

## Communications Consumer Panel and ACOD response to Consumer Futures' WorkPlan 2014/15

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### Introduction

The Communications Consumer Panel and the Advisory Committee for Older and Disabled People (ACOD) welcome the opportunity to comment on Consumer Futures' WorkPlan 2014/15.

The Panel works to protect and promote people's interests in the communications sector. We are an independent body, established by the Communications Act 2003. The Panel carries out research, provides advice and encourages Ofcom, Government, the EU, industry and others to look at issues through the eyes of consumers, citizens and micro businesses. The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which face many of the same problems as individual consumers. Individual members of the Panel represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively.

Following the alignment of ACOD with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

### Response

Our response is confined to those areas with the Panel's remit.

#### Postal services

The Panel supports the proposed objective that 'consumers should get best value and service in a declining market (letters) and a growing market (parcels)'. We know from Ofcom's research that older consumers send and receive more items of post but send fewer parcels and packets on average than the general population; and that, together with disabled consumers, they are more likely to be very reliant on post<sup>1</sup>. It is vital that the standard of service and its affordability for these customers - and those in rural areas - is maintained. They should not suffer any detriment as a result of the changing market and they should be able to retain, and build, their trust in the reliability of postal services. As such we are pleased to see acknowledgement of the potential higher risk level to

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<sup>1</sup> [http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr13/2013\\_UK\\_CMV.pdf](http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr13/2013_UK_CMV.pdf)

consumers inherent in the emerging market and welcome steps to mitigate consumer harm.

We also believe that adequate and accessible complaints processes must be in place and an effective redress service for all consumers. In terms of encouraging Royal Mail to reflect consumer needs we are therefore pleased to see reference to complaint handling; and we welcome any steps aimed at raising consumers' awareness of their rights and choices.

The Panel is concerned about the wider potential impact on particular groups of consumers as society moves towards a "digital by default" status. So we are pleased to see that this issue is included in this part of the workplan when considering context and we would support the availability of options to assist those who are not yet digitally engaged or who may, for various reasons, be permanently unable to use on-line services.

We look forward to working with you to ensure that within the postal sector, consumers' interests are promoted and protected.

## Cross sector work

### Customer Service

We agree that consumer confidence, and trust, in markets is vital - together with the involvement of the consumer voice across the sectors. The Panel's own research, *Going Round in Circles? The consumer experience of dealing with problems with the communications services*, highlighted the sub-optimal experience of a number of consumers across the communications sector, identifying common themes and frustrations. Our report, which includes recommendations that may be useful in the context of Consumer Futures' work, can be found on our website<sup>2</sup>.

Following the issues highlighted by the research, and our own subsequent exploration of the topic, the Panel has made recommendations in five key areas:

- the quality of information provided to consumers
- contact centre staff training should be reviewed and strengthened
- the consumer contact experience should be improved
- greater support should be provided for older and disabled consumers
- escalation and ADR referral processes should be reviewed and strengthened

Our own workplan is currently out to public consultation<sup>3</sup>. In 2014/15, the Panel proposes to continue to highlight the customer service recommendations it made following its *Going round in circles?* research and pursue these with communications providers. The Panel will continue to urge the communications industry to raise the level of customer service it offers so that consumers enjoy better holistic standards. We will be discussing

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<sup>2</sup> <http://www.communicationsconsumerpanel.org.uk/going-round-in-circles/going-round-in-circles>

<sup>3</sup> <http://www.communicationsconsumerpanel.org.uk/current-year/current-year>

the research, findings and recommendations with communications providers and Ofcom over the coming months, before reviewing what progress has been made later in the year. We will pay particular attention to the needs of disabled people with specific communication needs and other vulnerable consumers.

There may be some common learning of benefit across sectors and we will work together with other stakeholders, including Consumer Futures, to help raise customer service standards.

As identified in the workplan, a coherent approach to redress and complaints across sectors will benefit consumers. The Panel welcomes the ambition to develop a more consistent overall framework so that consumers know what they should expect and what to do if those expectations are not met. However, each sector will have its own characteristics and the Panel believes that it is important that this is taken to account. We look forward to working with Consumer Futures on this very important area for consumers.

## **Personal data**

The consultation rightly highlights the opportunities and risks of the greater use of personal data. The range of opportunities offered by the internet, mobile apps and micropayments provide consumers and citizens with a host of potential benefits. Timely access to accurate information is essential for consumers to be able to make informed decisions, and technological advances now offer the possibility of tailoring this information to an extent previously impossible. In addition to advising Ofcom on its recent work on the provision of information, the Panel has conducted work into the area of behavioural economics - including the needs of more vulnerable consumers<sup>4</sup>. The Panel has also highlighted personal data and security as one of its own priority work areas in its draft workplan for 2014/15.

The Panel's 2011 research *Online Personal Data - the Consumer Perspective*<sup>5</sup> suggested that few consumers have top-of-mind concerns in this area, although they express significant concern when asked about specific privacy issues. However with machine-to-machine data exchange on the horizon, and as the market for personal data becomes ever more complex and monetised, it is increasingly important that people understand the implications of the consent they are giving organisations for the use of their data; and the precautions they can take to protect their personal data. During 2014/15, we plan to represent consumers' and citizens' interests so that they can be as well informed and protected as possible. The Panel will build on its research to identify and highlight the issues, draw attention to the need for further work, and encourage government and the EU to ensure that consumer and citizen views and experiences are at the heart of policy making and regulation in this area.

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<sup>4</sup> <http://www.communicationsconsumerpanel.org.uk/downloads/what-we-do/previous-projects/access-and-inclusion/BE%20intro%20final%20with%20date.pdf>

<sup>5</sup> <http://www.communicationsconsumerpanel.org.uk/online-personal-data/online-personal-data-1>

## **Small Businesses**

We welcome Consumer Futures' plans to promote a consumer agenda for small business. We are currently conducting research in relation to micro-businesses' experiences of communications - what are micro-businesses' experiences of communications services? What experience do they have of mobile usage (coverage, dropped calls etc) and what is their use of broadband (especially superfast). Under the Superfast Broadband Strategy, how will micro-businesses in the last 5% - i.e. those who are not included in the undertaking to extend superfast to 95% of UK premises by 2017 - be affected? What are the barriers/challenges they face and what are the opportunities? What can the communications sector do for micro-businesses to help assist growth? In 2014/15, we will publish our latest research which seeks to establish how the communications sector affects the experience and performance of micro businesses and what - if anything - should/could be done to improve that experience so that growth and the potential of micro-businesses, particularly outside major conurbations, is maximised.

We look forward to sharing our findings with Consumer Futures and working together to ensure that full account is taken of the needs of micro-businesses.

## **Consumer vulnerability**

We are pleased to see Consumer Futures' intended focus on consumer vulnerability. Although Ofcom's latest research [Cost and Value of Communications Services in the UK](#) indicates that, over the past 10 years, consumers have benefitted from significant reductions in prices across most communications services and that the UK compares favourably against international comparators, some consumers still face significant difficulties. The Panel is very alert to this and we look forward to working closely with Consumer Futures in relation to better understanding the 'poverty premium', debt and disconnection in order to ensure that policy supports people's needs; and that the already disadvantaged are not further disadvantaged.

In summary, we look forward to continuing to work closely in partnership. In both our areas of work, it is vital that we protect and promote the interests of citizens and the inactive, silent or more vulnerable consumer- as well as those who are more engaged.