also seek to identify where other consumers may be disproportionately disadvantaged by an issue or policy.

2. SUMMARY

2.1 The Public Bodies Bill will abolish CFW but does recognise that the work undertaken by the organisation needs to continue.

2.2 Any model for the delivery of consumer advocacy in Wales should be able to meet the needs of consumers in a way that reflects the distinctive Welsh circumstances and priorities, and be able to represent consumers on issues that will affect us all in the future.

2.3 We believe that the six tests for successful consumer advocacy in Wales are:

- 2.3.1 It is essential that the new arrangements should require a Wales-based and focused body, with governance arrangements that ensure decisions are made in Wales about what work is undertaken.
- 2.3.2 Key to the success of new arrangements making an impact on behalf of people in Wales will be appropriate sustainable funding. This should include the transfer of funding from BIS, both from the levies on the energy and postal sectors (to which consumers in Wales contribute) and, potentially, general funding as any organisation will continue to work on non-devolved subjects from a Welsh perspective.
- 2.3.3 It is essential to retain both a level of expertise and strong statutory powers in Wales, and that arrangements have at their heart the representative, research, information and investigation functions that Consumer Focus already holds.
- 2.3.4 Sources of information shouldn't be limited to any one advice agency or be reactive to existing problems. They must also include forward looking work and all-population research that provides a strong evidence base on the issues facing Welsh consumers.
- 2.3.5 The breadth of the work undertaken should be dictated by the needs of citizens in Wales, particularly the most vulnerable or disadvantaged. The scope of this work should not be restricted to sectors or industries. Citizens don't organise their lives into silos, neither should their champion.
- 2.3.6 In future, those charged with representing the interests of consumers and citizens in Wales should be answerable to the National Assembly for Wales

3. BACKGROUND

3.1 The current proposal from BIS is to abolish Consumer Focus Wales and transfer its functions to Citizens Advice, an umbrella body which covers England and Wales. It proposes the functions of Consumer Focus in Scotland be transferred to Citizens Advice Scotland, a separate independent charity, and that Consumer Focus functions currently in Northern Ireland be transferred to the General Consumer Council for Northern Ireland.

3.2 The consultation states that although consumer policy is reserved it recognises that specific arrangements for implementation of the proposals may need to be made for Wales and Scotland and that the formal views of the Governments in those nations are awaited.

3.3 The Public Bodies Bill enables the functions of Consumer Focus as far as they relate to Wales to be transferred to a Welsh Minister. But as the Bill is currently drafted a Welsh Minister is limited as to the arrangements they can make to implement the proposals. To give the Welsh Government a full range of options the Bill could be amended to enable a Welsh Minister to create a new statutory body in Wales.

4. CFW AS VOICE OF THE CONSUMER

4.1 CFW is a statutory body, with statutory duties in regards to the postal and energy sectors and to protect the most vulnerable in society; and with statutory powers of investigation, reporting and advocacy.

4.2 The existence of the separate Board of CFW, and its responsibilities to enact most of the functions of Consumer Focus GB, as they pertain to Wales, is also set out in statute.

4.3 As such, CFW enjoys a level of autonomy that gives it substantial control over its own workplan and policy. It can undertake research, campaign and engage with policy makers on subjects that affect the lives of people in Wales without seeking the approval of a London-based organisation—as well as taking up issues which are of GB or UK wide relevance.

4.4 CFW's workplan and priorities are set firstly by its statutory responsibilities, and then via consultation with a broad range of consumers across Wales including the most hard to reach; policy-makers and stakeholders. The aim is to be an evidence-based voice for consumers that is absent elsewhere and that can achieve impact. The Welsh Ministers are also statutory consultees for the workplan. This provides the basis for dialogue about priorities and working towards shared outcomes.

4.5 CFW has established strong networks with public, private and voluntary organisations in Wales. This, together with its clear and targeted workplan, have made it an effective advocacy and campaigning body.

5. STATUTORY POWERS OF CFW

5.1 Part 1 of the Consumers, Estate Agents and Redress Act 2007 (the "2007 Act") sets out the powers of Consumer Focus Wales. These are defined in the following ways.

5.2 In the areas of representative, research and information functions, CFW has powers to:

- 5.2.1 require information from businesses and all public bodies with the proviso that it can apply to Court in the event of non-disclosure;
- 5.2.2 prepare reports, give advice, information and guidance;
- 5.2.3 represent the views of consumers to Welsh Ministers and make proposals about consumer matters;

- 5.2.4 co-operate with any person to carry out one of its functions;
- 5.2.5 do whatever it sees fit (in the interests of performing its functions); and
- 5.2.6 a general power of investigation.

5.3 As the statutory watchdog on post and energy issues, CFW has specific duties to:

- 5.3.1 represent domestic electricity and gas consumers, especially those who are vulnerable, and to represent post consumers;
- 5.3.2 investigate specific complaints relating to gas or electricity disconnection to decide whether it is appropriate to take action;
- 5.3.3 refer complaints relating to a contravention of a license condition by Royal Mail to Postcomm; and it has specific powers to regulate Postcomm and Ofgem's compliance with their prescribed complaints handling standards;
- 5.3.4 Enter into co-operation agreements with the OFT, Financial Services Consumer Panel, OFCOM Consumer Panel and other designated bodies.

5.4 In respect of post offices, CFW has duties to:

- 5.4.1 monitor the number and location of post offices in Wales;
- 5.4.2 operate a Code of Practice with Post Office Limited on changes to the Post Office network; and
- 5.4.3 verify Post Office Limited's adherence to the national access criteria (eg how near and accessible post offices are).

6. ACCOUNTABILITY TO THE WELSH MINISTERS

6.1 The 2007 Act places obligations on CFW which establish a degree of accountability to Welsh Ministers:

- 6.1.1 CFW must send notice of its annual forward work programme to the Welsh Ministers and consider any representations made by the Welsh Ministers;
- 6.1.2 CFW must send the Welsh Ministers a copy of its annual report;
- 6.1.3 CFW may provide advice and information to the Welsh ministers on consumer matters;
- 6.1.4 Whilst it is the Secretary of State who appoints the members of CFW, the Welsh Ministers must be consulted about the appointments.

n.b. The Welsh Ministers have no power of direction over CFW.

7. BUILDING THE FUTURE DELIVERY OF CONSUMER ADVOCACY IN WALES ON A SUCCESSFUL PAST

7.1 A Welsh model for the delivery of consumer advocacy should be able to meet the needs of consumers. All of the powers and functions of Consumer Focus must be retained for the benefit of consumers in any new arrangements. This should include work on general and sectoral consumer advocacy—consumers do not segregate their lives into silos, neither should their champion.

7.2 The six tests for successful consumer advocacy in Wales are:

- 7.2.1 It is essential that the new arrangements should require a Wales-based and focused body, with governance arrangements that ensure decisions are made in Wales about what work is undertaken.
 - 7.2.1.1 Part of the strength of our work at Consumer Focus Wales is that we have been able to undertake work of importance and relevance to Wales.
 - 7.2.1.2 The Board of Consumer Focus Wales has the functions and powers of Consumer Focus devolved through the Consumers, Estate Agents and Redress Act 2007. The Board decides the work which will be undertaken in Wales following direct consultation with citizens across Wales and with a wide range of stakeholders. It is unlikely that projects such as our Welsh language work, or work on food safety or on the rights of park home residents would have been a priority for any UK-wide organisation. Only an organisation with sufficient resources in Wales could undertake the kind of influencing work necessary to result in changes in the law in Wales.
 - 7.2.1.3 Current proposals as described in the BIS consultation document do not currently provide complete certainty about future governance structures and resources for Wales.
 - 7.2.1.4 Funding from levies in the energy companies and Royal Mail (which currently accounts for three quarters of our funding) will dictate some of the subject areas in which work is undertaken in the future. Decisions about what work needs to be done in Wales must be taken in a Welsh context.
- 7.2.2 Key to the success of new arrangements to make an impact on behalf of people in Wales will be appropriate sustainable funding, including the transfer of funding from BIS, both from the levies on the energy and postal sectors (to which consumers in Wales contribute) and, potentially, general funding as any organisation will continue to work on non-devolved subjects from a Welsh perspective.

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- 7.2.2.1 It is clear that the principle of devolving funding to organisations working in the Nations is a principle that the UK Government has already accepted by its stated preference for funding the separate Citizens Advice Scotland organisation to undertake consumer advocacy work in Scotland, and the funding arrangements for the General Consumer Council for Northern Ireland. We believe that, along with Scotland and Northern Ireland, Wales should also have the option of a nation-specific solution, rather than an England and Wales version.
- 7.2.3 It is essential to retain both a level of expertise and strong statutory powers in Wales, and that arrangements have at their heart the representative, research, information and investigation functions that Consumer Focus already holds.
- 7.2.3.1 The level of impact that Consumer Focus Wales has been able to achieve has been due to a mix of both statutory powers and personnel:
- 7.2.3.2 The Investigations team—a GB function based in Wales and created to specifically utilise our statutory powers of investigation—has used these powers, or the threat of them, to achieve big wins for consumers in terms of securing millions of pounds in refunds from companies who overcharge or mislead consumers.
- 7.2.3.3 Our expertise in energy has been recognised by the Welsh Government who regularly receive briefings from us prior to their meetings with the “Big 6” energy companies. We also play an active role in these meetings as the voice of consumers.
- 7.2.3.4 We have formed both the Fuel Poverty Coalition for Wales and the Cross-Party Group on Fuel Poverty in the National Assembly for Wales to ensure effective scrutiny of the Welsh Government’s fuel poverty programme.
- 7.2.3.5 Our independent status enabled us to act as “honest broker” when pushing forward the implementation of the recommendations of the Pennington Inquiry into the outbreak of E-coli O157 and has led to a greater priority and awareness of food safety in Wales and a review of food law both here in Wales and at UK level.
- 7.2.3.6 We called for further guidance on the separation of equipment in food preparation, one of the main causes of E-coli 0157. This has now been issued for consultation and we empowered 900 consumers to respond directly, the largest ever response to a food Standards Agency consultation.
- 7.2.3.7 Our ability to gather intelligence about detriment from individuals and stakeholders has led to our work seeking to enhance the rights of people living in Park Homes. We have a unique role in being able to gather robust evidence and work collaboratively with others to address the significant detriment faced by these consumers.
- 7.2.3.8 Our monitoring work in the field of financial inclusion resulted in us being named as partner in the Welsh Government’s Financial Inclusion Strategy, advising on the implementation of the strategy.
- 7.2.3.9 Our work to ensure that sub postmasters engage with their local community in seeking to make their business more sustainable via the Welsh Government Post Office Diversification Fund, has meant that plans are more likely to succeed as they are based on what the community says it wants and will use.
- 7.2.3.10 In order to be effective, future arrangements in Wales will also need to have the capacity to do similarly complex/broad-ranging work, and have a comparable reputation for independent thought and action.
- 7.2.4 Sources of information shouldn’t be limited to any one advice agency or be reactive to existing problems. They must also include forward looking work and all-population research that provides a strong evidence base on the issues facing Welsh consumers.
- 7.2.4.1 We know from our own research that people choose their advice provider based on experience and trust, rather than on remit, and that they then use this advice provider as a conduit for advice on any subject.
- 7.2.4.2 This expression of consumer choice means that no one advice agency will ever be able to provide a full picture of consumer detriment in any given area.
- 7.2.4.3 Whatever arrangements are in place in the future will need to recognise this and utilise the knowledge and data existing in other agencies via partnership working.
- 7.2.4.4 It should also be recognised that not everyone who suffers detriment or disadvantage will seek advice or help. As such future arrangements should include the facility, capability and resource to seek the views of the wider population, not just those who self-nominate by approaching an advice agency.
- 7.2.4.5 Being able to build up a picture of the levels of detriment suffered by people in Wales in relation to a specific subject will not only inform the work undertaken under future arrangements but, in itself, also enables stakeholders and politicians in Wales to formulate evidence based public policy.

- 7.2.4.6 In our opinion, “bottom up” should not just mean intelligence as a result of an occurring or existing problem horizon-scanning will be essential if future arrangements are to provide best value for money, as preventing problems arising as well as solving problems at source and via early intervention delivers the best solutions for the least cost.
- 7.2.5 The breadth of the work undertaken should be dictated by the needs of citizens in Wales, particularly the most vulnerable or disadvantaged. The scope of this work should not be restricted to sectors or industries. Citizens don’t organise their lives into silos, neither should their champion.
- 7.2.5.1 The first line of the consultation document states that:
“*The Government’s prime objective for consumer policy is to empower consumers to make wise decisions when purchasing goods and services.*”
- 7.2.5.2 The consultation document also points out that the array of current consumer bodies is puzzling for consumers. A consumer champion confined in the areas within which it is allowed to work is equally confusing, disappointing and puzzling.
- 7.2.5.3 Currently, we are able to work in areas across the economy, public or private sectors. It is often the case that we choose not to undertake work because there is someone better placed than us but this is a conscious and positive decision rather than a limitation. Or we choose to bring together a wide range of bodies to increase the strength and impact of advocacy work.
- 7.2.5.4 In order for future arrangements to fulfil the UK Government’s objective, they have to be able to consider the citizen in relation to all goods and services. In Wales this means in particular looking at public services. It also means looking at localised markets, for example fuel oil for off-grid consumers.
- 7.2.5.5 To be able to undertake this work, the arrangements for Wales will need to receive an appropriate budget for general consumer advocacy alongside a proportion of the levies, and for consumers in Wales to lead the formulation of the work planning. These monies will still need to be accounted for so that they are spent on the purpose for which they were provided.
- 7.2.6 In future, those charged with representing the interests of consumers and citizens in Wales should be answerable to the National Assembly for Wales.
- 7.2.6.1 Future arrangements will be designed to act in the interests of the people of Wales. As such they should be answerable to those elected to represent the people of Wales—the National Assembly for Wales. This will ensure the right level of democratic accountability, transparency and scrutiny that would be required of a publically-funded consumer champion with statutory powers.
- 7.2.6.2 At the moment it is unclear how future arrangements will be accountable in Wales.

8. CONCLUSION

8.1 The UK Government in its consultation paper *Empowering and Protecting Consumers* states that although consumer policy is reserved it recognises that specific arrangements for implementation of the proposals may need to be made for Wales and Scotland and that the formal views of the governments in those nations are awaited.

8.2 The consultation period, which was undertaken over the summer months, does not give sufficient opportunity for the Welsh Government to consult on the best way to deliver consumer advocacy in Wales.

8.3 The Public Bodies Bill enables the functions of Consumer Focus, as far as they relate to Wales, to be transferred to a Welsh Minister. But the Bill as currently drafted limits the arrangements a Welsh Minister can make to implement the proposals.

8.4 To give the Welsh Government the full range of options to ensure that a successor body is enabled to advocate the interest of consumers in a way that reflects the distinctive Welsh circumstances and priorities the Bill should be amended to enable the Welsh Minister to create a new statutory body in Wales.

8.5 We believe that the functions of Consumer Focus Wales, and subsequent funding, should be given by the UK Government to a Welsh Minister, and the Public Bodies Bill amended to give the Welsh Government the flexibility to create a new body and the opportunity to consult in Wales as to which model would best deliver advocacy for the people in Wales in a way that reflects the distinctive Welsh circumstances and priorities.

APPENDIX 1

1. Examples of an evidence base created by CFW’s bespoke, all-population research work:

- 1.1 53% of people aged 50 and over say low interest rates have affected their income as they’re not getting a good return on their savings.
- 1.2 Only 46% of 50–64 year olds don’t have any borrowings compared to 74% of people aged 65 and over.
- 1.3 Over one in five of young people leaving care (22%) did not have a pathway plan in place in spite of the fact it’s a statutory duty.

- 1.4 420,000 people in Wales (18% of the adult population) have fallen behind with meeting bills or credit repayments in the past year. This rises to 29% of younger people (18–34 year olds), around a quarter of people with long-term illnesses or disabilities (23%) and over a quarter of those on lower incomes (26%).
- 1.5 200,000 people in Wales do not have a bank account.
- 1.6 Only 1% of over 65 year olds access the internet via a mobile phone compared to 26% of 16–24 year olds.
- 1.7 48% of people in Wales do not feel confident enough in their knowledge of GM foods to give an informed opinion.
- 1.8 90% of Welsh consumers want easy access to food hygiene information, so that they can make safe choices for themselves and their families.
- 1.9 206,000 homes (16%) in Wales are off the gas network.
- 1.10 Half of pre-payment meter households in Wales “self-ration” their energy.
- 1.11 47% adults currently have at least one credit agreement with an outstanding balance in place (such as an overdraft, credit card, a personal loan, or a mail order loan).
- 1.12 21% use credit to pay for everyday expenses; another 13% use credit to pay household bills; 7% borrow to tide them over till payday.

September 2011

Supplementary written evidence submitted by Consumer Focus Wales

I am writing to thank you for the opportunity to give evidence to your Committee’s inquiry into the future of the consumer landscape in Wales.

As part of our evidence we committed to providing the Committee with further information regarding the costs and number of consumers helped by our Extra Help Unit. I attach Appendix 1 with that information.

In his evidence to the Committee, the Minister, Ed Davey MP stated that Consumer Focus Wales is a territorial committee that answers to Consumer Focus UK. We thought it important to clarify exactly the relationship between Consumer Focus Wales and Consumer Focus.

The CEAR Act 2007, states:

2 (1) The territorial committees may exercise, on behalf of the Council, the following functions:

- (a) in the case of the Scottish Consumer Council, the Council’s functions under sections 8 to 17, 19 and 21 to 26, so far as they are exercisable in relation to Scotland;
- (b) in the case of the Welsh Consumer Council, the Council’s functions under those sections, so far as they are exercisable in relation to Wales;

The details of these functions are as laid out in our written evidence to the Committee.

In exercising these functions the Board of Consumer Focus Wales does not report to, and neither are we required to seek permission from, the Consumer Focus UK Board.

Furthermore, in neither our workplanning nor in the work we undertake do we report to the UK Board. A report is submitted to the meetings for information but this is not for permission or as part of any process of approval. We have a separate consultation process in Wales on the Consumer Focus Wales workplan which is approved by the Wales Board. Our independence in this respect is based on statute and is not discretionary.

It is this ability of the Welsh organisation to choose and direct work that is our concern regarding future governance arrangements. Citizens Advice have made statements about what they might do in terms of creating greater independence and responsibility for the sub Committee in Wales. This has yet to be enacted and were it to be so would be an administrative measure, and therefore open to change, as opposed to the statutory basis for our role. One of our primary concerns is not the way in which this Citizens Advice sub Committee may have a degree of autonomy but how this autonomy may be limited in its scope. Another concern we have is there will be no representative from Wales on the executive of Citizens Advice and there are no plans to do so.

Consumer Focus Wales is not limited in the scope of its work. We are able to undertake projects looking at any issue that affects Welsh consumers, from a Welsh perspective; be they devolved or not, be they unique to Wales or not. For us, the key is where the solution lies, not in where the problem originates.

For information we also enclose the current Terms of Reference for the Citizens Advice Welsh Committee (Appendix 2).¹

The Minister also stated that the 10% of budget allocation to Consumer Focus Wales included money spent by Consumer Focus Wales on some UK-wide research that we have undertaken. This is not the case. For the year ending April 2011 the budget for Consumer Focus Wales was £1.1 million. We have, in the past

¹ Not printed.

contributed some budget towards research being undertaken by colleagues working at a GB level in order to boost samples for Wales to make them more robust and to enable us to use that evidence in our own work, but Consumer Focus Wales does not undertake any UK-wide research.

The Minister suggested that, from his recollection, the Welsh Government were satisfied with the proposals from the UK Government. As you will see from the Welsh Government's response to that consultation (Appendix 3)² they still have some misgivings and the First Minister confirmed in a plenary session in the National Assembly for Wales on Tuesday 8 March 2011, that he had written to the Cabinet Office requesting an amendment to the Public Bodies Bill which would enable Welsh Ministers to decide if the final proposals as a result of the consultation were appropriate for Wales.

The call for this amendment has been supported by many in Wales via their responses to the consultation document, including the Welsh Conservative group in the National Assembly.

Furthermore, we and Citizens Advice Cymru contest the Minister's claim that there is a great deal of duplication between Citizens Advice Cymru and Consumer Focus Wales. In our evidence we listed the work areas covered by both organisations and the clear disparity between them. In addition to this we would also point to the evidence from Citizens Advice and the Minister which made it clear that Citizens Advice Cymru would need to take on extra resource and transfer our expert staff to their organisation in order to perform the same tasks as Consumer Focus Wales. If there were already a great deal of duplication between the organisations this would surely not be the case. It is the case, as the Minister pointed out, that both organisations may respond to Government consultations and the like but this does not in itself amount to duplication. Two organisations can make unique and valuable contributions if they draw upon differing evidence and perspectives.

If you require clarification on any of these points, or further detail, please do not hesitate to contact me. I look forward to reading the findings of your inquiry.

Viv Sugar
Chair

October 2011

APPENDIX 1

The Extra Help Unit (EHU) was created to help vulnerable consumers across Great Britain with their energy and postal complaints. The team use legal powers to investigate complaints, for example, where someone has been disconnected or is being threatened with disconnection.

Vulnerable consumers are referred to the EHU by Consumer Direct, Ofgem, the Energy Ombudsman and MPs, MSPs or AMs, ie it was not set up to take direct calls from consumers as Consumer Direct fulfils this function. Many consumers that the EHU helps are distressed, on low incomes and in desperate need of representation. Our caseworkers are highly skilled in complaints investigation, and have undergone Samaritans training to help them deal with consumers who are emotionally vulnerable and facing a range of challenges in other aspects of life. They work very closely with consumers facing often desperate situations and work with them until the situation is resolved.

In 2010–11, the EHU handled 5,272 cases across the UK and achieved £817,000 in financial redress for consumers. The vast majority of cases related to energy complaints from households (78%) and small businesses (21%). Of the total number of UK cases, 258 were Welsh cases (just under 5% of the total). We do not have compensation costs to hand for these cases but this can be extracted, though this may take some days. If the Committee felt that this information was important to the inquiry then, upon instruction, we would go ahead and begin this work.

In this current financial year the total running costs for the EHU are budgeted at £640,773.

In addition to solving problems for individual consumers, the EHU also identifies company failures causing disadvantage to vulnerable consumers and makes representations to companies and to Ofgem to ensure the root causes of problems are addressed. These include meetings with the six major energy suppliers to bring together best practice on how to deal with vulnerable consumers during winter and the need to target specific areas in preparation for winter; work done with all suppliers who were not taking into account a consumer's ability to pay, especially when setting debt recovery on newly installed prepayment meters and work undertaken with UK Power Networks to tighten up their processes following a spate of cases involving illegal connections of consumers to the electric grid via rogue engineers.

The EHU's Executive Liaison Team responds to high-level correspondence and investigates referrals from MPs, MSPs and AMs. In 2010–11 it provided support to 72 elected representatives who had sought help on behalf of their constituents.

Since the establishment of the EHU in 2008, 18,170 cases have been handled and financial redress of £1.9 million has been secured for consumers. In our response to the Government's proposals on the consumer

² Not printed.

institutional landscape we have made it clear that we support the EHU function becoming the responsibility of the Citizens Advice service.

Written evidence submitted by the Department for Business, Innovation and Skills

SUMMARY

This evidence has been drafted as our consultation “Empowering and Protecting Consumers” on changes to the consumer landscape comes to an end, and before we have been able to consider the responses.

The consultation document explained that as part of its review into the consumer landscape the Government is minded to close Consumer Focus including Consumer Focus Wales; but to transfer the majority of their work (including the associated legal powers and reporting requirements) to a reinforced Citizens Advice Service and Citizens Advice Scotland with possible inclusion of others.

It is not the intention of these proposals to reduce the level of support for consumers in Wales (or anywhere else in the UK), instead this Department wishes to retain the strong voice and expertise currently offered in Wales and is working closely with those concerned, including the Welsh Government to deliver this.

CURRENT ARRANGEMENTS FOR CONSUMER ADVOCACY

Consumer Advocacy is an important function in our consumer landscape. Advocacy bodies represent consumers’ interests and promote consumer rights to businesses, regulators, Governments, the European Union, internationally and others, as appropriate. An effective advocate will be aware of actual and potential consumer concerns that need to be addressed in the development of public policy and regulation and in the interactions between suppliers and consumers; so consumer advocacy must be underpinned by good quality research and rigorous economic analysis.

Public funding for general consumer advocacy is currently directed mainly to Consumer Focus and the Citizens Advice Service and Citizens Advice Scotland through funding from the Department for Business Innovation and Skills (BIS). However, there are a number of other organisations who undertake advocacy on behalf of consumers, including Which? who are well known for their investigations of sales practices, campaigns for redress and technical expertise in certain areas.

Consumer Focus

Consumer Focus will submit their own evidence for the Committee; however as their Government sponsor and funder, we have set out below some background to their formation and their statutory functions.

Consumer Focus is the operational name given to the National Consumer Council, a statutory body formed by the Consumers, Estate Agents and Redress (CEAR) Act 2007. Consumer Focus replaced three predecessor bodies—National Consumer Council (including the Welsh and Scottish Consumer Councils), Postwatch and Energywatch.

Consumer Focus performs a general advocacy function across Scotland, England and Wales and has specific consumer advocacy responsibility for the gas, electricity and postal services sectors. It also deals with postal matters in Northern Ireland. Industry levies are used to fund the regulated industries work, including the Extra Help Unit (which provides specific advice to vulnerable consumers of these services across Great Britain).

Consumer Focus has specific statutory powers to request information from Government, regulators and others; and, like Citizens Advice, Citizens Advice Scotland and Which? has the power to make supercomplaints to regulators where markets are failing consumers.

Consumer Focus’ functions in Wales

The CEAR Act requires Consumer Focus to set up and maintain committees in Scotland and Wales and the postal services committee in Northern Ireland. These territorial committees can carry out a number of functions independent of Consumer Focus (the statutory body) in so far as they relate to the devolved territory, but Consumer Focus has the ability to restrict or place conditions on the functions of territorial committees, in order to improve coordination and ensure Consumer Focus’ functions are properly carried out (see section 2(2) of CEAR Act).

The relevant functions that apply to Wales in relation to its territory (and the corresponding sections of the Act) are:

- Section 8—The representative function—(including, for Wales, providing advice and assistance to Welsh Ministers);
- Section 9—The research function;
- Section 10—The information function;
- Section 11—General powers of investigation;
- Section 12—Investigation of complaints made by vulnerable designated consumers;
- Section 13—Investigation of complaints relating to disconnection of gas or electricity;

Section 14—Reference to matters to Ofgem;
Section 15—Reference of matters to PostComm;
Section 16—Investigations relating to public post offices;
Section 19—Advice information and guidance;
Section 21—Power to cooperate and give assistance;
Section 22—Voluntary activities;
Section 23—Supplementary powers;
Section 24—Provision of information to the Council;
Section 25—Enforcement by regulator of section 24 notice;
Section 26—Enforcement by court of section 24 notice.

(Please note, all these functions are also exercised by Consumer Focus and in a slightly amended form, by the Scottish territorial committee)

The Welsh territorial committee also has the function of giving advice and information to Consumer Focus about consumer matters in Wales. It should also advise Consumer Focus about how it should exercise its functions in Wales. In addition, it can advise on any other matter which may have been delegated to the Welsh territorial committee (under Schedule 1 Part 4—para 23).

According to Consumer Focus' Corporate Plan of 2010–13, the Board of Wales (as for Scotland) is "primarily responsible for areas of consumer policy specifically within their own territories and for making contributions to main Board led GB, UK and EU policy projects." The central UK-wide Board retains control of:

- Overall governance;
- Resources, finances and their allocation;
- Staffing and HR matters;
- Oversight of the CEO and senior management.

In practice, work in Wales is carried out by the Consumer Focus Wales team which at full capacity comprises 16 staff (we understand there are currently vacancies). At least four of these posts deliver GB wide activities.

We recognise the excellent work Consumer Focus Wales has delivered since its inception and are keen to retain the expertise they have built up.

Citizens Advice

The Citizens Advice Service comprises Citizens Advice (which operates across England and Wales) and Citizens Advice Scotland. These are charitable umbrella organisations which support the 500 or so independent charities of Citizens Advice Bureaux across Great Britain.

The Citizens Advice Service collects and analyses evidence from Bureaux clients to influence Government and business policies on behalf of citizens locally, regionally and nationally. From this local intelligence it is able to horizon scan, spot trends and collate evidence of policies or services which are not working. Like Consumer Focus, the Citizens Advice service writes and researches evidence reports and detailed responses to consultations and (as mentioned above) has the power to make supercomplaints.

Citizens Advice in Wales

Citizens Advice Cymru are currently primarily (though not entirely) concerned with the work of their Bureaux network. This extensive network comprises Bureaux in every county in Wales and service is delivered from over 247 advice points across the country. In 2010 there were 402,000 enquiries to Citizens Advice Bureaux in Wales and they helped over 123,000 clients. There is a dedicated staff member supporting the Welsh Bureaux and a sub-committee of the main Citizens Advice Board considers Wales-specific advice and advocacy issues.

PROPOSED CHANGES

BIS launched a consultation into the consumer landscape—"Empowering and Protecting Consumers" in June this year. This consultation remained open until 27 September and the detailed responses are currently being analysed, so this evidence cannot take into account of the conclusions that emerge from that consultation or the policy decisions that will result.

The consultation document explains that the Government wishes to ensure that the consumer advice, representation (including advocacy) and enforcement are delivered more effectively and efficiently. For consumer advocacy this means creating greater clarity for consumers about who is championing their rights, enhancing the impact that that public funded advocacy has on policy and regulation and reducing overlap and duplication of effort.

The Government is clear that these proposals are not about reducing the level of support for consumers in Wales (or anywhere else in the UK), but rather to deliver a better service.

The Government believes that the functions of Consumer Focus, including Consumer Focus Wales will be better carried out by transferring them to an organisation with strong brand awareness and a broad consumer outreach. The consultation suggests that the Citizens Advice Service is well placed to deliver on these two criteria. These proposals are a positive step forward in consumer advocacy, building on the strengths and the expertise of Consumer Focus and its predecessor bodies.

The Citizens Advice Service is widely recognised and trusted by the public. As well as its strong brand it has a distinct advantage that we believe should be better utilised for the benefit of ordinary consumers—its representation through the Bureaux in communities throughout Great Britain.

The Citizens Advice Service is not new to working with Government and has been the partner organisation of a number of Government Departments not just through core funding but through delivery of a range of specific, targeted programmes. For example Citizens Advice has delivered the face to face Debt Advice programme on behalf of BIS. This £1.9 million project has delivered advice to over 8,000 consumers in Wales in 2010–11. Many vulnerable groups were targeted including rural, disabilities, lone parents and young families as well as credit union clients. The project employs around 30 advisers operating across 22 Local Authorities with connections to 88 other agencies.

Representation in Wales

The Government recognises that the Citizens Advice Service will need to develop to take on the proposed role. This is particularly true in Wales where further resource would be needed within Citizens Advice Cymru to continue the advocacy work. It is not the intention of the proposals that this work is carried out by the Bureaux, but by dedicated and experienced advocacy personnel working within a Welsh-based office.

The Welsh Government and Consumer Focus Wales assert that Welsh citizens should be represented in Wales and we agree with this. It is the Government's intention under the new proposals to retain the strong voice and expertise currently offered.

Exactly how this will be delivered needs detailed and careful consideration. Whilst we must consider the details of the responses of the consultation before decisions can be made, BIS officials have already begun to work closely with the Welsh Government to design a model of consumer representation in Wales that satisfies both Governments' aspirations. We believe that we can address the concerns expressed by Consumer Focus Wales and will cover these in our consideration of the issues.

Edward Davey, Minister for Employment Relations, Consumer and Postal Affairs has spoken to the Minister for Social Justice & Local Government in the Welsh Government and confirmed his intention that the level of consumer representation in Wales will not be diminished.

An important detail to be discussed in light of responses to the consultation is the transfer of statutory functions; however it is anticipated that the body carrying out consumer advocacy in Wales will have no less authority than that which is currently available. A charity will be able to take on any statutory powers that are required.

We intend that there will be a level of interaction between the body carrying advocacy activities in consumer matters and Welsh Ministers, which will ensure that the developing policies will be effective and relevant. Consumer Focus are required to do so by consulting Welsh Ministers on a forward work programme and sending Welsh Ministers a copy of their annual report—and we envisage a similar type of arrangement.

The need to retain a National voice

Whilst it is important that each country has national representation on issues that are of specific interest and/or importance to them, the Government does not want to add layers of bureaucracy. Universal industries and service providers should continue to have a single voice and not have to negotiate three times over whenever they wish to make decisions. If there are separate consumer bodies dealing with advocacy across GB then, for example, if Royal Mail wanted to make even a minor change to their service, they would have to have detailed conversations three times over and this could, in turn, lead to differing levels of service in different parts of the country. It will also be important at times that an advocate can make strong representations speaking as a powerful voice for all of Great Britain.

CONSUMER FOCUS WALES' PROPOSED AMENDMENT

An amendment has been proposed to the Public Bodies Bill which will transfer the relevant consumer advocacy powers to Welsh Ministers so that they may then in turn transfer them to a new body. We believe that this amendment is not necessary to deliver an organisation of equal or better standing than Consumer Focus Wales and goes against the intention of the Bill to reduce the number of Public Bodies. Further, the interaction we intend to embed in any future model of consumer advocacy will ensure that Welsh Ministers and the Welsh Government will have a crucial role to play and a mechanism within which it can play that role.

September 2011

Written evidence submitted by the Welsh Government

SUMMARY

- The Welsh Government considers that it is a priority to ensure that the people of Wales continue to have a strong, well-informed and independent voice to protect them from consumer exploitation.
- The Welsh Government has concerns about the proposed new arrangements and recommends further work is needed to (i) develop stronger governance for the proposed successor body for Wales; (ii) clarify how the successor body for Wales will be empowered to carry out its responsibilities; and (iii) secure a firm commitment from the UK Government to ensure that the proposed successor body for Wales is resourced so there is no reduction in capacity or capability in the Wales-level organisation.
- As a safeguard lest the concerns cannot be resolved, the Welsh Government proposes that the UK Government considers making provision to transfer the functions of Consumer Focus Wales to the Welsh Ministers and to allow the Welsh Ministers to transfer the functions on to an existing body or to a new body created by order.

SUBMISSION

1. The Welsh Government welcomes the Welsh Affairs Committee's inquiry into the UK Government's proposals to change the statutory consumer advocacy bodies across the UK.

2. The Welsh Government considers that the existing consumer advocacy body for Wales, Consumer Focus Wales, has done much outstanding work on behalf of consumers in Wales and has achieved a very high reputation for the quality of its research, investigation and reporting of a wide range of issues and concerns.

3. The priority for the Welsh Government is to ensure that the people of Wales continue to have a strong, well-informed and independent voice to protect them from consumer exploitation. Towards that end, the Welsh Government wants to ensure that the activities, services and functions currently undertaken by Consumer Focus Wales are fully maintained if the changes envisaged in the Public Bodies Bill are implemented.

4. The Welsh Government has welcomed the opportunity to engage with the UK Government, Consumer Focus Wales and Citizens Advice and we shall continue to work with all parties to develop and clarify the proposals set out in the consultation paper, *Empowering and Protecting Consumers*.

5. Despite the useful and constructive dialogue, the Welsh Government continues to have concerns about how the UK Government's proposal to transfer responsibilities from Consumer Focus to Citizens Advice might work in Wales, given the resources and role to date of the proposed successor body for Wales, Citizens Advice Cymru.

6. The Welsh Government's concerns focus on three issues:

- Governance of the proposed new organisation;
- Empowering the proposed new organisation; and
- Staffing and Funding of the proposed new organisation.

(i) Governance

7. The Consumers, Estate Agents and Redress Act 2007 (the "2007 Act") established Consumer Focus Wales as a statutory territorial committee of Consumer Focus (the "National Consumer Council"). The 2007 Act also bestows on Consumer Focus Wales the exercise of specified functions of the parent body insofar as they are exercisable in relation to Wales.

8. The provisions mean that Consumer Focus Wales has a clear identity based in and drawn from Wales and has a clear remit to take up issues which are relevant to Welsh consumers.

9. In contrast, Citizens Advice Cymru is a weaker body constitutionally in relation to its parent body, than is the case with Consumer Focus Wales. Citizens Advice Cymru is not a separate entity (unlike Citizens Advice Scotland); nor does it have the degree of constitutional autonomy accorded by statute to Consumer Focus Wales.

10. The Welsh Government does not favour Citizens Advice Cymru becoming a separate body, but believes strongly that Citizens Advice Cymru must be given a clearer and a more robust constitutional identity within Citizens Advice (England and Wales) than it has at present.

11. To undertake the role exercised so successfully by Consumer Focus Wales, Citizens Advice Cymru must be governed by a Welsh Committee which is able to draw on experience and expertise from all relevant sectors across Wales (including those associated with the new responsibilities). Citizens Advice Cymru must also be given a clear remit to allow the organisation to take up issues across the board which are relevant to Welsh consumers.

12. Discussions are continuing with Citizens Advice and Citizens Advice Cymru about the governance arrangements, but the Welsh Government believes that further work is needed to ensure that the Welsh Committee of Citizens Advice Cymru is sufficiently representative of the organisation's enhanced

responsibilities and that the remit accorded the body is sufficiently comprehensive. Without such development, the Welsh Government believes that Citizens Advice Cymru may not be able to provide the same level of service to Welsh consumers that Consumer Focus Wales has provided in recent years.

(ii) *Empowerment*

13. The 2007 Act bestows on Consumer Focus Wales powers and duties of investigation, reporting and representation in relation to businesses, public bodies, energy companies and postal services. These provisions provide the tools by which Consumer Focus Wales is able to take action to protect, support, educate and inform consumers across Wales.

14. The Welsh Government is concerned by the lack of detail in the UK Government's proposals about how the successor bodies will be empowered to carry out their important responsibilities. The Welsh Government believes that more clarification is needed about whether and how the powers and duties of Consumer Focus under the 2007 Act will translate to Citizens Advice.

15. Further clarification is also needed about the procedure whereby powers and duties that are transferred to Citizens Advice are to become exercisable in relation to Wales by Citizens Advice Cymru. Confirmation of such a procedure is needed to ensure that the new model for Wales truly replicates the existing one.

16. The Welsh Ministers have had a positive working relationship with Consumer Focus Wales, helped in no small way by the statutory obligations placed on the organisation to engage with the Welsh Ministers. The obligations cover consulting on forward work programmes, sending the Welsh Ministers copies of annual reports and providing advice and information on consumer affairs.

17. The Welsh Government would like to see such obligations retained for the Welsh successor body; the kind of work picked up by the consumer body complements very closely many of the key policy responsibilities of the Welsh Government.

(iii) *Staffing and Funding*

18. If the new arrangements are going to work effectively in Wales, a commitment is needed from the UK Government that the Welsh body will be resourced to ensure that there is no reduction in capacity or capability in the Wales-level organisation.

19. The success of Consumer Focus Wales is due in no small part to it having had funding and the staffing resources to undertake a wide range of activities on behalf of consumers in Wales. Citizens Advice Cymru is much smaller and does not have an equivalent dedicated policy and research capability focused on Welsh needs and circumstances.

20. The UK Government must ensure that the successor body for Wales has funding comparable to that currently available to Consumer Focus Wales, to enable the new organisation to afford consumers across Wales the same level of support which they enjoy under the current arrangements.

21. It is also important that the final decision on future arrangements is taken as soon as possible—the uncertainty is causing staff of Consumer Focus Wales to move to new postings elsewhere, which removes the possibility of their valuable experience and expertise being transferred to the new organisation.

ALTERNATIVE PROPOSAL

22. The Welsh Government will continue to work with all parties to try to ensure that the UK Government's proposals will deliver arrangements in Wales which will entail, at the very least, no reduction in the level of support afforded to consumers across Wales.

23. Nevertheless, we continue to have some concerns about the new arrangements. In particular we are concerned that the UK Government will not be able to use legislation in the same way as it was able to with Consumer Focus to place obligations on Citizens Advice, which is a third sector body. We also believe that there is a risk that the framework for the new bodies will be incomplete and, as a result, the services available to consumers in Wales will be impaired and even diminished.

24. Accordingly, the Welsh Government suggests that it might be prudent for the UK Government to consider the safeguard of making provision which would permit the transfer the Consumer Focus Wales functions to the Welsh Ministers and allow the Welsh Ministers in turn to transfer the functions on to an existing body or to a new body created by order for the purposes of exercising those functions.

Written evidence submitted by the Children's Commissioner for Wales

Background on the Children's Commissioner for Wales

The Children's Commissioner for Wales is an independent children's rights institution established in 2001. The Commissioner's principal aim is to safeguard and promote the rights and welfare of children.³ In exercising his functions, the Commissioner uses the United Nations Convention on the Rights of the Child (UNCRC) as his foundation.⁴ The Commissioner's remit covers all areas of the devolved powers of the National Assembly for Wales insofar as they affect children's rights and welfare. He may also make representations to the National Assembly for Wales about any matter affecting the rights and welfare of children in Wales.⁵

The UN Convention on the Rights of the Child (UNCRC) is an international human rights treaty that applies to all children and young people aged 18 and under. It is the most widely ratified international human rights instrument and gives children and young people a wide range of civil, political, economic, social and cultural rights which State Parties to the Convention are expected to implement. The UK Government ratified the convention in 1991 and in doing so committed to bringing all domestic legislation and guidance into line with the Convention. The Welsh Government has adopted this Convention as the basis for all its policy development in relation to children and young people and recently embedded its commitment in domestic legislation for the first time in the UK via the Rights on Children and Young Persons (Wales) Measure 2011.

In 2004, the Welsh Assembly Government adopted the UNCRC as the basis of all policy making for children.

The Children's Commissioner for Wales' response to the consultation on institutional changes for provision of consumer information, advice, education, advocacy and enforcement—Empowering and Protecting Consumers

1. Our focus within this consultation is on the rights and welfare of children and young people. We have not responded to all questions within the consultation document but instead noted general comments relevant to questions 14, 15 and 20.

2. GENERAL COMMENTS

2.2 The Welsh Government sees children and young people as rights holders and states clearly that:

*“Children and young people should be seen as citizens, with rights and opinions to be taken into account now. They are not a species apart, to be alternately demonised and sentimentalised, nor trainee adults who do not yet have a full place in society”.*⁶

2.3 The UNCRC affirms that children, because of their vulnerability, need special care and attention. Moreover, the convention reaffirms the need for legal and other protection. Consumer Focus Wales, through its Wales-based governance mechanisms, has added value to the national commitment to children's rights by protecting and upholding children and young people's consumer rights as full citizens of Wales.

2.4 In particular, we have welcomed the work it has undertaken in areas where the Children's Commissioner for Wales' statutory remit may be restrictive.

3. CONTRIBUTION MADE BY CONSUMER FOCUS WALES

3.1 We value Consumer Focus Wales' contribution to the policy landscape in Wales.

3.2 The statutory functions pertaining to Wales in the Consumer Estate Agents and Redress Act 2007 are comprehensive and valued. The general power of investigation to look at any issue which may affect consumers has been used through representative and comprehensive research leading to positive outcomes.

3.3 An important element of Consumer Focus' work is that it does not depend on self-referral. Its Welsh population engagement and analysis has enabled it to undertake work in relation to the most vulnerable groups in Wales, groups who traditionally feel they are or are unable to access support and redress mechanisms. One of these vulnerable groups effectively represented by Consumer Focus Wales has been children and young people.

3.4 We respect the way in which Consumer Focus Wales has instigated pieces of work that are relevant to children's rights in Wales. These include work on food hygiene in school, fuel poverty as well as the extent and nature of financial exclusion experienced by care leavers in Wales and the non-compliance of public service obligations to this vulnerable group.

³ Section 72A Care Standards Act 2000

⁴ Regulation 22 Children's Commissioner for Wales Regulations 2001

⁵ Section 75A (1) Care Standards Act 2000

⁶ Welsh Assembly Government (2004) Children and Young People: Rights to Action. p.4

4. REMIT

4.1 It is important that consumer protection is afforded in all areas of children and young people's lives and that we do not see this protection restricted to particular sectors or industries.

4.2 The Consumers, Estate Agents and Redress Act 2007 refers to the remit of Consumer Focus extending across various levels of government and public services. The fact that the current remit allows for flexibility and responsiveness is evident in the way in which Consumer Focus Wales has initiated its statutory functions. Its work in relation to children and young people living in fuel poverty, "Keeping Warm This Winter: Hearing the voices of children and young people in tackling fuel poverty in Wales", ensured that the participation and service aspects of poverty for children and young people in difficult financial circumstances were not overlooked.

4.3 We have concerns that proposals restricting this remit, for whichever body is envisaged, will see important areas of consumer issues disappear. In particular, we are concerned that as a consequence of these proposals, important areas of protection and advocacy in a child or young person's life may not be covered, leading to a detrimental impact on children's rights.

5. OPTIONS

5.1 It is pleasing to see the Welsh Government state its aspiration to see the functions of Consumer Focus Wales retained in Wales, as well as the introduction of a National Trading Standards Service for Wales.

5.2 We note the potential within the Public Bodies Bill to be amended, devolving functional arrangements to the Welsh Government ensuring a more coherent approach to citizen advocacy in Wales.

5.3 The fact that much of the consumer protection legislation is reserved does not necessarily negate the opportunity for Welsh Ministers to establish Welsh specific structures, responsive to Welsh needs. The Equality Act 2010 is an example in case, where UK legislation included provisions for Welsh Ministers to initiate Welsh specific duties on public bodies in Wales which better reflected the needs and aspirations of the Welsh population.

5.4 It is our opinion that the funding and functions of Consumer Focus Wales should be transferred from the UK Government to Welsh Ministers. We believe the Public Bodies Bill should be amended to provide the flexibility to create a new body in Wales, following consultation. The new body should be accountable to the National Assembly for Wales. This will ensure effective scrutiny by the legislature of the issues facing people in Wales—in the form of reports by the new body—and to provide proper accountability to ensure the structure's efficiency and value for money.

6. CONCLUSION

6.1 Within the context of the commitment to the UNCRC as well as the citizen-centered approach to public service delivery in Wales, we fully endorse the necessity for a strong consumer body for Wales, grounded in Wales, to champion the voice of consumers. This should be done through advocacy of the most vulnerable in society, facilitated by robust research and participation within a Welsh policy and legislative context.

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