

Daniel Johnson MSP
Convener
Economy and Fair Work Committee
By e-mail: economyandfairwork.committee@parliament.scot

4th November 2025

Dear Convener,

Consumer Scotland Annual Report and Accounts 2024-25

Please find attached a copy of Consumer Scotland's Annual Report and Accounts for the financial year 2024-25, which were laid before Parliament earlier today.

When we met on 29th October we expressed our regret that, due to our external auditors, Deloitte, having a shortage in resource, these accounts have been finalised later than last year and therefore were not available prior to our meeting with the Committee. Please be assured that we have reiterated our disappointment to Deloitte and sought assurance that this will not be repeated next year.

I would also like to take this opportunity to confirm that we will provide the committee with the requested follow-up information from our recent session by your deadline of 12th November.

Yours sincerely,



Sam Ghibaldan



Consumer Scotland

Annual Report and Accounts
2024-2025

Laid before the Scottish Parliament by Consumer Scotland in pursuance of
the Public Finance and Accountability (Scotland) Act 2000, November 2025

(CS/2025/02)

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1. Performance Report

Overview

The purpose of this overview is to give a brief summary of Consumer Scotland, its objectives, performance during 2024-2025, the principal risks it faces and a summary of future plans. It is supported by a more detailed performance analysis.

Chair's Foreword

Consumer Scotland is now three years old. We are the statutory consumer advocacy organisation in Scotland; accountable to the Scottish Parliament and funded by the Scottish and UK Governments.

As set out in our Strategic Plan for 2023-27, Consumer Scotland's purpose is to improve outcomes for current and future consumers. Our strategic objectives are:

- to enhance understanding and awareness of consumer issues by strengthening the evidence base
- to serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
- to enable the active participation of consumers in a fairer economy by improving access to information and support

I am pleased to publish our Annual Report and Accounts for 2024-2025, outlining the activities of Consumer Scotland during our third full year of operation. The Board has been pleased with the development of the organisation over the last year. The outcomes we deliver on behalf of consumers are set out in our detailed Performance Report. This is the first full year in which we have measured our performance through our Performance Framework.

The Board and Executive Team have worked together during the year to hone our operation and focus, ensuring we deliver on our statutory remit effectively and efficiently. Our remit empowers us to support the wider public sector improve its service for consumers and we have actively done so during the year through the publication of guidance for public bodies in Scotland on the Consumer Duty.

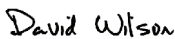
In addition to the work of our main Board, our Audit and Risk Committee, chaired by Nick Martin, continued to scrutinise governance and financial matters. And our Advisory Committee on Consumers in Vulnerable Circumstances, chaired by Angela Morgan, engaged external experts to support our work.

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Consumer Scotland plays a key role in leading and co-ordinating across the consumer sector in Scotland. We convene the Consumer Network, the Energy Consumers Network, and a consumer advice and protection CEO's Group, drawing together key players to help focus on improving consumer outcomes.

This year, the Scottish Government passed over some additional responsibilities, including a role in funding other consumer advice organisations. In line with our partnership approach, we have built good relationships with Citizens Advice Scotland, Advice Direct Scotland and Citizens Advice as a foundation for this work, looking to provide best value for consumers from public funding.

As we record our progress as an organisation in this Annual Report and Accounts, I wish to record my appreciation of the commitment and hard work of the Executive Team, our staff, and my fellow board members that has made it possible.

Signed by:

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David Wilson
Chair
22 October 2025

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Chief Executive Statement

Consumer confidence is essential to a prosperous economy, underpinning how people engage with markets and services. The pace of change in the world around us today, with technological developments, the net zero transition and economic changes, risks creating an uncertain and challenging set of circumstances for consumers in Scotland. Change can bring benefits and often improved ways of consumer interaction, but some developments come with a heightened risk of consumer detriment. Notably, the aftermath of the pandemic and the energy crisis continue to have a significant effect on consumers, with higher prices now embedded across many parts of the economy and some consumers experiencing increasing levels of debt, which impacts on their purchasing power and their wellbeing.

Purpose and strategy

Increasing the confidence of consumers is a statutory purpose of Consumer Scotland and is key to the economic ambitions of both the Scottish and UK governments. To help achieve this Consumer Scotland's robust evidence base underpins our insight and recommendations on the improvements that are required to make markets and services work better for consumers. Increasingly we are also working to facilitate the provision of advice to consumers to help them participate in the economy and support them if things go wrong.

Our Strategic Plan for 2023-2027 sets the framework for how we do that, working in partnership with government, regulators, businesses and other consumer organisations. In 2024-2025, our third year of operation, we continued to develop Consumer Scotland, building our new heat networks advocacy and advice function (which went live on 1 April 2025), undertaking our first investigation into consumer protections in the low-carbon home heating sector, and taking on new responsibilities in managing grant funding to support the delivery of vital consumer advice and advocacy across the landscape in Scotland.

Performance and impact

We are committed to being transparent about our performance. The nature of our advocacy work means performance cannot readily be conveyed through KPIs alone. We have designed our Performance Framework, which is composed of a recommendations register, impact assessment reviews, workstream monitoring, and organisational activity indicators, so that we can more fully demonstrate our effectiveness over time. This was the first year in which we evaluated our work in this way and the full Performance Framework Report for 2024-2025 is published as part of this Annual Report and Accounts.

While still a young organisation, in 2024-2025 Consumer Scotland was able to achieve a wide range of positive outcomes for consumers. Our evidence helped secure a national campaign to protect vulnerable consumers during the transition to digital landlines. We reached an agreement to give consumers a strong voice in the development of Scottish Water's Business Plan for 2027-2033, including the innovative approach of consumers confirming whether they support the final Plan before it is put forward for regulatory approval. As Ofcom considers the future of the postal Universal Service Obligation, we made a package of recommendations to protect the interests of consumers.

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Public services are most effective and efficient when they are delivered in way that works with the grain of consumer behaviour. During 2024-2025 Consumer Scotland worked to help achieve this, publishing our final guidance for public bodies on the Consumer Duty. Drawing together our evidence from several sectors, we developed a policymaker's Climate Change Framework, highlighting the 4Cs – cost, convenience, clarity and confidence – to help engage consumers in the net zero transition. Our Consumer Outlook Report, a precursor to the statutory Consumer Welfare Report that will be published in 2026, identified key consumer challenges for governments, regulators and policymakers.

With increasing responsibility for grant-funding activities undertaken by Advice Direct Scotland, Citizens Advice and Citizens Advice Scotland, Consumer Scotland is now playing a leading role in helping to improve cohesion across the consumer sector in Scotland to deliver better consumer outcomes. During the year we established a sectoral Chief Executives' Group, and we are working in partnership to efficiently enhance the service received by consumers.

People

Since our inception Consumer Scotland has carefully built a staff of balanced and diverse expertise, the combination of which enables us to operate effectively. At appropriate points in our development, we have added resource to enable us to operate across our remit, including during 2024-2025 in our heat networks, strategic partnerships and investigations teams. We are structured both in sectoral and disciplinary teams and promote a culture of agile working across them to maximise our performance.

During the year we conducted a staff survey, which found a positive overall engagement score, and strong interest amongst our people in their work. We will continue our focus on culture and have taken a number of actions following the survey, including on learning and development. We work to retain, engage and invest in our people.

Leadership stability

Consumer Scotland's leadership structure is composed of an Executive Team (ET), comprised of the Chief Executive and three Directors, and a Senior Leadership Team which also includes an Assistant Director and the heads of teams across the organisation. The staff survey also included positive assessments of people's experience of working with their managers and teams.

In recognition of the sustained growth in energy consumer activity, we have restructured our work in this area to create two teams, Energy Markets and Energy Transition. We will continue to review roles and responsibilities across the organisation to ensure they are appropriate and effective.

Resourcing and capability

Funding constraints are being felt across the public sector and limited Consumer Scotland's ongoing development of some functions during 2024-2025. We have made efficiencies in our corporate functions where practical, including in relation to our website and communications function. As a small organisation the greatest opportunities for

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participation in the public sector reform agenda are likely to be realised through collaboration with similar bodies, and we have been part of the establishment of a group of Smaller Non-Ministerial Offices to help facilitate that.

Aside from the grant funding we provide to other organisations, the largest proportion of our budget is spent on staffing. During the year, our core staff numbered 35. We continue to make use of short-term secondments to support on specific projects and were pleased to welcome two temporary members of staff from the National Energy System Operator during the year, following the conclusion of an MOU between the two organisations.

Board governance

The Board convened for eight alternative strategic and governance meetings during the year, as well as occasional ad-hoc meetings and correspondence. The Audit and Risk Committee met quarterly. There is an effective working relationship between the Committees and the Executive Team, facilitating strategy development, decision-making and governance oversight.

Conclusion

Consumer participation and demand is key to rising to the biggest challenges we face as a society - the transition to net zero and achieving a prosperous economy - that serves all. Consumer Scotland is helping government, regulators and business to better understand consumers, to be able to engage, support and protect them more effectively, and we are working with our partners across the consumer sector to provide people with the advice and support they need across a range of markets and services.

All of this is possible thanks to the expertise and focus of Consumer Scotland's staff, and their commitment. I am grateful to them.

Signed by:

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Sam Ghibaldan
Chief Executive
22 October 2025

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Statement of Purpose

What we do

- 1.1 Consumer Scotland is the statutory body for consumers in Scotland. Established by the Consumer Scotland Act 2020ⁱ, it is accountable to the Scottish Parliament. Consumer Scotland's purpose is to improve outcomes for current and future consumers and its strategic objectives are:
 - to enhance understanding and awareness of consumer issues by strengthening the evidence base
 - to serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
 - to enable the active participation of consumers in a fairer economy by improving access to information and support
- 1.2 To achieve this we work collaboratively with a wide range of partners who have expertise in consumer issues.

What we are

- 1.3 Consumer Scotland is a Non-Ministerial Office (NMO) and vested on 1 April 2022. This means we are part of the Scottish Administration but not part of the Scottish Government, ensuring our operational independence.
- 1.4 In March 2023 we published our Strategic Plan for 2023-27ⁱⁱ.
- 1.5 Consumer Scotland publishes an annual Work Programme with the latest version for FY2025-2026ⁱⁱⁱ, being laid before Parliament and published in March 2025.
- 1.6 Consumer Scotland's core funding is set out in the Scottish Government's Budget Bill each year and approved by the Scottish Parliament.
- 1.7 In addition, Consumer Scotland receives grant funding from the UK and Scottish governments to fund activity in the electricity, gas, postal and water sectors. In 2024-25, the UK Government provided additional funding to support the set-up of our heat networks advocacy and advice function. The function became operational on 1 April 2025 and will now be funded via the same grant process as electricity, gas and post.

Our structure

- 1.8 We continue to strive to be a high-performing, forward-looking organisation that is able to respond to changing circumstances and evolving consumer needs and expectations.
- 1.9 We are committed to holding the public and private sector to account through our evidence-led recommendations set within our over-arching priorities of affordability, climate change mitigation and adaptation, and consumers in vulnerable circumstances. We do this by working in partnership across the consumer sector and creating a unified voice for consumers in Scotland informed by our consumer principles.

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Table 1: Our structure

Board		
Chief Executive and Accountable Officer		
Director of Analysis, Research and Investigations	Director of Policy and Advocacy	Director of Operations and Partnerships, and Deputy Accountable Officer
Analysis	Energy	Governance
Research	Water	Finance
Investigations	Post	Corporate Services
	General Markets	Strategic Partnerships
	Heat Networks	Communications

Board members

- David Wilson (Chair)
- Lesley Halliday (to May 2025)
- Nick Martin
- Angela Morgan
- James Walker

1.10 Board member attendance at meetings was 97.5%.

Executive and Senior Leadership Teams

- Chief Executive: Sam Ghibaldan
- Director of Operations and Partnerships: Sue Bomphray
- Director of Analysis, Research and Investigations: David Eiser
- Director of Policy and Advocacy: Douglas White
- Assistant Director – Operations and Partnerships: Jill Rosie
- Head of Communications: Andy Denholm
- Head of Investigations: Craig McClue
- Head of Analysis: Eleanor Mullan

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- Head of Research: Jane Williams
- Head of Energy Markets: Barry Coughlan (appointed May 2025)
- Head of Energy Transition: Alistair Hill (appointed April 2025)
- Head of Policy and Markets: Tracey Reilly
- Head of Water: Gail Walker
- Head of Post: Grace Remmington (appointed on temporary promotion Nov 2025)

Statutory remit

- 1.11 Consumer Scotland is the statutory, independent body for consumers in Scotland. We were established by the Scottish Parliament to advocate on behalf of, and secure better outcomes for consumers. Our remit and statutory functions are set out in the Consumer Scotland Act 2020 including the power to require information from a wide range of organisations.
- 1.12 It also provides Consumer Scotland with the option to publish guidance to support relevant public bodies in applying the new Consumer Duty to strategic decisions. We published the final guidance on the new duty for public authorities in February 2025 with the commitment to review it on a regular basis.
- 1.13 In line with section 19 of the Consumer Scotland Act 2020, Consumer Scotland will appoint a suitable individual or body to review and prepare a report on the performance of its functions during its first three years and in line with section 17 of the Consumer Scotland Act 2020, will publish a Consumer Welfare Report, three years after becoming operational and will do so in 2025.

Table 2: Our Statutory Remit

Our Statutory Remit					
Functions					
Advocacy and advice	Representation	Research and investigation	Information	Recall of goods	The Consumer Duty
Areas of Focus					
Reducing harm to consumers	Increasing consumer confidence	Encouraging public bodies to address consumer matters	Promoting sustainable consumption	Advancing inclusion, prosperity and wellbeing	

Grant Funding

- 1.14 As the statutory leader for the consumer sector in Scotland, we are supporting our third sector delivery partners on behalf of the Scottish and UK Governments across the consumer

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advice support network while ensuring duplication is avoided and value for public sector money is delivered.

- 1.15 In 2024-25, we funded the delivery of Citizens Advice Scotland's consumer advocacy workplan with a grant of £950,000. This funding partnership helps ensure the work of our respective organisations is complementary, streamlined and value for money. We also provided £260,400 of funding to Citizens Advice to ensure the interests of Scottish consumers are represented in GB-wide decision making for energy and post matters, removing the risk of duplication across the GB markets.
- 1.16 To support with the creation of the heat networks advocacy and advice function that became operation on 1 April 2025, we provided funding of £97,250 to Advice Direct Scotland to support the set-up of Tier 1 advice for heat network consumers and the development of a stakeholder engagement function. We also provided £12,000 of funding to the Extra Help Unit at Citizen's Advice Scotland to support the set-up of Tier 2 advice for heat network consumers.

Scams Prevention

- 1.17 In 2024-25, responsibility for scams prevention work transferred from the Scottish Government to Consumer Scotland. This year we will be scoping out any further work we wish to do in partnership that focuses on scams prevention, in addition to the activity we are already delivering.

National Performance Framework

- 1.18 The work of Consumer Scotland contributes to the delivery of the National Outcomes (The Community Empowerment (Scotland) Act 2015 section 1^{iv}), set out in the National Performance Framework^v. The wellbeing of consumers is relevant across all aspects of the National Performance Framework. Through our work, Consumer Scotland advances the interests and priorities of consumers, strengthening their position in society and the economy and putting the consumer interest at the heart of the achievement of the National Outcomes for Scotland.
- 1.19 The refreshed **National Outcomes for Scotland**, published in draft by the Scottish Government in 2024, included reference to consumers for the first time following our work on this issue. Specifically, the new proposed National Outcome for Wellbeing Economy and Fair Work included a new focus on "*supported, empowered, confident consumers*". This change followed Consumer Scotland's engagement with the refresh process for the National Outcomes, including our delivery of a roundtable event for organisations from across Scotland's consumer landscape and the Scottish Government. The Scottish Government has now announced a wider reform process for the National Performance Framework, and we will engage with this process to further strengthen recognition of consumers across the Framework.

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Performance summary

1.20 This report is produced in accordance with HM Treasury's published 'Government Financial Reporting Manual 2024-2025'^{vi}.

Performance Framework

1.21 In December 2023, Consumer Scotland published its Performance Framework, setting out how we will measure our performance as an organisation. Financial Year 2024-25 was the first full year of operation for the Performance Framework.

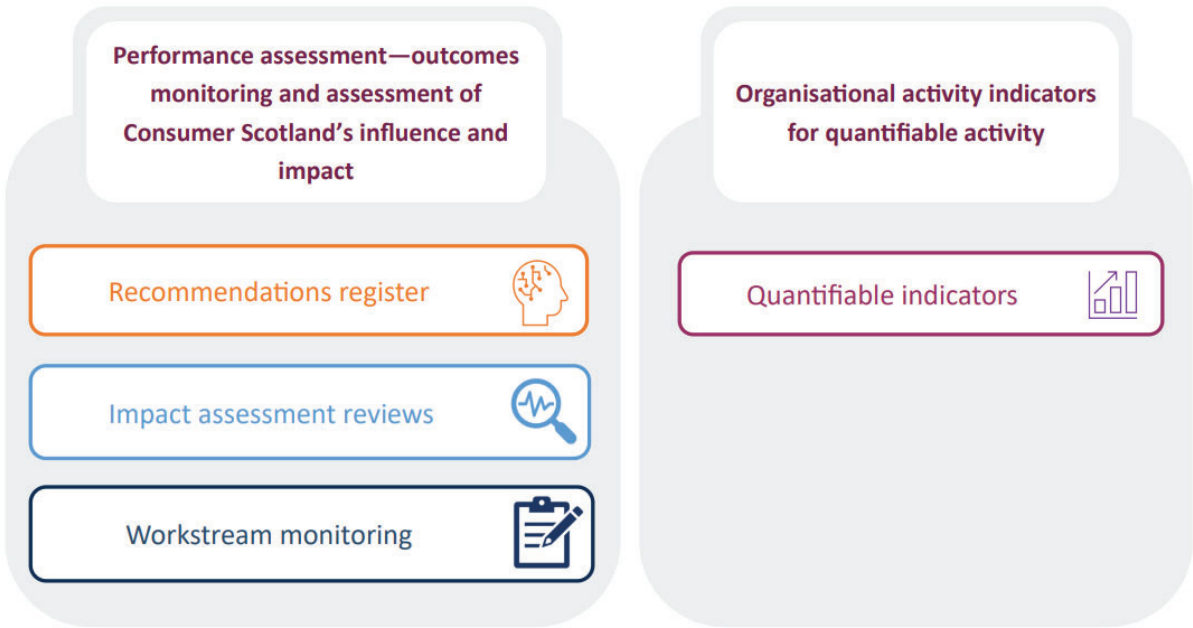
1.22 The Framework comprises the following elements:

- a) **Performance Assessment**, which is made up of:
 - **A recommendations register:** which tracks the progress of the recommendations that Consumer Scotland has made
 - **Impact assessment reviews:** which provide a small number of in-depth case studies to evaluate the impact number of our work in a given area
 - **Workstream monitoring:** which gathers evidence of progress we have made against the activities set out in our 2024-25 work programme
- b) **Organisational activity indicators:** which provide a quantifiable overview of our activities in relation to governance and operations; strengthening the evidence base; inspiring and influencing; and enabling consumer participation.

1.23 A full report on our Performance Framework for 2024-25 was provided to the Consumer Scotland Board in May 2025 and more detail is provided below.

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Figure 1: Summary of Consumer Scotland’s Performance Framework



Indicator	Definition	Target/ Trend*
Strengthen evidence base to enhance understanding of consumer issues		
Publications	Number of reports, briefings and blogs published on our website	Trend
Website interaction	Number of views of Consumer Scotland pages on the website including publications, news releases, blogs and consumer support	Trend
Data Sharing Agreements in place	The number of signed data sharing agreements in place with key partners	Trend
Enable active participation through improved access to information and support		
Stakeholder engagement	Number of multi-stakeholder meetings and events hosted/ convened by Consumer Scotland	Trend
Inspire and influence the public, private and third sectors		
Social media engagement	Number of views and reposts on LinkedIn and/or X	Trend
Media coverage	Number of “Opportunities To View” (readership of the specific publication)	Trend
Public Policy Influence	Number of mentions in Parliamentary/Government business and publications	Trend
Governance and operations		
Payments	Proportion of invoices paid within 10 days	100%
Freedom of Information	Proportion of FOI requests received and responded to within 20 days	100%
CS creates context for Ministers to appoint a 50% female board	The 2018 Act requires that 50% of the authority’s non-executive board members are women. If the authority has an odd number of non-executive board members, the gender representation objective applies as if there was one fewer non-executive	50%
Staff Engagement	Staff engagement scores as measured by benchmarked survey to be run from FY2024-25	60%

* For some indicators we have set an explicit numerical target. In other cases, rather than set an explicit target we will instead monitor and report on trends in these indicators over time, with 2023/24 effectively acting as a baseline

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Table 3: Consumer Scotland’s Third Year

5 Board members	£5.48M budget	Statutory Consumer Duty guidance published
2024-25 Work Programme delivered	£1.62M grants issued	Performance Framework first full year complete
Consumer landscape CEO Group established	11 research projects undertaken	2025-26 Work Programme laid before Parliament & published
35 permanent staff 3 temporary staff	Heat Networks function established	38 consultation responses
Preliminary investigation complete	Smaller NMOs working group established	91 publications

Strategic Risks

1.24 Our Strategic risks are identified, monitored and assessed regularly by the Executive Team, the Audit and Risk Committee and the Board, in line with our risk management framework. In 2024-2025, our key strategic risks are listed below with further detail on mitigation, controls and actions given at Table 6:

- **Finance**
 - the risk that significant cuts or fluctuations in core and Grants in Aid from government bodies funding result in a lack of resources to maintain rigorous and robust impact. This risk is rated as medium due to the prevailing fiscal conditions.
 - the risk that the current Consumer Scotland finance set-up with Scottish Government does not provide Consumer Scotland with the visibility, control and ownership of the end-to-end financial process. The scoring for this risk has reduced to medium during the year with the implementation of Oracle and the move to being a standalone entity for accounting purposes. There do remain some issues following on from the Oracle implementation which are being worked through.
- **Reputational** – the risk that Consumer Scotland does not progress its work programmes, or outputs are not seen as evidence-led and impactful, leading to

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questions about our relevance and influence thus impacting our reputation. This risk is rated as medium.

- **Strategic** – the risk that Consumer Scotland is not able to deliver its statutory functions that require significant development work - due to reasons including a lack of clarity in the underpinning legislation or insufficient funding to resource the requirements. This risk has reduced to medium.
- **Project/Programme** – the risk that Consumer Scotland's structure and operating model is not agile enough to respond to the changing consumer and legislative landscape and potential new “asks” at pace. This risk is rated as high due to the issues experienced in year around resource stability.
- **Reputational** – the risk that Consumer Scotland's investigations are perceived as not having had sufficiently positive outcomes on consumers, or robust impact on policy - either as a result of the choice of investigation topics, or the evidence that the investigations are able to bring to light. This risk is rated as medium.

1.25 In addition to our Strategic Risk Register, we maintain an Operational Risk Register which is reviewed regularly with our staff, Senior Leadership Team and Executive Team. This includes risks we are actively managing but which are not considered strategic risks.

1.26 Three risks have been moved from our Strategic Risk Register to our Operational Risk Register during the year as the impact/likelihood scoring had reduced to within the target range. There have been no risks escalated from the Operational Risk Register.

1.27 Mitigation strategies and key controls have been considered for our major risks taking account of our risk appetite; more detail is included at Table 6. These measures are being embedded in our processes and inform our Strategic Plan.

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Performance Analysis

1.28 This section provides a review of Consumer Scotland’s performance in 2024-2025 and reports performance against the core elements of our Performance Framework, as follows:

- Recommendations Register
- Impact Assessment Reviews
- Workstream Monitoring
- Organisational Activity Indicators

1.29 We also report in this section on our staffing, risk profile, financial performance, non-financial information, and our wider context and future plans.

Recommendations Register

1.30 Consumer Scotland maintains a Recommendations Register as one of the core components of our Performance Framework. The Recommendations Register records formal recommendations that Consumer Scotland has made to improve outcomes for consumers in Scotland. It includes recommendations that we have made in published documents including:

- Reports
- Briefing papers
- Consultation responses
- Parliamentary evidence submissions
- Correspondence with Ministers and senior stakeholders

1.31 In 2024-25, the first year of operation of the register, we logged more than 200 recommendations that Consumer Scotland has made across our publications. An analysis of the register indicates that for regulated markets, consultation responses have been a primary vehicle for our recommendations during the past year.

1.32 In contrast a broader range of outputs were often used to provide recommendations during the year in relation to the consumer markets policy areas, reflecting the fact that this includes both reserved and devolved areas and the influence of governments and parliaments, compared to regulators, in these areas.

1.33 The table below illustrates the different subject matters on which we have made recommendations, broken down by market area.

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Table 4: Recommendation areas

MARKET	SUBJECT
Consumer Markets	McClures Solicitors
	Telecommunications ADR
	Subscription contracts
	Rural policy delivery
	Transition to a circular economy
	VOIP
	Access to cash
	Cash acceptance
	National concessionary travel schemes
	Housing Scotland (Bill)
	Regulation of legal services
Energy	Electric Vehicles
	Consumer protections in heat networks regulation
	Heat network authorisation regime
	Debt relief scheme
	Designing energy support for disabled consumers
	RTS switch off
	Standing charges
	Ofgem review
	Future price protection
	Smart data
	Acquisition tariffs
	Review of Electricity Market Arrangements (REMA)
	Regulating Third Party Intermediaries in retail markets
	Ofgem Vulnerability Strategy
Water	WICS Draft Business Plan
	Affordability of water charges
	Climate change and water policy
	Scottish Water's Draft long term strategy plan
	Scottish Government's Flood Resilience strategy
	Measures in support of the retail market
Post	Consumer detriment in the parcel market
	Reform of the Universal Post Service

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1.34 Our recommendations can be grouped as follows:

- consumer expertise
- absence of consumer representation
- consumer information
- fairness

1.35 A number of our recommendations draw on **consumer expertise** on a particular subject. Examples include our recommendations relating to water affordability based on detailed modelling as well as recommendations relating to proposed legislation on subscriptions traps or Ofgem's proposals on standing charges and star ratings. These recommendations tend to focus on detailed and considered responses on areas requiring a technical knowledge on a topic. Our recommendations often make linkages to other consumer markets and the lessons that can be learnt by other areas. There is a strong emphasis on system issues and the need to approach issues holistically and sustainably.

1.36 Another common theme in our recommendations is highlighting the continuing **absence of consumer representation** and voice and the need for government, regulators and other organisations to ensure that they consider more directly how proposals will affect consumers and take into account their views. The examples here were also varied but also included responses relating to McClures, various Scottish Government strategy consultations and RTS. Related to this our recommendations also often highlighted the need for greater working together with stakeholders more broadly.

1.37 A number of our recommendations relate to **consumer information** emphasising that information itself is not enough and there is a need for user testing of information, well publicised, good signposting using trusted intermediaries and coordinated approaches. Similarly to recommendations we have made on **improving data** of which there were also several, the recommendations on information were linked to a theme highlighting the need for **greater transparency** in order to build consumer trust and confidence. In terms of **consumer confidence** another set of recommendations highlight the need for monitoring and evaluation in order to check that proposals actually deliver what the regulator or government said they were going to achieve to ascertain whether these worked, what impact they had.

1.38 Finally, a number of our recommendations relate to **fairness**. In some cases, having highlighted a gap the recommendations highlight the need to more explicitly consider the needs of consumers in vulnerable circumstances and where appropriate make suggestions on how to do that. Other recommendations highlighting fairness more broadly reference the need to consider how the current system or proposals affect consumers, including future consumers, as a whole.

1.39 The recommendation register is proving a useful tool for informing our ongoing advocacy across policy areas. Keeping the register updated will require ongoing resource to ensure it remains effective and proportionate. We will continue to review the register to ensure that it remains a useful tool to help inform and guide our advocacy work, and that it works in tandem with our other reporting mechanisms.

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Impact Assessment Reviews

- 1.40 Consumer Scotland has undertaken two in-depth case studies to explore the impact of our work. The case studies have been a useful tool to gain a better understanding of how we are achieving impact and how we can evidence it. The case studies complement the other components of our impact reporting, which are set out in the Performance Report. The two case studies relate to:
- 1. The migration of traditional telephone landlines to digital landlines
 - 2. Climate change, water and Scotland’s future
- 1.41 A summary of our activity in these two areas is provided in the Workstream Monitoring section of the Performance Report, while the two detailed case studies are published separately and are linked [here](#).

Workstream Monitoring

- 1.42 Workstream Monitoring information is provided against the headings set out in the 2024-25 Consumer Scotland Work Programme. It provides a brief overview of activities and progress in relation to each of the workstreams in the programme. These updates reflect each of the stages of Consumer Scotland’s published theory of change, recognising that different workstreams will be at different stages of the theory of change journey. The overview report highlights advocacy progress, alongside direct consumer impacts, recognising that such progress is an essential prerequisite to achieving the desired outcomes set out in the Work Programme.
- 1.43 Consumer Scotland works in close collaboration with a wide range of different partners across our Work Programme delivery, and this partnership work is highlighted in the monitoring information.

Understanding the Consumer Experience
Workstreams: • Consumer issues – insight and analysis • Using our investigative powers • Strengthening the evidence base
We launched our investigation into Scotland’s home heating market and consumer confidence in low carbon technologies and energy efficiency measures. The launch attracted substantial media coverage across print and broadcast outlets. To deliver the investigation we conducted extensive engagement with key landscape stakeholders and undertook a range of desk-based analysis, including on the existing Energy Performance Certificate (EPC) register, and on Advice Direct Scotland’s consumer complaints data. We held a formal ‘Call for Information’ which received more than 20 submissions from key stakeholders. Our final recommendations have been shaped by a roundtable session held with key stakeholders from across the sector. Our investigation report was published in Q1 2025-26 with a number of recommendations for reform.

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We published a number of new key insights papers to inform stakeholders and decision-makers in Scotland across a wide range of consumer topics. These included: • The Consumer Outlook report 2024-25 setting out the significance and scale of consumer issues across the Scottish economy; • Our briefing on Consumer Detriment which draws on data sourced from across the consumer landscape. • A briefing on dynamic pricing. Our work on this issue has been featured in a number of media outlets and we have engaged with partners including the Competition and Markets Authority to help inform their work on these matters. We worked with the Competition and Markets Authority on the Consumer Detriment Survey 2024. Our input secured an increased number of participants in Scotland in the survey, which will improve the value and robustness of the data for stakeholders and policymakers in Scotland. Following the publication of the research, we published our own insight report reflecting on the findings in the Scottish context. We established two new framework contracts with external research partners to support our quantitative and qualitative research. These new arrangements have significantly enhanced our ability to commission robust, timely consumer research evidence across a range of topics on behalf of consumers in Scotland and this will continue in 2025-2026. With the support of our Advisory Committee on Consumers in Vulnerable Circumstances, which includes representation from charities, advice bodies and academic institutions in Scotland, we put in place a number of measures to underpin our cross-organisational work on consumers in vulnerable circumstances. This included the publication of a statement of our approach, research principles for conducting work in this area and an ethical approvals process for research. A Consumer Scotland representative was appointed as a member of the ScotStat Board which provides recommendations, advice and critical challenge to the Chief Statistician on the production and dissemination of official statistics – a valuable resource for consumer policy and advocacy.
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Putting consumers at the centre of systems
Workstreams: • A net zero transition that delivers for consumers • Fairer markets for all consumers • Markets that deliver for small businesses • Consumers at the heart of public services • Better protection for consumers from product harm

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We published **major new research on consumer attitudes to, and engagement with net zero**. Our research highlighted that consumers are concerned about climate change but want more support to help them to make the types of behavioural changes that will be required as of them as part of the transition. Our report was the lead front-page story for the Herald on launch. Following the publication we have had substantial engagement with Scottish Government officials leading on key areas of net zero work, including transport and circular economy, and have presented our findings to the UKRN Climate Change and Vulnerability networks.

We continued to **deliver the revamped Consumer Network for Scotland**. Network meetings in 2024-25 included contributions from the Financial Conduct Authority, Ofcom, the Federation of Small Businesses, the Advertising Standards Agency, Joseph Rowntree Foundation, Citizens Advice Scotland and Trading Standards Scotland, as well as Consumer Scotland. Issues the Network considered during the year included energy debt, consumers and poverty, small businesses as consumers, the reform of the UK postal service, rural consumers, technology and vulnerability, sustainability, and communication with consumers. We have continued to widen the Network's membership, with the Communications Consumer Panel and the Advertising Standards Agency now Network members.

We have **published guidance for public authorities in Scotland on the implementation of the consumer duty**. Our guidance is supporting public bodies take account of consumers in their strategic decisions, achieve better value for money and inspire greater levels of trust and confidence in the public sector amongst consumers. The final version of the guidance was published in February 2025 following a public consultation on our previously published draft guidance. We will soon deliver information sessions for consumer groups and small businesses on how they can use the duty to influence decision-making within the public sector. There are already a number of good practice examples of where public bodies have applied the guidance to ensure they are delivering effectively for consumers. This includes application by the Scottish Government during the Programme for Government and budget setting processes; by the Scottish Legal Complaints Commission in setting their budget and operational plan and the Health Improvement Service in creating a consumer duty framework for NHS Boards.

The refreshed **National Outcomes for Scotland**, published in draft by the Scottish Government in 2024, included reference to consumers for the first time following our work on this issue. Specifically, the new proposed National Outcome for Wellbeing Economy and Fair Work included a new focus on *"supported, empowered, confident consumers."* This change followed Consumer Scotland engagement with the refresh process for the National Outcomes, including our delivery of a roundtable event for organisations from across Scotland's consumer landscape and the Scottish Government National Performance Framework team. The Scottish Government has now announced a wider reform process for the National Performance Framework, and we will engage with this process to further strengthen recognition of consumers across the Framework.

Consumer Scotland worked closely with the Office of Product Safety Standards to support delivery of a joined up approach to the provision of a **recall of goods register**. Consumer Scotland wants to ensure the journey for consumers seeking assistance with recalled

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goods is streamlined and straightforward and to deliver best value for money in the use of public funds. We have worked closely with the OPSS to raise awareness of the UK database. We have promoted the OPSS database through our website and newsletter, alongside information on recalled goods across other sectors. We have provided questions to be included in the OPSS product safety/recall register consumer survey and have also developed a cohesive joint communications plan. We have also responded to the UK Parliament’s call for evidence on the Product Safety and Metrology Bill, which is currently under consideration, and we are members of the UK Consumer Reference Panel. We have commenced two new strategic research projects to examine: • The experiences of small businesses in Scotland as consumers. More than 700 small business participants from across a range of sectors have taken part in our research about their experiences of being consumers in different markets. • The experiences of disabled consumers living in rural and remote Scotland. Consumers from the Highlands and Islands and Dumfries and Galloway have taken part in this deep dive, qualitative work, examining consumer experiences across a range of markets and services, including transport, health and social care and leisure services. The outputs from both of these pieces of work will be published early in 2025-26. We anticipate that both reports will deliver valuable insights and evidence that will inform policymakers actions across a range of consumer markets, driving improved outcomes for consumers.

Improving the way markets work for consumers
Workstreams: • A consumer-centred system for legal services • A fairer rental market • Public transport services that consumers choose • A circular economy designed for and with consumers • Regulations that deliver consumer outcomes
Consumer Scotland formally raised concerns with the UK and Scottish Governments and with Ofcom regarding the specific risks to rural, disabled and older consumers in Scotland as a result of the switch to digital telephony (Voice Over Internet). We are pleased that BT has subsequently delayed the switchover date by two years to 2027; while the UK Government has committed to a national communications campaign on the switchover, focused on telecare users. This will launch in spring 2025. New guidance from the UK Government that providers must comply with on non-voluntary migrations also addresses a number of concerns that Consumer Scotland raised. We have also engaged with BT, Openreach and Virgin Media O2 directly to influence the design of providers’ engagement programmes in Scotland and their approach to identifying consumers who may need

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support with migration. Our work on this issue has attracted significant media interest, including two front page news stories in the Scottish media and has been cited in Parliament.

We engaged Ofcom on the need for **action to improve the resilience of Scotland's communications infrastructure more widely**. We highlighted concerns that Ofcom's incident reporting thresholds are not sufficient to capture the severity of outages that occur in rural areas in Scotland. Ofcom has recognised the difficulties in assessing the impact and duration of some outages in rural areas, and the subsequent impact on customers who rely on them, particularly when other connectivity options are limited. They now plan to do further work to understand where and when further power back up may be required. Consumer Scotland also highlighted the need for a broader approach to power backup beyond the telecoms sector. Ofcom have welcomed the insights they have received into potential harms from power outages, such as the effect on emergency services and communication difficulties, particularly in rural areas where communities could be more vulnerable to the impacts of outages. They have committed to further analysis to determine if additional resilience measures are needed for mobile telecoms infrastructure.

We advocated on behalf of consumers during the passage of the **Circular Economy Act**. This included our Stage 2 MSP briefing, which was cited in the Net Zero Transport and Energy Committee debates, following our earlier Stage 1 evidence and briefing. We recommended a stronger emphasis in the Bill on reducing resource use and reusing resources rather than only recycling and disposal; and better communication with consumers. The Scottish Government brought forward amendments to the Bill, which were passed, that addressed both of these recommendations.

The Scottish Government has published its **Circular Economy Strategy and Waste Route Map**. The document highlights Consumer Scotland's research and recommendations relating to the need for clear, consistent and well-targeted consumer information and commits to delivering further work on this issue. The Strategy and Route Map also commit to prioritising products based on their economic and environmental harm; an approach advocated for by Consumer Scotland in our consultation evidence. Other actions committed to in the Strategy and Route Map, which respond positively to matters highlighted by Consumer Scotland, include actions relating to the accessibility of reuse facilities, recognition of the need for geographic flexibility to reflect local consumer circumstances, and the need for appropriate alignment with UK level activity to ensure clarity for consumers.

We have undertaken extensive bilateral and multilateral engagement with the Scottish Government and other partners on the **Regulation of Legal Services Bill**. We provided a briefing to MSPs ahead of Stage 2 of the Bill, with a series of recommendations designed to improve the Bill on behalf of consumers. We have also been an active member of the Scottish Legal Complaints Commission Consumer Panel. Through this work we have advocated for, and helped secure, amendments that will bring about a number of improvements in the Bill that will benefit consumers in Scotland. These include:

- a new role for the Scottish Legal Complaint Commission's independent consumer Panel to look at legal services generally, and commission research into consumer

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issues, rather than only focusing on complaints. This is supplemented by amendments providing that the Panel must be resourced adequately.

- provision for the Lord President to conduct a review of any legal regulator's performance on their own initiative and that they should have to provide reasons for not acting on a request for such a review. We have also successfully advocated for a time limit for professional regulatory organisations to respond to any initial notification regarding issues that may result in a review taking place.
- information gathering powers for the Lord President have also been provided along with a clause allowing the Lord President to consult such other bodies as they consider appropriate (including consumer bodies)

We have formally raised concerns with the Scottish Government, Scottish Parliament Equalities Human Rights and Civil Justice Committee, the Lord President and the Law Society for Scotland about **the ongoing difficulties being experienced by clients of the collapsed legal firm McClures**. In response, the Law Society has improved the visibility of their consumer information on this issue following a specific request from us to do so. We wrote to Jones Whyte, the firm that have taken on McClures' former clients to seek their commitment that consumers in Scotland will be provided with the same speed of response as those in England and Wales, despite not being covered by the same regulatory protections. We have secured the firm's written commitment to do so. Our support for affected consumers has received media attention in the national media and in the local press in the regions where most impacted consumers are based. We continue to call for swift and effective notification for consumers and more dedicated support and advice services to be put in place to help them navigate a complex and fragmented regulatory environment.

The Financial Conduct Authority addressed a number of our recommendations to help **protect access to cash** for consumers in their communities. This included giving increased prominence to issues of digital connectivity and digital literacy; increasing the review period for cash access requests from 21 to 28 days; providing more information about cash access facilities in community venues; and encouraging firms to develop a shared cash locator tool to make this easier for consumers to navigate. Our work on **acceptance of cash** by businesses, and the importance of this for some consumers, was cited by the Treasury Select Committee in their highly publicised report on this matter.

We published a review of the current evidence on the key issues for tenants in Scotland in both the **private rented and social rented housing sectors**. Our work highlighted key areas for action around affordability and accessibility of tenancies, condition and repairs, tenant information and redress. We commissioned further work on redress and on tenant experiences which will be published later this year. We also provided evidence to the Scottish Parliament on the key consumer issues in the Housing Bill, setting out a number of opportunities to improve the Bill to deliver better consumer outcomes.

We published in-depth analysis on the effectiveness of the national concessionary fares schemes for **public transport in Scotland** to support policymakers developing the future strategy on this issue and ensure that consumer priorities are at the centre of this work. Our report on the actions that are required to improve the cost and convenience of public transport, making it easier for consumers to making more sustainable choices, received

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front page coverage in the Scotsman, alongside an editorial endorsing our recommendations.

We provided evidence and advice across **a range of other consumer matters**, working with parliament, governments and regulators. Issues we have provided formal input to include: the Climate Change Targets Bill, the National Adaptation Plan, unregulated legal services, trader recommendation platforms, regulations on digital subscriptions and media literacy, Rural Delivery Plans, alternative dispute resolution in telecoms, the regulation of non-surgical cosmetic procedures, subscription contracts and charges for the disposal of single-use cups.

We represented consumers' interests in **multiple advisory, strategy and governance forums across a range of different markets in the Scottish economy**. This included, for example, our membership of the Scottish Government's Regulatory Review Group, the UK Consumer Protection Partnership, the Scottish Anti-illegal Trade working group, the BSI Consumer Forum, the UK Finance Consumer Advisory Panel, the Scottish Debt and Fraud Review Board, the Scottish Legal Complaints Commission Consumer Panel, the Home Report Review Group and the Trading Standards Scotland Governance Board.

Making the Energy Market Work for Consumers

Workstreams:

- **A future retail market designed around consumers**
- **An energy system that serves rural consumers**
- **Improved access to and experience of low carbon technology**
- **A new system of heat network regulation that delivers for consumers**
- **Maximising the benefits of the energy transition**

We published **new research on consumers' experience of using Electric Vehicles (EVs)**. This highlighted inequalities in access to EV-charging infrastructure, and the challenges this creates for uptake of EVs. The work attracted significant media attention. We took forward our findings in collaboration with key stakeholders including Transport Scotland, delivering two stakeholder roundtables to agree a shared future approach to address key issues for consumers on charging, information and repairs. Transport Scotland subsequently committed, in its draft EV Public Charging Implementation Plan, to establishing a consumer stakeholder group to advance these matters, in partnership with Consumer Scotland.

We engaged the consumer sector in Scotland in responding to the problems for consumers presented by **switch off of the Radio Teleswitch Service (RTS)**. Consumer Scotland presented analysis on RTS meters in Scotland to the Energy Consumers Network and Ofgem and participated in an Ofgem-led summit and subsequent stakeholder group to identify and then monitor a plan of action. We continue to advocate for urgent action, including consistent consumer communications, a better planned and co-ordinated meter replacement programme and enhanced internet coverage where that would assist. We

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have provided a number of pieces of media comment to highlight these issues and contributed to Ofgem's consultation on modifications to licence conditions to ensure consumers are treated fairly following the switch off.

We successfully led **the establishment of Scotland's consumer advocacy and advice system for heat networks**, which went live in April 2025. We have established grant agreements with Advice Direct Scotland and Citizens Advice Scotland to deliver Tier 1 and Tier 2 advice and have established our own team to deliver the statutory advocacy function. We have contributed to key Ofgem consultations to design heat network regulation, putting forward the consumer perspective on key issues including the authorisation and oversight regime and the framework for consumer protection. We wrote to the Cabinet Secretary, recommending the establishment of a heat network efficiency remediation scheme, to ensure that consumers in Scotland are not in a weaker position than their peers in England and Wales.

We signed a **Memorandum of Understanding on cooperation between Consumer Scotland and the National Electricity System Operator**. This will help to ensure that consumers in Scotland are represented in key decision-making processes during the energy transition towards a future net-zero energy system.

We published new research on **disabled consumers and energy costs**, an insights report on the causes and impact **of energy debt** and a policy position paper **on energy affordability interventions**. Our work on disabled energy consumers attracted significant media coverage, including editorial support in the Sunday Mail which explicitly praised the role of Consumer Scotland.

We were active members of the **Scottish Government Working Group on an Energy Social Tariff and the UK Government Working Group on Data and Energy Affordability**. Our work on disabled energy consumers helped to shape key proposals in the Scottish Government Working Group's final report.

We submitted a response to the **strategic review of Ofgem** being undertaken by the UK Government. Our Chief Executive was invited to participate in the small expert group providing advice to the UK Government Minister on the review.

We contributed to **Ofgem's review of its 5-year Vulnerability Strategy**. Alongside our own written evidence, we convened a session for the Ofgem vulnerability team with our Committee for Consumers in Vulnerable Circumstances, providing the regulator with a range of expert views on what is required to ensure the strategy meets the needs of consumers in Scotland.

We undertook a significant programme of activity in relation to the Scottish Government's proposed **Heat in Buildings Bill**, to advocate for legislation that delivers effectively for consumers. We submitted detailed written evidence to the government, undertook direct bilateral engagement with key officials and were invited to join the government's Strategic Advisory Group for the Bill. The revised approach to the Bill, set out by the Scottish Government in April 2025, is intended to better respond to the concerns and pressures facing consumers.

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We delivered work to put forward the key issues for consumers in Scotland emerging from the **Review of Electricity Market Arrangements (REMA)**. We contributed to UK Government consultations on the process, undertook multilateral and bilateral stakeholder engagement and delivered a secondment placement from the NESO to Consumer Scotland to develop a detailed analysis of the key issues for consumers in Scotland. Our Chief Executive set out the consumer interest in this key issue for future consumers at a zonal pricing discussion chaired by the First Minister.

We continued to be a proactive statutory voice for energy consumers in Scotland, providing our evidence and advice on a wide range of issues to governments, regulators and parliaments. We provided expert input to proposals on issues including:

- **expansion of Warm Homes Discount**
- **standing charges;**
- **debt relief scheme;**
- **debt standards;**
- **smart energy data;**
- **regulation of Third Party Intermediaries (TPIs);**
- **24-7 metering support**
- **future price protections.**

We were pleased that the regulator acted on our recommendation to retain the **existing ban on acquisition-only tariffs, which provides an important protection for loyal consumers.**

We continued to provide leadership to consumer bodies in the energy sector in Scotland, through our convening of the **Energy Consumers Network**, which met a regular basis, and which informed the engagement of members with government, parliament, the regulator and energy companies.

We continued to represent consumer interests in many **external energy forums** including the First Minister's Scottish Energy Advisory Board. We participated in a quadrilateral meeting with UK Government DESNZ officials, Ofgem and Citizens Advice to provide input and advocacy on behalf of consumers in Scotland. We contributed to a number of other regular groups convened by the regulator and government.

A connected future-ready postal market

Workstreams:

- **A universal postal service that delivers for consumers now and in the future**
- **An inclusive postal system for all consumers**
- **A transition to net zero post with consumers at the centre**
- **A consumer-focused Post Office network**

Performance Report

We **published our ‘Lost in Post’ report on the parcels market in Scotland**, securing coverage across a range of media titles. We held productive discussions with Ofcom to review the key recommendations in the report and to advocate for the regulator to deliver progress on each of these issues.

We delivered substantial work to represent the interests of consumers in Scotland in the work being undertaken by Ofcom on the **future of the universal postal service and potential changes to the universal service obligation**. Drawing on our evidence base, we submitted a detailed response to the regulator’s Call for Input, making a series of recommendations. Specifically, we recommended a stronger, more systemic approach to assessing the impact of any potential changes to the USO on consumers, particularly those in vulnerable circumstances. We recommended that protections around affordability and reliability should be at the centre of any future USO, and that the relationship between consumer priorities and decarbonisation should be strengthened in Ofcom’s approach. We continued to engage regularly with UK Government, Ofcom, Royal Mail and other consumer organisations during this process.

We delivered a joint roundtable event with Highland Council on the **specific issues for rural consumers in Scotland in the proposed reforms to the postal service**. We also commissioned and published substantial new qualitative and quantitative research, focusing on the particular concerns of low income consumers in any changes to the postal service.

We participated in a sector roundtable hosted by Ofcom, with the regulator, UK Government, Royal Mail, Post Office Ltd and other consumer groups to identify solutions to the long-standing issue of **access to post for those consumers who have no fixed abode**. We continued to collaborate with Citizens Advice and the Consumer Council for Northern Ireland to advance the actions agreed at the roundtable.

We will shortly be publishing a new report on consumers’ understanding and preferences on the **decarbonisation of postal services**, which will be the first piece of research of its kind delivered by consumer bodies in the UK.

We finalised a Memorandum of Understanding with Post Office Ltd on consumer engagement in any **changes to the post office network**. Following a specific request from Consumer Scotland, Royal Mail has provided access to its **complaints data** in a more prominent position on the main Royal Mail website.

A water sector ready for climate adaptation and mitigation

Workstreams:

- **Consumers at the centre of a transition to a sustainable water system**
- **Fair and affordable water charges**
- **A water market that works for non-domestic consumers**

Performance Report

- **A water sector shaped by the consumer experience**

We agreed a groundbreaking Memorandum of Understanding with Scottish Water and the Water Industry Commission for Scotland to inform our collaborative working during the **Strategic Review of Charges for water for 2027-2033**. As a key part of this MOU, Consumer Scotland will undertake in-depth deliberative research with consumers to consider Scottish Water's draft business plan for 2027-33 and determine if this plan commands consumer support. The deliberative research will be augmented by a stronger role for Consumer Scotland in the challenge and scrutiny process for SRC, with Scottish Water's Independent Customer Group reporting to the Consumer Scotland Board for the work they undertake on scrutiny during the SRC process.

We played a central role in the **development of new proposals for legislation on water, wastewater and drainage**. We continue to be part of the Scottish Government-led steering group for the work and delivered a major deliberative research project to inform the policy development process. We have published a number of outputs from the research and a summary of our work was included as a standalone contribution as part of the Government's consultation analysis. Our research findings secured media coverage in the Scotsman. Consumer Scotland has now been asked to lead on the Information to the Public workstream to inform government policy development.

Consumer Scotland chaired the **water sector non-household Senior Stakeholder Group, which has this year launched Scotland's first ever non-household Code of Practice for water customers**. The Code has been consulted on and piloted by retailers. We will conduct consumer based research to test the Code and inform its ongoing development. We will also support the establishment of a non-household governance forum to systematically review and amend the Code to improve consumer offerings and experience of the market.

We published a substantial new report on the **affordability of water charges**. The report sets out the impact of policy changes around charging and affordability policy and makes a number of recommendations for changes that should be made to improve protection for low income consumers. We are working with key sector stakeholders to consider routes for the implementation of these changes. Our research will inform changes to charging policy from 2027 and beyond. Our report on this issue secured high profile media coverage, including an editorial in the Sun which gave explicit support to Consumer Scotland and our work.

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Organisational Activity Indicators

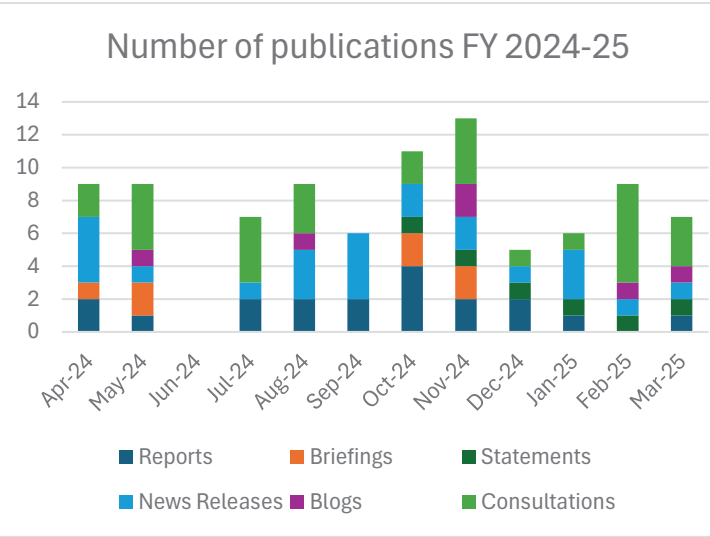
Figure 2: Consumer Scotland Organisational Activity Indicators Progress – FY2024-25

Strengthen evidence base to enhance understanding of consumer issues

Publications

Measure: Number of publications
Including reports, news and blog posts

Total publications	91
Reports	19
Briefings	7
Statements	6
Consultations	30
Blogs	6
News releases	23

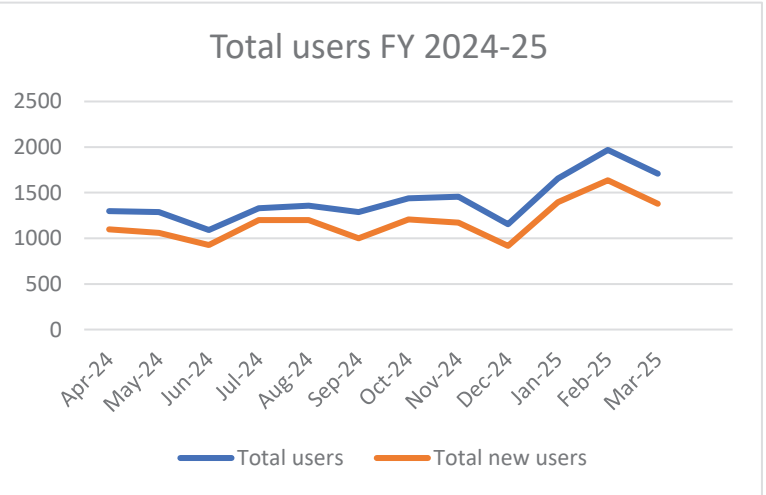
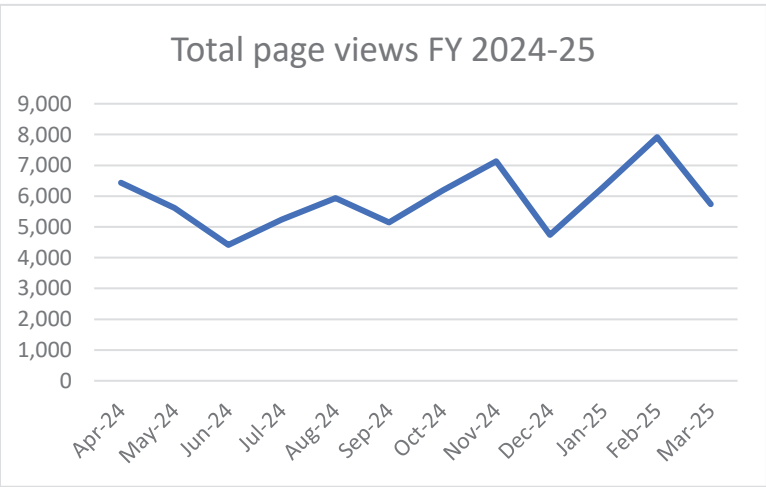


Website Interaction

Measure: Number of views of Consumer Scotland pages on the website

Headline Figures

Total views	70,790
Top 5 pages	
Homepage	8,518
Publications	7,853
Information for consumers	2,906
About us	2,746
The Consumer Duty	2,022



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Data Sharing Agreements/Memoranda of Understanding in place – 12

Enable active participation through improved access to information and support

Stakeholder Engagement

Measure: Number of multi-stakeholder meetings and events hosted/convened by Consumer Scotland

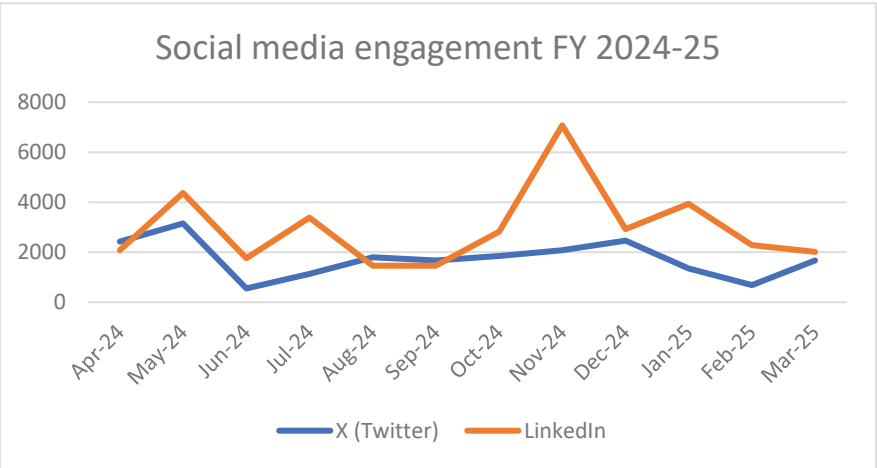
Number of events and meetings: 15

Inspire and influence the public, private and third sector

Social Media Engagement

Measure: Number of views on LinkedIn and X (formerly Twitter)

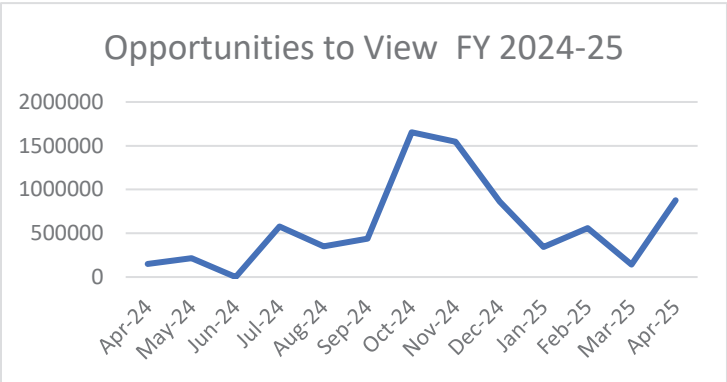
Total social media views: 56,385
LinkedIn: 35,545
X: 20,840
Bluesky: data not available at present



Media Coverage

Measure: Number of 'Opportunities to View' related to media circulation figures

Total opportunities to view: 7,710,550



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Public Policy Influence
Measure: Number of mentions in Parliamentary/Government business and publications

Number of mentions: 41

Governance and Operations

Payments – proportion of invoices paid within 10 days – **not available at present due to Oracle reporting limitations**

Freedom of Information – proportion of FOI requests responded to within 20 days – **100%**

CS creates context for Ministers to appoint a 50% female board – **Achieved**

Staff engagement – **68%**

**Note there are no prior year comparators as this is our first full year reporting on this framework*

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Staffing

- 1.44 Consumer Scotland’s staff are critical to our ability to achieve the objectives set out in our work programme and strategic plan and in establishing our reputation across the consumer landscape in Scotland and the wider UK context.
- 1.45 During our third year of operation we have maintained an open dialogue with staff and in October 2024 we conducted a staff engagement survey where our overall engagement score was 68% which compares favourably across the public sector. Areas of focus identified from this survey have been progressed by an internal working group and included learning and development opportunities.
- 1.46 Following the publication of the Scottish Government’s refreshed hybrid working policy in May 2025, we will be conducting a survey with staff to seek their views around implementation.
- 1.47 We continue to work closely with Environmental Standards Scotland to help develop our shared accommodation approach. In addition, we have set up a Smaller NMOs group to share best practice, resource sharing and efficiency opportunities.
- 1.48 We have worked closely with staff to develop a holistic learning and development framework and to evolve our hybrid working approach. Staff have attended courses on pensions, information management, cyber security, regulation, public sector finance, APM Project Management Fundamentals, analysis technical courses, managing risk, AI, VAT, presentation skills, public speaking and media training. We have a number of mental health first aiders, cyber champions and information management support officers.
- 1.49 2024-2025 has been our third year of operation and whilst our core recruitment has levelled off, we have set up our new Heat Networks function and started the process for our expanded Energy team in 2025-26. We have also been supported by a number of short term loan and secondee staff from other public sector organisations. All permanent vacancies have been advertised internally first and if not filled then via the Civil Service Jobs website across other government departments as well as externally and we have been able to secure high quality staff from a diverse range of backgrounds and sectors. 100% of advertised roles were filled at the first attempt.

Table 5: Backgrounds of successful candidates, 1 April 2024 to 31 March 2025

Scottish Administration	Other Government Departments	External	Total vacancies filled
1	1	6	8

Note: This table refers to posts rather than people joining Consumer Scotland, so does not tally with the staff report. This table includes permanent and temporary posts and inward loans.

- 1.50 We have had five leavers, and three loan/secondment arrangements expire in FY2024-2025.
- 1.51 In addition to our regular pattern of Strategic and Governance Board meetings, we also hold quarterly seminar sessions which are an opportunity for Board members to meet with staff and hear in more detail about the work of each of the teams.

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1.52 The [staff report](#) contains further information relating to staff numbers and costs.

Risk Profile

1.53 This section details the risks we face, how they could affect Consumer Scotland's achievement of its objectives, how they are being mitigated and how this may affect future plans and performance.

1.54 As reported in paragraph 1.24, we have identified the following six risks:

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Table 6: Strategic Risks

Risk	Description	Mitigation – controls and actions
Finance	MEDIUM RISK Risk that significant cuts or fluctuations in core and levy funding result in a lack of resources to maintain rigorous and robust impact.	Development of strong relationships with our levy funders through regular meetings and sharing of information to build trust in Consumer Scotland's ability to deliver the outcomes agreed. Robust budget planning and monitoring to provide evidence of impact and prudent use of public money. Ongoing development of a five-ten year financial forecast. Ongoing liaison with other public bodies to share learning and assess shared service opportunities. Build strong relationship with new Minister. Formal process agreed for budget dispute and timelines.
Finance	MEDIUM RISK Risk that the current Consumer Scotland finance set-up with Scottish Government does not provide Consumer Scotland with the visibility, control and ownership of the end to end financial process. Risk that new Oracle Fusion system does not deliver what we need and on time.	Accountancy support is in place. Strong and effective relationships with our SG liaison team to escalate issues. Internal controls working effectively. CS now set up as a separate entity from 1 October 2024 (Oracle launch) - balances from first half of the year migrated to allow full year visibility (Oracle provides the controls and ownership needed). Working closely with the programme to ensure reporting requirements are met. Post Oracle implementation - working through teething issues/capacity constraints on the Ops team. Central assurance provided by SG to External Auditors – Deloitte LLP. Budget and reporting module being rolled out June 2025.
Reputational	MEDIUM RISK Risk that Consumer Scotland does not progress its work programme and/or outputs are not seen as evidence-led and impactful leading to questions about our relevance and influence thus impacting our reputation.	Development of a robust evidence base to support our work. Clear programme of communications to explain CS role and work programme, strategic plan and outputs to all stakeholders. Reactive media lines prepared and regularly updated. Regular engagement with Parliamentary committees. Actively contributing to (or membership of) relevant networks. Actively seeking and embracing good practice. Agreed plan at Senior Leadership Team (SLT) to continue using evidence base to boost impact We develop detailed workstream initiation documents which specify outputs, budgets and timelines and regularly monitor progress against outputs and deliverables
Strategic	MEDIUM RISK Risk that Consumer Scotland is not able to deliver its statutory functions that require significant development work - due to reasons including a lack of clarity in the	Scoping work completed in several areas to gather information and requirements to proceed with the continued roll out of our statutory functions. Stakeholder engagement to clarify CS role within the landscape to ensure a successful launch into these areas. Regular dialogue with SG to collaborate over challenges as they arise. Regular engagement with parliament and committee.

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	underpinning legislation or insufficient funding to resource the requirements.	We continue to make progress on the continued roll out of our statutory functions. We have regular engagement with the Scottish Government, Parliament and Parliamentary Committees.
Project/ Programme	HIGH RISK Risk that Consumer Scotland's structure and operating model is not agile enough to respond to the changing consumer and legislative landscape and potential new "asks" at pace.	Regular review of consumer landscape. Membership of relevant industry bodies and working groups. Regular dialogue with Scottish Government liaison team. Agreed prioritisation criteria in place. Weekly Executive Team meetings review emerging asks/prioritisation. Executive Team reviewing operating model quarterly to reduce instability. CS CEO chairing Consumer Landscape Leadership group.
Reputational	MEDIUM RISK Risk that Consumer Scotland's investigations are perceived as not having had sufficiently positive outcomes on consumers, or robust impact on policy - either as a result of the choice of investigation topics, or the evidence that the investigations are able to bring to light.	Risk is mitigated through robust processes for prioritising investigation topics - involving prioritisation criteria (externally consulted upon), internal review through the Investigations Pipeline Steering Group, robust scoping during pre-investigation stage of investigations, and requirement for Executive Team and Board sign-off of investigation choice. Risk also mitigated by ongoing monitoring use of, and constraints on, our information gathering powers, and remaining open to consideration of whether these powers can be strengthened. First investigation report published June 2025.

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- 1.55 Of the risks detailed above, the project/programme risk for FY2024-2025 was the highest scoring driven mainly by instability on our resourcing model in turn linked to funding. This risk is expected to return to previous level of medium in the first half of FY2025-26 as the heat networks function formally commences and additional staff join to backfill vacancies.
- 1.56 Finance risk scores have reduced significantly in FY2024-25 following the implementation of Oracle. This has meant we are now set up as a discrete entity as opposed to the previous cost centre arrangement. This has provided improved visibility, separation and control of our financial data. In addition, we have worked closely with the Scottish Government project team around the implementation to ensure we had access to all of the required information. Separate assurance has been provided centrally to all External Auditors by the Scottish Government Oracle team.
- 1.57 A number of our risk scores have reduced during FY2024-2025 due to the work of the teams to ensure the appropriate controls are in place and effective. During the year three risks have been moved down to the Operational Risk Register as their scores reduced to within the target range. There were no risks escalated from the Operational Risk Register to the Strategic Risk Register during the year. We would expect a number of our risks to decrease further next year as we move into a business as usual cycle of activity.

Financial position at the end of the year

- 1.58 Consumer Scotland's core funding budget is set in the Scottish Government's Budget Bill and approved by the Scottish Parliament. This budget is available as grant in aid to fund expenditure as incurred. Additional grant funding for gas, electricity, heat networks and post advocacy is received from the UK Government Department of Business and Trade (DBT), and for water from Scottish Water. This funding represents a share of levies raised in their respective economic sectors and is claimed against as expenses are incurred against agreed work plans.
- 1.59 Our core operational funding from Scottish Government was flat for FY2024-25 from the previous year. This presented a number of challenges for Consumer Scotland including having to absorb a 2.5% pay increase and inhibiting planned progress on a number of our statutory functions. Consumer Scotland also received additional funding of £950k from the Scottish Government to provide an advocacy grant to Citizens Advice Scotland. A summary of actual funding claimed compared to budget is detailed below:

Table 7: Performance against budget

Grants available	Budget	Actual	Variance	Budget	Actual	Variance
£'000	2024-25			2023-24		
Scottish Government	3,424	2,912	512	2,317	2,467	-150
DBT	1,668	1,658	10	1088	1064	24
Scottish Water	392	349	43	358	356	2
Total	5,484	4,919	565	3,763	3,887	-124

Performance Report

Note: Scottish Government funding is budgeted and provided on a cash basis and so the budget variance reflects the impact of the timing of accruals at the beginning and end of the financial year.

Table 8: Summary of expenditure for the year ended 31 March 2025

Expenditure category	Budget	Actual	Variance ^[1]	Budget	Actual	Variance
£'000	2024-25			2023-24		
Staff costs (salaries, NIC, pensions and agency staff)	2,861	2,720	141	2,299	2,396	-97
Staff related costs (recruitment, training, travel)	64	75	-11	100	94	6
Non staff related (excluding Research and Grant)	265	312	-47	363	339	24
Research	466	420	46	509	386	123
Grant to third parties	1669	1669	-	444	444	-
Finance costs - interest on leased premises	31	31	-	-	-	-
Depreciation	80	80	-	-	1	-1
Notional Costs - External Audit fee	48	42	6	48	48	-
Net Operating Expenditure	5,484	5,349	135	3,763	3,708	55

- 1.60 Consumer Scotland operated within its total budget allocation for 2024-2025 of £5.48M.
- 1.61 Spending was slightly below budget due to the phasing of recruitment and a small number of research projects moving into 2025-26.
- 1.62 We were able to reprofile some of this spend and this allowed us to conduct some 2025-26 research in 2024-25 and provide additional grants to third parties including Citizens Advice Scotland and Advice Direct Scotland.

Table 9: Financial Summary

£'000	2024-25	2023-24		2024-25	2023-24
Expenditure	5,349	3,708	Total assets	867	481
Grant funding	4,919	3,887	Total liabilities	-1,259	-485
			Net liabilities	-392	-4

- 1.63 Further information on Consumer Scotland’s income, expenditure, assets, and liabilities can be found in the financial statements on pages 80-83.

Performance Report

Non-Financial information

Complaints

- 1.64 Consumer Scotland has a complaints handling policy and procedure in place and received no complaints in 2024-2025.

Information Security

- 1.65 There were no known reportable data breaches in 2024-2025.

Freedom of Information

- 1.66 Consumer Scotland aims to be fully compliant with Freedom of Information legislation. We received two Freedom of Information requests which were completed within the statutory deadline for responses.

Community and social

- 1.67 Consumer Scotland is committed to being an open and transparent organisation. We work with other public bodies and government departments and are committed to engaging productively with those communities who are interested in our work.

Fraud, corruption and bribery

- 1.68 Consumer Scotland is committed to preventing fraud, corruption and bribery in relation to its funds and activities. There is a counter-fraud policy in place and staff are bound by the Civil Service Code^{vii} which governs the behaviour of staff and deals with the receipt of gifts and hospitality. Relevant gifts and hospitality received by staff are recorded.
- 1.69 Consumer Scotland has a shared service agreement in place with the Scottish Government Procurement and Property Directorate and adheres to the Public Sector Procurement guidance including those requirements under the Modern Slavery Act 2015.
- 1.70 The Consumer Scotland Code of Conduct for Members Board sets out the behaviours expected of our Board Members^{viii}. It is based on the Scottish Government's Model Code of Conduct for Members of Devolved Public Bodies. Declarations of interest are made at each Governance Board and Audit and Risk Committee meeting. The register of interests for members, which includes gifts and hospitality received, is updated by members as and when required and formally reviewed at least annually.^{ix}

Environmental and Sustainability

- 1.71 Consumer Scotland has implemented a hybrid working approach across our Edinburgh head office and Glasgow base. All staff are equipped to work fully remotely if required. The majority of meetings continue to be held online, which has allowed Consumer Scotland to maintain a low carbon footprint.
- 1.72 We continue to review our hybrid working policy aiming to get a balance of valuable face to face collaboration time with home-working and virtual integration. Our experience of working remotely demonstrates that it is possible to undertake more activities virtually than might have previously imagined however, we have also identified that time in the office for both

Performance Report

work collaboration and social interaction is hugely beneficial in terms of productivity and wellbeing.

- 1.73 In April 2024 we moved to a new shared office space with Environmental Standards Scotland at Haymarket which is more accessible by public transport hence further reducing our carbon footprint.
- 1.74 Furthermore, through working collaboratively with Environmental Standards Scotland, the Scottish Legal Aid Board (landlord) and the Scottish Government's Property team we have been able to contribute to the Single Scottish Estate strategy through the shared accommodation arrangement we have put in place. This model will also enable us to make future cost and carbon savings around shared services such as printing, resource sharing and joint procurement contracts.
- 1.75 Consumer Scotland is not yet bound by the climate change duties established under S44 of the Climate Change (Scotland) Act 2009 and in accordance with Schedule 2 of the 2015 Order. However we chose to submit a voluntary report in this regard in November 2023 and plan to do the same in November 2025.

Taskforce on Climate-related Financial Disclosures - TCFD

- 1.76 Consumer Scotland's report on climate-related financial disclosures is consistent with HM Treasury's TCFD disclosure application guidance, which interprets and adapts the framework for the UK public sector. Consumer Scotland has complied with the TCFD recommendations and recommended disclosures related to:
- governance (all recommended disclosures)
 - risk management (all recommended disclosures)
 - metrics and targets (disclosures (b) and (c))

Governance (a)

- 1.77 The Consumer Scotland Board has ultimate responsibility for setting Consumer Scotland's strategy guiding how Consumer Scotland will deliver its statutory functions. Sustainability and Environmental issues are embedded firmly into Consumer Scotland's strategic decision-making and our Strategic Plan 2023-2027 outlines our role in supporting consumers through the net-zero transition, including evidence-gathering, influencing policymakers, and empowering consumer participation in sustainable markets.
- 1.78 Consumer Scotland has a Sustainability Champion within the Board. This role ensures that the environment is championed at the highest level of decision-making, and that sustainability is regularly on the Board meeting agenda. They work with the Sustainability Champions Group which meets regularly.
- 1.79 Strategic level risks are reviewed regularly by the Board, although Sustainability and Environmental issues were not identified as a strategic risk for Consumer Scotland in 2024-2025.

Performance Report

1.80 The Board will monitor Consumer Scotland's progress as we continue to plan, develop and monitor our Sustainability and Environmental performance both internally and within work programming.

Governance (b)

- 1.81 The Executive Team supports and monitors Sustainability and Environmental performance internally and within Consumer Scotland's work programming. It receives updates on these topics from the Corporate Services Team, Operational staff and Sustainability Champions Group, for consideration at Executive Team meetings.
- 1.82 The Executive Team develops and ensures delivery of, Consumer Scotland's annual Work Programme which has "taking action that supports consumers to mitigate and adapt to the effects of climate change" as one of our three cross-cutting priorities. We have commissioned research into sustainable consumption, energy efficiency, and the circular economy as well as sustainable transport, and completed an investigation into low-carbon heating, as well as developing a framework of climate change principles for organisation
- 1.83 The Executive Team is responsible for managing any Sustainability or Environmental risk which may arise for Consumer Scotland.
- 1.84 The Director of Operations and Partnerships oversees the Sustainability Champions group, strengthening the link between the day-to-day implementation of sustainable practices and senior management.

Risk management (a)(b)(c)

- 1.85 Our risk management process is set out at pages 57-58, and details how risks, including those related to the Sustainability and Environmental issues are identified, assessed, escalated and managed. Our current risks are outlined at Table 6; at present there are no sustainability and environmental issues on our Strategic Risk Register.
- 1.86 The Strategic and Operational Risk Registers include both our internal and our external work. The risk registers detail mitigations and controls planned to reduce risk scores, target dates and owners.

Metrics and targets (b)(c)

- 1.87 Consumer Scotland is not currently required to submit an annual compliance report to Sustainable Scotland Network (SSN). We do however intend to submit a Voluntary Report to SSN in 2025.
- 1.88 Consumer Scotland completed a sustainable office practice retrofit collaboratively with Environmental Standards Scotland in 2024-25.
- 1.89 Scottish Legal Aid Board and Registers of Scotland submit compliance reports for emissions relating to the office space we utilise.
- 1.90 Consumer Scotland are working on a set of targets which will support flexible and remote working as a part of our sustainability and employee wellbeing with an aim to reduce our operational carbon footprint.

Performance Report

Island Communities Duty

- 1.91 Consumer Scotland is subject to the Islands Scotland Act 2018 (Part 3). Our work plan includes a number of projects, across a range of markets, which are of particular relevance to the interests of consumers in rural and remote communities in Scotland including Scottish islands.
- 1.92 Consumer Scotland undertook consultation on its Draft Work Programme for 2025-2026, which provided opportunity for stakeholders to submit views on the relevance and importance of proposed projects for different groups of consumers.
- 1.93 Our 2025-26 Work Programme includes a specific workstream dedicated to improving how postal services work for consumers living in Scotland's islands. This will build on previous work, which looked at the postal needs of low income rural consumers in Scotland, through which we identified the need for a dedicated island communities workstream to examine the specific needs of island consumers more holistically.

Fairer Scotland Duty

- 1.94 Consumer Scotland is subject to the Fairer Scotland Duty, Part 1 of the Equality Act 2010 and aimed at ensuring tackling inequality is genuinely at the heart of key decision-making. Our work plan includes a workstreams, across a range of markets, which seek to achieve fairer outcomes for consumers experiencing socio-economic disadvantage. Analysis of our recommendations register, through which we record all substantial recommendations that we make to government, regulators and businesses, identified that improving fairness for consumers is a key tenet of our advice.
- 1.95 Two of our three cross-cutting themes, improving the cost of living and supporting consumers in vulnerable circumstances, which are set out in our Strategic Plan for 2023-27, have a particular relationship with the outcomes for consumers who may experience inequalities caused by socio-economic disadvantage. These themes are core aspects of our work planning and delivery and run throughout our work. In addition, Consumer Scotland has developed a set of Consumer Principles as a framework for our work, through which we analyse evidence on markets and related issues from a consumer perspective; one of these principles is Fairness. These Principles are now embedded in new guidance that Consumer Scotland has produced for Scottish public bodies on how their should apply the Consumer Duty, to ensure that consumers are carefully considered when strategic decisions are being taken.
- 1.96 We have established an Advisory Committee on Consumers in Vulnerable Circumstances to provide us with strategic advice on our work in relation to consumers in vulnerable circumstances, which may include those experiencing socio-economic disadvantage.
- 1.97 Consumer Scotland undertook consultation on its Draft Work Programme for 2025-2026, which provided opportunity for stakeholders to submit views on the relevance and importance of proposed projects for different groups of consumers.

Consumer Duty

- 1.98 The Consumer Scotland Act 2020 introduced a duty on 'relevant public authorities' in Scotland, when making decisions of a strategic nature about how to exercise their functions,

Performance Report

to have regard to: a) the impact of those decisions on consumers in Scotland, and b) the desirability of reducing harm to consumers in Scotland.

1.99 The duty came into force on 1 April 2025 and throughout its year-long implementation period, we shaped our strategic decision-making guided by the published guidance for relevant public authorities. As per the guidance, and Consumer Scotland’s own strategy, we will continue to consider each of the consumer principles as a way of informing our strategic decisions with priority given to consumers living within vulnerable circumstances and where appropriate, seek advice from our advisory committee on consumers in vulnerable circumstances.

Public Service Reform

- 1.100 Consumer Scotland continues to promote efficiency and look for savings in line with section 32 of the Public Service Reform (Scotland) Act 2010^x.
- 1.101 Consumer Scotland continues to identify savings and efficiencies through its ongoing organisational development and during 2024-25 set-up a working group of smaller NMOs (including Environmental Standards Scotland, the Scottish Fiscal Commission, the Scottish Housing Regulator and the Office of the Scottish Charity Regulator); this allows us to collectively share information, resources and ideas in line with the Public Service Reform agenda.
- 1.102 We are also active members of the wider Scottish Delivery Bodies Group to ensure that we leverage collective expertise to maximise effectiveness of expenditure and implement “best practice” through a culture of continuous improvement.
- 1.103 Under section 31 (1)(2) of the Public Services Reform (Scotland) Act 2010, Consumer Scotland’s expenditure for FY2024-2025 under the required categories is as follows. Between 1 April 2024 and 31 March 2025, Consumer Scotland:

- 1. Incurred spend of £76,149 on public relations
- 2. Did not incur any spend on overseas travel
- 3. Incurred spend of £234 hospitality and entertainment
- 4. Did not incur any spend on external consultancy
- 5. Had no members or employees who received remuneration in excess of £150,000
- 6. Made the following individual payments with a value in excess of £25,000:

Table 10: Payments over £25,000

Supplier/Payee	Description	24-25 expenditure (£)
Ipsos Mori	Invoice - Research - Water	25,333.00
ADS- Heat Networks	Grant Payment - ADS	30,000.00
Scottish Legal Aid Board	Invoice - Accommodation Costs	35,366.56
Scottish Legal Aid Board	Invoice - Accommodation Costs	36,217.27
Scottish Legal Aid Board	Invoice - Accommodation Costs	36,613.15

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Scottish Legal Aid Board	Invoice - Accommodation Costs	36,931.97
IFFR	Invoice - Research - Small Businesses as Consumers	44,834.68
Ipsos Mori	Invoice - Research - Water	50,667.00
CAS - BESN/W	Grant Payment - Big Energy Savings	60,272.67
ADS - Heat Networks	Grant Payment - ADS	67,250.00
CAS - Advocacy	Grant Payment - CAS	72,130.70
CAS - Advocacy	Grant Payment - CAS	86,753.72
CAS - Advocacy	Grant Payment - CAS	111,927.26
CAS - BESN/W	Grant Payment - Big Energy Savings	117,753.35
CAS - BESN/W	Grant Payment - Big Energy Savings	129,227.33
CAS - Advocacy	Grant Payment - CAS	161,728.10
NACAB - CitA	Grant Payment - NACAB - CitA	260,400.00
CAS - Advocacy	Grant Payment - CAS	517,460.22

*Note: this table does not include multiple payments made to persons or bodies in the course of the same financial year that are below £25,000, but which cumulatively exceed the reporting threshold.

Wider Context and Future Plans

- 1.104 In Consumer Scotland’s Strategic Plan for 2023-27 we set out three cross-cutting themes for our work, which are of significant importance to consumers in Scotland. These are –
- addressing the cost of living and improving the affordability of goods and services;
 - climate change adaptation and mitigation; and
 - supporting consumers in vulnerable circumstances.
- 1.105 These issues continue to influence our work and desired outcomes and have shaped our work plan for 2025-26.

Table 11: Wider context and future plans

Wider Context and Future Plans	Detail
Developing our role as the statutory body for consumers and increasing cohesion across the advocacy and advice sector	• In our role as a funding body, continue to work with our third sector delivery partners to ensure our workplans complement each other, are streamlined and deliver value for money • As chair of the consumer sector Chief Executive’s group, continue to lead work focussing on the sector’s contribution to wider priorities such as delivering economic growth and the reform of public services in Scotland • As convener of the Consumer Network for Scotland, continue to bring together organisations from across the regulatory, advocacy, advice and enforcement consumer landscape to tackle key issues facing consumers in Scotland
Implementing our Work Programme for 2025-26 and, building on lessons learnt from	• Continue to monitor outcomes from, and advocate on basis of, activities delivered in 2024-25 • Delivery of 2025-26 Work Programme throughout the 2025-26 financial year

Performance Report

that, developing our Work Programme for 2026-27	• Initial scoping and drafting of Work Programme 2026-27 during autumn 2025 • Draft Work Programme 2026-27 in place and approved by Board by December 2025 • Work Programme 2026-27 published for consultation in January 2026 • Final draft of Work Programme published and laid before parliament March 2026
Continuing work to develop the evidence base for the publication of the Consumer Welfare Report in 2026	• Through consultation with external stakeholders, continue to scope and lay the foundations for our statutory Consumer Welfare Report in 2026 • Undertake data collection and analysis – including consumer engagement – to inform the 2026 CWR • Draft the CWR in order to be ready for publication shortly following the May 2026 elections
Developing our investigations function and impact	• Following the publication – and circulation to Scottish Ministers – of our first Consumer Scotland investigation in June 2025, we will identify the topic of our second investigation through using our prioritisation criteria • Launch of second pre-investigation by autumn 2025. Publication timelines will depend on the investigation topic selected
Engaging key stakeholders on how to proceed in relation to a recall of goods register	• Continue work with OPSS in ensuring a joined-up approach in raising awareness of the recall of good register and that any amendments to the UK register reflect the interests of Scottish consumers • Ensure Consumer Scotland website remains up to date with information relating to recall of goods register • Continue to identify opportunities to highlight register in wider pieces of Consumer Scotland work where relevant
Monitoring and formally reporting on Consumer Scotland's activities, impact and influence, in accordance with our Performance Framework	• Monitor our Key Performance Indicators, reporting on these quarterly • Report on our impact and influence during 2025-26 as part of our annual reporting cycle at year end, using our workstream monitoring information and recommendations register as key tools in this process • Identify a further set of impact case-studies to demonstrate the impact and outcomes of Consumer Scotland's activity
Continuing to build a versatile and expert staff team and engaging them in evolving our culture so Consumer Scotland is a rewarding place to work	• Continued focus on Learning and Development • Regular employee engagement check points through formal and informal surveys with employee working group set up to progress outputs • Working to recruit, develop and maintain a versatile multi-skilled workforce • Regular people/development slots at Senior Leadership and All Team meetings

Performance Report

Working with the Scottish Government to fully embed the new Oracle finance system	• System implemented on 1 October 2024 so split year reporting for annual accounts • Budgeting and reporting modules being rolled out in June 2025
Advancing cooperation with similar public sector bodies in areas including accommodation as part of our drive for best value and efficient use of resources,	• Continue to explore collaboration and efficiency opportunities with Environmental Standards Scotland • Active participation in the Scottish Delivery Bodies Group - to learn from each other’s experience, helping streamline workstreams and reduce need for external expertise • ‘Smaller NMOs’ working group set up to progress efficiency and savings initiatives

1.106 The fiscal outlook for public sector funding remains challenging. We are refreshing our medium term financial strategy to forecast out to ten years and ensure we identify all of the key risks, threats and opportunities. We are working to mitigate these risks and threats, whilst maximising the opportunities to ensure we are able to deliver on our statutory functions and strategic objectives whilst demonstrating best value and a strong commitment to the Public Service Reform agenda.

Signed by:



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Sam Ghibaldan
Chief Executive
22 October 2025

2. Accountability Report

Corporate Governance Report

Directors' Report

- 2.1 The Chief Executive is the Accountable Officer of Consumer Scotland and is supported by the Executive Team.
- 2.2 The Board operates under agreed Standing Orders.^{xi}
- 2.3 The Board supports Consumer Scotland to deliver its functions by offering strategic advice and constructive challenge to the Chief Executive and Executive Team. Full details of the governance structure and risk management arrangements in operation at Consumer Scotland are provided as part of the Governance Statement on page 53.
- 2.4 Consumer Scotland has a Framework Agreement^{xii} with the Scottish Government which sets out the terms of an agreement between Consumer Scotland and the Scottish Ministers in relation to the governance, financing and operation of the functions of CS. It forms a key part of the governance and accountability framework within which CS will operate.
- 2.5 As reported on page 60 there were no known reportable data breaches in 2024-2025

Funding and Structure

- 2.6 Consumer Scotland is a Non Ministerial Office (NMO) with its remit and statutory functions set out in the Consumer Scotland Act (2020).
- 2.7 Consumer Scotland receives core funding from the Scottish Government, and from grants in aid from both the UK and Scottish Governments for consumer advocacy work in water, post, gas, heat networks and electricity with a total budget of £5.48 million in 2024-2025.
- 2.8 As part of the Scottish Government's Oracle Cloud platform transformation programme, CS transitioned its Finance and Procurement functions to a new integrated system in October 2024. This represented a significant systems change during the reporting period, and as such, is disclosed here to provide transparency over its impact on financial reporting and governance.
- 2.9 The new platform replaced the legacy SEAS system, which had reached the end of their useful lives and no longer met the operational needs of the Scottish Government and

Accountability Report

the public bodies, including CS, that relied on them. The Oracle Cloud platform delivers a unified data source, improved processes, stronger internal controls, and greater transparency of financial and operational data.

2.10 The system has been built around a suite of best practice processes, originally based on the UK Government’s Global Design Principles, and now aligned with the NOVA Functional Reference Model. Its introduction is a key enabler of long-term modernisation and efficiency across government operations.

2.11 While the implementation supports strategic improvement, the in-year nature of the transition required enhanced reconciliation and data validation activity to ensure the integrity of financial reporting across the financial year.

2.12 Additional assurance was obtained through the accounts preparation process and external audit engagement, recognising the inherent risks associated with major system change.

2.13 To support continued stability and development, the Scottish Government has established a dedicated central management team responsible for the ongoing maintenance, improvement, and governance of the platform. CS continues to work with this team, with enhancements delivered through a structured programme of quarterly updates."

Directors and management structure

2.14 This section reports the composition of the Board and Executive Team over the year, the governance framework, the Accountable Officer’s responsibilities, their sources of assurance and assessment of Consumer Scotland’s corporate governance and risk management arrangements.

Consumer Scotland Board 2024-25

2.15 The Board operates under agreed Standing Orders and has a Framework Agreement with the Scottish Government.

2.16 The members of the Board who served Consumer Scotland during 2024-2025 are shown in the table below:

Table 12: Board and Committee Members

Members (appointed on 1 July 2021, reappointed 19 December 2023)	David Wilson (Chair of the Board) Nick Martin Angela Morgan (Chair of the CCVC*)
Member (appointed 14 November 2023, resigned 31 May 2025)	James Walker Lesley Halliday
Audit and Risk Committee (Board sub-committee) Members	Nick Martin (Chair of the ARC) Angela Morgan James Walker Lesley Halliday

Accountability Report

**Advisory Committee on Consumers in Vulnerable Circumstances*

- 2.17 The Chair of the Board normally attends the Audit and Risk Committee.
- 2.18 All Board, ARC and CCVC minutes are published on website.
- 2.19 The Register of Members’ Interests for the Board is available on the Consumer Scotland website and on request. All Board members are required to review and update the register at least annually.

Senior Management

- 2.20 The members of the Consumer Scotland Executive Team during 2024-25 are shown in the table below.

Table 13: Executive Team

Executive Team as at 31 March 2025	Sam Ghibaldan Chief Executive (Appointed June 2022) Sue Bomphray Director of Operations and Partnerships (Appointed temp August 2021, appointed perm April 2023) David Eiser Director of Analysis, Research and Investigations (Appointed December 2022) Douglas White Director of Policy and Advocacy (Appointed October 2022)
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Internal Auditors

- 2.21 Internal audit services are provided by the Scottish Government’s Directorate of Internal Audit and Assurance; the scope of work of Internal Audit is determined following discussion with management and is subject to approval by the Audit and Risk Committee.

External Auditors

- 2.22 Our Accounts are audited by Deloitte LLP under contract to Audit Scotland. The notional fees are reported in the financial statements at Note 8. Deloitte LLP has provided only external audit services to Consumer Scotland during the year.

Accountability Report

Accounts direction

2.23 The 2024-2025 accounts have been prepared in accordance with the Accounts Direction given by the Scottish Ministers in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000.

Date accounts authorised for issue

2.24 The Accountable Officer authorised these financial statements for issue on 22 October 2025.

Statement of Accountable Officer's responsibilities

2.25 Under paragraph 19(4) of the Public Finance and Accountability Scotland Act 2000, the Scottish Ministers have directed Consumer Scotland to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction at page 100. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Consumer Scotland and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

2.26 As Accountable Officer, the Chief Executive is personally answerable to the Scottish Parliament for the propriety and regularity of Consumer Scotland finances and for the economical, efficient and effective use of the resources placed at their disposal.

2.27 In preparing the accounts, the Accountable Officer is required to comply with the Government Financial Reporting Manual (FReM), and in particular to:

- Observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the financial statements
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that Consumer Scotland will continue in operation
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

2.28 The responsibilities of the Accountable Officer are set out in the Memorandum to Accountable Officers from the Principal Accountable Officer. They include responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding Consumer Scotland's assets.

Accountability Report

2.29 As Accountable Officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

Signed by:

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Sam Ghibaldan
Chief Executive
22 October 2025

3. Governance Statement

3.1 This statement sets out how Consumer Scotland manages and controls its resources and risk. It covers the period from 1 April 2024 to the date of signing.

Consumer Scotland's Governance Framework

3.2 The Governance Framework is designed to ensure that Consumer Scotland complies with the highest standards of integrity whilst delivering value for money for Scottish taxpayers, safeguarding public funds, delivering good quality insight and service to its stakeholders, and being fully accountable for its actions.

3.3 Consumer Scotland complies with the guidance contained in the Scottish Public Finance Manual (SPFM)^{xiii} and in relation to the Board, guidance note 2 of 'On Board: A Guide for Members of Management Advisory Boards' published by the Scottish Government.

3.4 Underpinning this is our Framework Agreement - an agreement between Consumer Scotland and the Scottish Government that lays out the relationship in terms of the respective roles and responsibilities for carrying out our functions. As the principal source of reference for our corporate governance arrangements, the 'Framework Agreement' describes and sets out the:

- Relationship between Consumer Scotland and the Scottish Government
- Responsibilities of the Accountable Officer and the Scottish Government
- The frameworks within which we operate regarding Resource, Finance and Human Resources.

3.5 Consumer Scotland's framework agreement was last amended and approved by the Board on 17 June 2025.

3.6 Sam Ghibaldan was appointed as Chief Executive with effect from 20 June 2022. As Accountable Officer, Sam is responsible for maintaining an adequate and effective system of internal control, which supports the delivery of Consumer Scotland's vision, business priorities, aims, and policies (including those set by the Scottish Government), while safeguarding the public funds and assets for which Sam is personally responsible in accordance with the responsibilities assigned to him.

3.7 As a small organisation, we have a simple governance structure. The Board and ARC are supported by the Executive Team. The Scheme of Internal Delegation documents any

Governance Statement

functions which the Board have delegated to the Chief Executive and Executive Team, whilst still being responsible for them.

3.8 The Board has corporate responsibility for ensuring that Consumer Scotland fulfils its aims and objectives and for promoting the efficient and effective use of staff and other resources in accordance with the principles of Best Value. Members of the Executive Team attend Board meetings to support the Board members.

3.9 The operation of the Board is governed by the Standing Orders, which set out arrangements for the Board. The Code of Conduct for Members sets out the expected behaviours of our Board members. Our Code of Conduct is based on the Model Code of Conduct for Members of Devolved Public Bodies.

3.10 The ARC provides constructive challenge of Consumer Scotland's risk, governance and financial management including the policies, controls and assurance in place for each. The Committee focuses upon Consumer Scotland's risk assessment and management, the internal and external audit processes and the production of the Annual Report and Accounts. It uses the Scottish Government Audit and Assurance Committee Handbook to guide its work. The Committee publishes its minutes on our website.

3.11 The Audit and Risk Committee benefits from the helpful and expert input of Deloitte LLP (appointed as External Auditor by Audit Scotland) and the Scottish Government Directorate for Internal Audit and Assurance who attend ARC meetings.

3.12 The other documents which form part of our governance framework are:

- the Consumer Scotland Act 2020, which sets out our powers, functions and duties
- our Strategic Plan, which sets out our purpose, ambition and strategic objectives
- the Consumer Scotland Risk Management Framework, which sets out how significant risks facing Consumer Scotland Commission in the delivery of its corporate aims and objectives will be identified, evaluated and appropriately managed
- our various corporate policies and procedures.

3.13 In March 2023, we developed and published Consumer Scotland's Strategic Plan, setting out our Purpose, Ambition, Strategic Objectives and Partnership Approach for 2023 – 2027.

Governance Statement

Table 14: Our Purpose, Ambition, Strategic Objectives and Partnership Approach for 2023 – 2027

Our Purpose		
To improve outcomes for current and future consumers		
Our Ambition		
That every consumer can participate in a fair and sustainable economy, confident their needs and aspirations will be met		
Our Strategic Objectives		
To enhance understanding and awareness of consumer issues by strengthening the evidence base	To serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors	To enable the active participation of consumers in a fairer economy by improving access to information and support
Our Partnership Approach		
To collaborate with other organisations with interests and expertise in consumer issues		

The Board

3.14 During 2024-2025 the Board met formally on eight occasions. A full set of minutes was produced for each meeting to record all agreed actions and decisions and published on our website. At each occasion, all Board members were asked for any declarations of interest with a full record made in the minutes in compliance with the Code of Conduct.

3.15 The Board offer strategic advice and constructive challenge to the Chief Executive and the Executive Team, seek to improve performance, promote good governance and advise on identifying and managing risk.

3.16 During the year, the Board’s work has included:

- Considering the content of our 2023-2027 Strategic Plan and our 2025-2026 Work Plan
- Receiving reports on the work of the ARC and contributing towards recommending mitigations to the risks assessed in the Consumer Scotland’s strategic risk register
- Receiving regular financial and budgetary updates, providing constructive feedback and challenge
- Considering financial statements, including our draft Annual Report and Accounts
- Considering the recommendations made in our first Investigations report

3.17 During the year, the ARC’s work has included:

- Directing the work of, and receiving progress reports from, Internal Audit

Governance Statement

- Reviewing External Audit reports where appropriate, which includes the Annual Audit Report including an ISA 260 report
- Reviewing our budget and outturn position alongside financial performance against key metrics
- Regular review and scrutiny of the Consumer Scotland Strategic Risk Register

3.18 Regular review meetings are held between the Chair of the ARC and Director of Operations and Partnerships to manage the preparation of the annual report and accounts.

3.19 During the year ended 31 March 2025, no new Board members were appointed, and no Board members left their position.

Corporate Governance

3.20 The Scottish Government guidance for members of statutory boards, “On Board” states that “Corporate governance is the way in which organisations are directed, controlled and led and defines where accountability lies throughout the public body”. It defines the three main dimensions of corporate governance as: roles, responsibilities and relationships; effective financial management, and ethics and standards of behaviour.

3.21 The Governance Framework section above sets out how our roles, responsibilities and relationships are defined. Our corporate policies are reviewed regularly to an agreed schedule and are published on our website.

3.22 We adhere to the Scottish Public Finance Manual (SPFM) issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency, effectiveness and equality, and promotes good practice and high standards of propriety. We have also taken advantage of Government procurement frameworks to achieve best value. We use Scottish Government financial management software and systems which provide compliant controls.

3.23 Rules on ethics and standards of behaviour for our Board members are set out in our Code of Conduct, which is based on the Model Code of Conduct for Members of Devolved Public Bodies. The Standards Commission deals with alleged breaches of the code, as provided for by the Ethical Standards in Public Life etc. (Scotland) Act 2000.^{xiv}

3.24 Rules on ethics and standards of behaviour are set out in the Civil Service Code, and this forms part of the terms and conditions for staff. We also follow the Scottish Government’s Fairness at Work policy.

3.25 Consumer Scotland’s whistle-blowing policy sets out how all those who work within the organisation can raise concerns about malpractice. It is subject to regular review by the Governance Board (last review on 17 June 2025) and has been assessed as being effective. To date, no concerns about malpractice have been raised.

Governance Statement

Corporate Services

3.26 Consumer Scotland has procured a range of Corporate Services to support the effective operation and governance of the organisation. Where possible, these are shared services operated by core Scottish Government on our behalf – finance, internal audit, data protection, IT and procurement. Where a shared service is not available through the Scottish Government, we have contracted external providers through the appropriate procurement framework – HR, payroll, website, occupational health, employee benefits, employee assistance programme, recruitment, legal, communications and monitoring.

3.27 In line with the requirements of the Public Records (Scotland) Act 2011, our Records Management Plan was submitted to the Keeper of the Records of Scotland in FY2023-24. This sets out proper arrangements for the management of our public records. The plan is reviewed internally annually and is next due for review by the Keeper in 2029.

Risk Management

3.28 All bodies to which the SPFM is directly applicable must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

3.29 Our risk management reporting also complies with the central government Corporate Governance Code and the Orange Book as outlined in the Government Finance Reporting Manual (FReM) 6.4.8 (f)

3.30 Consumer Scotland's Risk management framework specifies the roles of the Board, the ARC, Executive Team and the Chief Executive, and details the processes of risk identification, review and escalation. The framework is reviewed and approved by the Board at least every two years and was last reviewed in December 2024.

3.31 The risk management systems detailed in this statement have been in place since the organisation vested on 1 April 2022 and remain in place as at the date of approval of the annual report and accounts.

3.32 The system of internal control implemented by Consumer Scotland is designed to manage risk to a reasonable level, rather than eliminate all risk. It is proportionate and provides reasonable assurance of effectiveness.

3.33 Within Consumer Scotland, the systems of internal control are a key element of the assurance and governance framework, based on an on-going process designed to:

- identify and prioritise risks to the achievement of Consumer Scotland's statutory purpose, aims and strategic objectives.
- evaluate the likelihood of those risks being realised, and the impact, should they be realised; and
- manage them efficiently, effectively and economically.

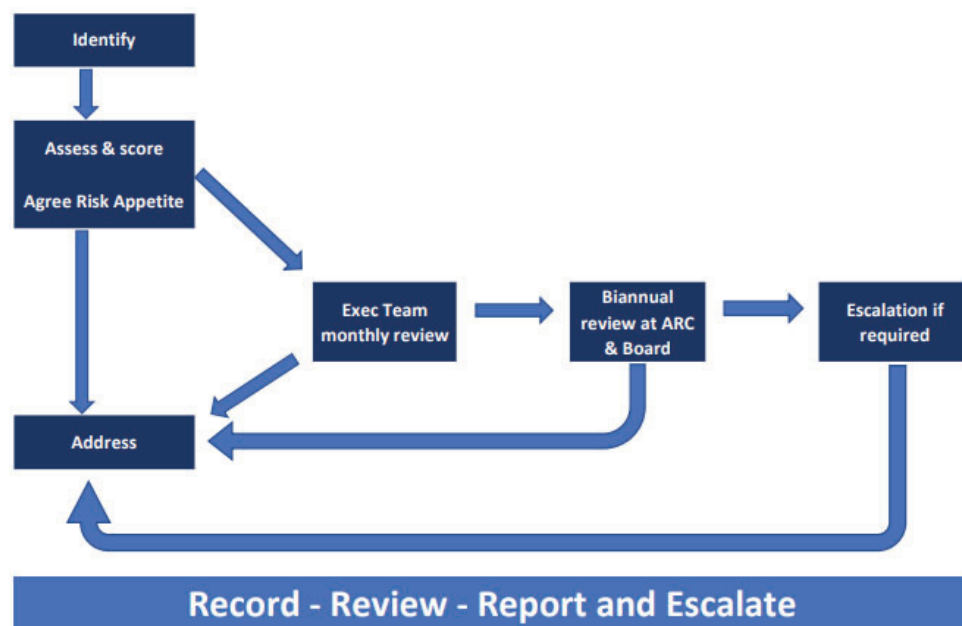
Governance Statement

Risk Management Process

3.34 Consumer Scotland follows Scottish Government guidance on Risk Management best practice per the Figure 3 below. The strategic risks are presented to the Executive Team monthly and to the ARC and Board boards biannually. They are discussed openly; challenge is welcomed and the learning from the risk discussions is fed back into the process. Deep dives take place at the Board as required.

3.35 As part of our Internal Control Checklist activity, we have assessed controls throughout Consumer Scotland and determined that we have an overall effective control system in place.

Figure 3: Risk Management Process



3.36 Our approach aims to ensure that:

- Risk management is embedded in day to day decision-making
- Risk management helps enable us to achieve our objectives
- Risks are recorded and reported in a manner that enables the ARC to scrutinise how the organisation manages risk
- The Board and Executive Team are aware of, and make decisions about, the most serious risks

3.37 The current key risks are reported in the performance analysis section at Table 6.

3.38 I am content that Consumer Scotland's management of risks is effective. I assess our risk profile to be acceptable

Governance Statement

Audit and Assurance

3.39 Consumer Scotland is in its fourth year of operation and planning for our third external audit commenced in February 2025.

3.40 Internal Audit has completed the following work in the year:

- Procurement and Financial Control – Substantial Assurance Rating
- Cyber Resilience – Limited Assurance Rating

3.41 All Audit recommendations have been discussed at the quarterly ARC and progress on embedding them is tracked and evidenced. We are working closely with both Scottish Government Directorate for Internal Audit and Assurance and the External Auditors to understand the areas of focus for the coming year.

3.42 The Directorate for Internal Audit and Assurance's annual assurance report for 2024-25 gives an overall Reasonable Assurance opinion meaning that controls are adequate but require improvement.

Business Continuity

3.43 Consumer Scotland has a Business Continuity Plan that is regularly reviewed, and contacts and contingencies amended, it is supported by an incident management process, operational, tactical and strategic responses, and the assessment of business-critical tasks.

Counter-Fraud

3.44 We have worked with the Scottish Government and external bodies to clarify our response to potential fraud cases and review our policies. We have a counter fraud policy in place which mirrors that of the Scottish Government. There were no potential or actual fraud cases identified during the year.

Best Value

3.45 The Accountable Officer has a duty to secure Best Value in the services Consumer Scotland provides and in the way in which the organisation is run. Best Value principles are embedded in Consumer Scotland's planning, governance and business decision arrangements. Outputs from our work are compiled and communicated to colleagues through formal and informal communication channels and the minutes of the Board and ARC are uploaded onto Consumer Scotland website for transparency. The organisation uses a range of mechanisms to obtain feedback from stakeholders; this includes desk-top research and face to face feedback. Together, all this information provides cohesive feedback on Consumer Scotland's outputs and is used by management to improve performance. Consumer Scotland continues to promote efficiency and look for savings in line with the Public Service Reform (Scotland) Act 2010^{xv} as outlined on pages 44-45.

Governance Statement

Information Assurance

3.46 Consumer Scotland colleagues are reminded through Consumer Scotland's Records Management Policy that it is their responsibility to know where information is held, how to retrieve it and to understand what can be shared. The Director of Operations and Partnerships is designated as the Senior Information Risk Owner and the two remaining Directors have been assigned Information Asset Owner responsibilities and are provided with appropriate training and guidance to understand and address risks to information. This will ensure that information is fully used within the law and for public good.

3.47 Our Records Management Plan was submitted to the Keeper at National Records of Scotland in October 2023 and formal approval was received in March 2024. The next review will be due in 2029.

Data security

3.48 There were no known reportable data breaches in 2024-2025.

Written Assurances

3.49 As Chief Executive, I have received assurance from:

- the Scottish Government's Director of Financial Management in respect of the financial systems shared with the Consumer Scotland including specific assurance about the new Oracle finance system
- the Scottish Government's Director Digital in respect of the IT services shared with Consumer Scotland

3.50 These confirm that internal control matters in the respective Directorates have been, and are, working well and that there were no significant matters arising which would require to be raised specifically in the respective governance statement.

3.51 Additionally, I have received detailed statements of the current position from the Executive Team on the operation and effectiveness of internal controls in the areas for which they are responsible. This includes assurances on the operation of any contracts for services which we have procured externally.

3.52 I have also received a copy of the assurance provided for 2024-2025 from the Scottish Government's Directorate of Internal Audit and Assurance on the Scottish Government's corporate services which deliver our shared services. A Reasonable Assurance was given based on the arrangements for risk management, control and governance over the SG's key corporate systems. This is a composite opinion, encompassing all systems. This is caveated on the control improvements which are currently being embedded and managed through the implementation of the Oracle Cloud system.

Governance Statement

Assessment of Corporate Governance and Risk Management

3.53 As Accountable Officer, I have responsibility for overseeing Consumer Scotland's corporate governance arrangements including compliance with accepted best practice principles and relevant guidance. In addition, I have responsibility for reviewing the effectiveness of Consumer Scotland's risk management arrangements and system of internal control. My review of the effectiveness of these systems is informed by:

- regular discussions with the Executive Team and our people covering planning, performance, risk and use of resources
- regular discussions with the Director of Operations and Partnerships on governance matters
- reporting and insight from our internal auditors and their opinions on the quality of systems of governance, management and risk management
- the Board's views on management reporting, including on governance matters, performance and risk management
- the ARC views on the management of risk and assurance arrangements
- comments made by the external auditors in their reports and attendance at ARC
- the completion of the internal control checklist

3.54 I confirm that I am content with the effectiveness of Consumer Scotland's arrangements to ensure appropriate standards of corporate governance, internal controls and effective risk management are met.

4. Remuneration and Staff Report

Remuneration Report

4.1 The information in the Performance and Accountability Reports is reviewed by the external auditors for consistency with the financial statements, and the information relating to the remuneration and pension benefits of senior management and non-executive directors; fair pay; staff numbers and staff costs has been audited by them.

Pay and Conditions

4.2 The Chief Executive is a Senior Civil Servant whose remuneration is set in accordance with the rules set out in chapter 7.1, Annex A, of the Civil Service Management Code and in conjunction with independent advice from the Senior Salaries Review Body (SSRB).^{xvi}

4.3 In reaching its recommendations, the SSRB considers the following:

- The need to recruit, retain, motivate and where relevant, promote suitably able and qualified people to exercise different responsibilities.
- Regional/local variations in labour markets and their effects on the recruitment, retention and, where relevant, promotion of staff.
- UK Government policies for improving the public services including the requirement to meet output targets for the delivery of services.
- The funds available as set out in the UK Government's departmental expenditure limits; and
- The UK Government's inflation target.

4.4 Further information about the work of the SSRB can be found via the Office of Manpower Economics.

4.5 The staff of Consumer Scotland are civil servants. They are part of the Scottish Administration, rather than the Scottish Government, and are required to adhere to the standards set out in the Civil Service Code applicable to staff in the Scottish Administration. Staff are appointed by Consumer Scotland and act in accordance with the strategic plan set by the Board. Their remuneration is set in accordance with Scottish Government Public Sector Pay Policy and mirrors that of the Scottish Government Main Bargaining Unit

Remuneration and Staff Report

(Consumer Scotland has a separate Recognition Agreement with the Scottish Government Trade Unions: PCS, Prospect and the FDA).^{xvii} Unless otherwise stated, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in compensation as set out in the Civil Service Compensation scheme.

4.6 The Board are non-executive and appointments to Consumer Scotland are made by Scottish Ministers and are regulated public appointments and subject to the Public Appointments and Public Bodies etc. (Scotland) Act 2003 and the Gender Representation on Public Boards (Scotland) Act 2018. The appointments process is a regulated process for Scottish Ministers and is bound by the Ethical Standards Commissioner Code of Practice.

4.7 The Board Members provide direct, external, support, challenge and guidance to the Chief Executive and Executive Team in relation to the delivery of risk, assurance and internal controls framework and participate in the Board and ARC.

4.8 Board members receive fees for duties conducted on behalf of Consumer Scotland including attendance at Board and committee meetings. Board fees are paid at the daily rate set out in their letters of appointment. Expenses incurred while performing their duties are reimbursed. Board Members receive fees on a monthly basis in arrears. The fees paid to Board and Committee members are governed by the Scottish Public Sector Pay Policy.^{xviii}

4.9 Fees of the Board members and the salaries and accrued pension benefits of the Executive Team are shown below, following the format and methodology defined by the Cabinet Office and FReM.

Board Member Fees (audited information)

4.10 The Board directors are not salaried, but received the following in fees and expenses in connection with their duties:

Table 15: Board member fees

Board Member	2024-25 *£'000	2023-24 *£'000
David Wilson (Board Chair)	10-15	15-20
Nick Martin (ARC Chair)	0-5	5-10
Angela Morgan	0-5	5-10
James Walker	5-10	0-5
Lesley Halliday	0-5	0-5

*(bandwidth of £5,000)

4.11 Board Members of Consumer Scotland are appointed by Scottish Ministers for an initial period of three years. Reappointments are made by Scottish Ministers for further periods up to a maximum of 8 years; this is done on a staggered basis to ensure succession and continuity planning.

4.12 Civil Service appointments are made in accordance with the Civil Service Commissioners' Recruitment Principles, which require appointments to be on merit on the

Remuneration and Staff Report

basis of fair and open competition but also include the circumstances when appointments may otherwise be made.

4.13 The Scottish Government, and the rest of the UK Civil Service, introduced a policy of no mandatory retirement age for the Senior Civil Service from 1 October 2009, in line with the implementation of the Employment Equality (Age) Regulations 2006.^{xix} Under current arrangements, an individual's pension will become payable from age 60 if they were employed in the Civil Service prior to 30 July 2007, and in these circumstances that employee can choose to leave work and collect their pension at any time from age 60, subject only to compliance with the basic notice of leave requirements. The Government announced a number of reforms to civil service pensions which are applied from 1 April 2015. Subsequent pension arrangements are detailed further below in the appropriate sections.

4.14 The Civil Service Commission's website^{xx} provides further information about their work.

Remuneration Disclosure

Executive Team Remuneration (audited information)

4.15 The following sections provide details of the remuneration and pension interests of the permanent members of the Executive Team of Consumer Scotland.

Table 16: Executive Team remuneration and pension

Name and Title	2024-25			2023-24		
	Salary	Accrued Pension benefits	Total	Salary	Accrued Pension benefits	Total
	(bandwidth of £5,000)	(to nearest £1000)	(bandwidth of £10,000)	(bandwidth of £5,000)	(to nearest £1000)	(bandwidth of £10,000)
	£'000	£'000	£'000	£'000	£'000	£'000
Sam Ghibaldan Chief Executive	90-95	36	120-130	85-90	34	115-125
Sue Bomphray Director of Operations and Partnerships	85-90	34	110-120	80-85	33	110-120
David Eiser Director of Analysis, Research and Investigations	85-90	34	110-120	80-85	33	110-120
Douglas White Director of Policy and Advocacy	85-90	269*	355-365	80-85	33	110-120

*The accrued pension benefits for Douglas White also include the effects of pension rights transferred during the year because the underlying real increase in pension also includes the effects of pension rights transferred during the year

Remuneration and Staff Report

Notes

- None of the above received any benefits in-kind or bonus payments in 2024-2025.
- None of the above are impacted by the Public Services Pensions Remedy.
- Salary covers both pensionable and non-pensionable amounts and includes gross salaries; overtime; recruitment and retention allowances; or other allowances to the extent that they are subject to UK taxation and any ex-gratia payments. It does not include amounts which are a reimbursement of expenses directly incurred in the performance of an individual's duties.
- The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decreases due to a transfer of pension rights.

Table 17: Pension benefits (audited information)

Name and title	Accrued pension at pension age as at 31 March 25 and related lump sum *£'000	Real increase in pension and lump sum at pension age £'000	CETV at 31 March 2025 £'000	CETV at 31 March 2024 £'000	Real increase/ (decrease) in CETV £'000
Sam Ghibaldan Chief Executive	5-10	0-2.5	92	55	26
Sue Bomphray Director of Operations and Partnerships	0-5	0-2.5	62	29	24
David Eiser Director of Analysis, Research and Investigations	0-5	0-2.5	63	34	20
Douglas White Director of Policy and Advocacy	15-20	12.5 – 15	203	34	16

*(bandwidth of £5,000)

Notes

- The above pension information was supplied to Consumer Scotland by the civil service pension administration team (MyCSP).
- Employer contributions to all pension plans for 2024-2025 were £537k including £102k for the Executive Team.

Civil Service Pensions

4.16 Pension benefits are provided through the Civil Service pension arrangements. The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes but Consumer Scotland is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation [here](#).

Remuneration and Staff Report

4.17 For 2024-25, employers' contributions of £537k were payable to the CSOPS (2023-24 - £448k) at 28.97% of pensionable earnings. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2024-25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

4.18 Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal and General Mastertrust. Employer contributions are age related and ranged from 8% and 14.75%. Employers also match employee contributions up to 3% of pensionable earnings.

4.19 Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement). Consumer Scotland currently has no employees enrolled in the partnership scheme.

4.20 Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

4.21 A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

4.22 The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

4.23 CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

4.24 This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Remuneration and Staff Report

Civil Service early departure compensation scheme

4.25 Since Consumer Scotland’s creation in April 2022, there have been no early departure packages.

Agency Staff

4.26 Consumer Scotland spent £64k on agency staff in 2024-25 to provide support for governance, accountancy and legal support.

Consultancy

1.107 Consumer Scotland did not incur any spend on consultancy in 2024-25.

Fair pay (audited)

4.27 Consumer Scotland is required to disclose the relationship between the remuneration of the highest-paid employee and the lower quartile, median and upper quartile remuneration of the organisation’s workforce. This disclosure is made in line with the Hutton Review of Fair Pay Implementation Guidance and the UK Government’s Financial Reporting Manual (FreM).

Table 18: Fair pay

Heading	2024-25^	2023-24^
Band of highest paid director £’000*	90-95	85-90
Percentage increase in highest paid Director over previous year, based on mid-point of salary band	5.71%	5.7%
Average percentage increase for overall employee pay bill (excluding highest paid Director)	-1.33%	18.0%
Lower Quartile (25 th percentile)	£40,041	£39,652
25 th percentile Ratio	2.3	2.2
Median total remuneration	£48,352	£48,992
Median Ratio	1.9	1.8
Upper Quartile (75 th percentile)	£57,725	£64,229
75 th percentile Ratio	1.6	1.4
Range minimum – maximum £’000 (FTE)*	30 – 35 to 90-95	30 – 35 to 85-90

^Note these figures relate to salary only; there are no benefits in kind in place.

*(bandwidth of £5,000)

4.28 The lower quartile, median and upper quartile remuneration calculation includes directly employed staff paid through Consumer Scotland’s payroll and covers both permanent staff, and those on fixed term contracts (all on an annualised basis).

4.29 The average percentage increase for employees overall (excluding the highest paid Director) is due to staff progressing through the pay steps and being in year 2 of a phased pay deal with a lower settlement in year 2. More than half of our staff have now reached the maximum pay step for their grade.

4.30 Consumer Scotland believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the employees taken as a

Remuneration and Staff Report

whole. It increased slightly due to staff pay rates increasing at a marginally lower rate than the highest paid director who is a Senior Civil Servant. Senior civil servants received a flat 5% increase in FY2024-25 whereas non-SCS staff had received 3% in FY2024-25 as year two of a two year pay deal (2% in April 2024 and 1% in January 2025).

4.31 The 25th percentile ratio has increased slightly due to staff pay rates increasing at a marginally lower rate than the highest paid director who is a Senior Civil Servant.

4.32 The 75th percentile ratio remains the same as last year as most staff have already moved to the highest pay step within their band.

4.33 Total remuneration includes salary. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Staff Report

Table 19: Staff numbers (audited information)

Number of full-time equivalent persons employed at year end*	2024-25				2023-24		
	Female	Male	Total		Female	Male	Total
Senior civil servant	0	1	1		0	1	1
Senior management	1	2	3		1	2	3
Other permanent staff	14.32	14.8	29.12		15.23	11.7	26.93
Fixed term staff	0	1	1		1.5	0.6	2.1
Total	15.32	18.8	34.12		17.73	15.3	33.03

*This total is affected by rounding. Excludes non-payroll secondees/agency workers and board members.

4.34 Staff costs for Consumer Scotland are set out in the notes to the accounts at page 93. Wages and salaries include gross salaries, non-consolidated payments, overtime and any other allowance that is subject to UK taxation. The payment of legitimate expenses is not part of the salary.

Staffing

4.35 Staff turnover (not including loans, secondments or fixed term contracts) as at 31 March 2025 was 8.0% equating to 3.0 FTE.

Remuneration and Staff Report

Figure 4: Headcount percentage of permanent and fixed-term staff by pay range at end of Mar 2025.

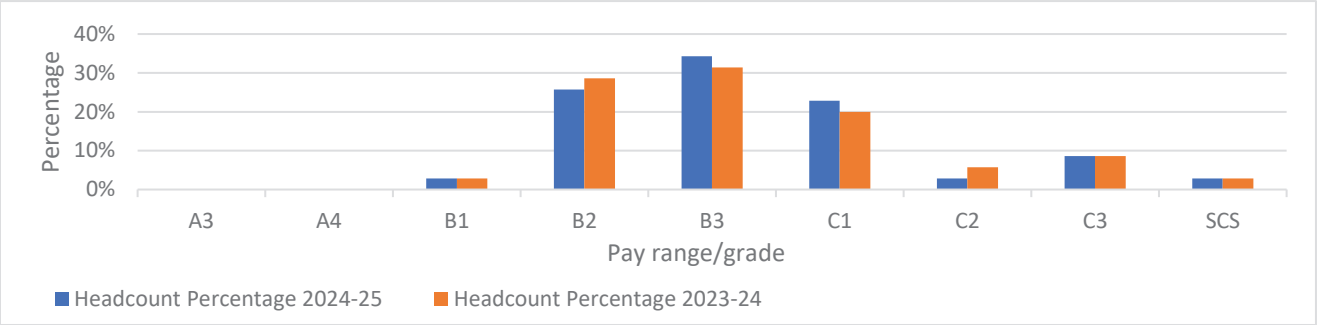


Table 20: Headcount of permanent and fixed-term staff by pay range at end of March 2025.^{xxi}

Pay Range	A3	A4	B1		B2	B3	C1	C2	C3	SCS	All
Headcount 2024-25	0	0	1		9	12	8	1	3	1	35
Headcount % 2024-25	0	0	2.9%		25.7%	34.3%	22.9%	2.9%	8.6%	2.9%	100.0%
Headcount 2023-24	0	0	1		10	11	7	2	3	1	35
Headcount % 2023-24	0	0	2.9%		28.6%	31.4%	20.0%	5.7%	8.6%	2.9%	100.0%

Employee recruitment

4.36 Recruitment and promotion campaigns undertaken by Consumer Scotland were conducted on the basis of fair and open competition, selection on merit and in accordance with Scottish Government guidance and the Civil Service Commissioners Recruitment Principles.

4.37 The below recruitment summary does not include posts which were filled on a temporary basis and refers to headcount throughout:

- 4 ‘B’ band permanent vacancies were recruited (1 from “other government department” and 3 externally)
- 1 ‘B’ band fixed term (6 months) vacancy was recruited (external)
- 3 ‘B’ band vacancies were recruited via loans (1 from the Scottish Government and 2 from the National Energy System Operator)

4.38 Staff joining Consumer Scotland came from the Scottish Government, Other Government Departments, not for profit and the private sector.

4.39 Consumer Scotland staff are employed in a number of roles structured into three core Directorates:

Remuneration and Staff Report

- Operations and Partnerships – this includes head of, manager and officer levels roles covering strategic partnerships, finance, governance, HR, corporate services and procurement.
- Policy and Advocacy – this includes head of, manager and officer roles covering policy and advocacy.
- Analysis, Research and Investigations – this includes head of, manager and officer roles covering analysis, research and investigations.

Sickness absence management

4.40 Consumer Scotland’s monitors attendance and supports managers in applying the Scottish Government attendance management policy.

Table 21: Staff absence

	Average total of sick days per employee 2024-25	Average total of sick days per employee 2023-24
Short term (<20 days)	1.7	1.9
Long term (>20 days)	2.5	14.2
Total	4.2	16.1

4.41 Our reasons for absence are similar to elsewhere in the Scottish public bodies environment, with stress or anxiety being the reason for over 50% of absences.

Employees with disabilities

4.42 Consumer Scotland complies with the Scottish Government’s Civil Service Code of Practice on the employment of people with disabilities and is an Employment Services disability symbol user as well as being a Level 2 Disability Confident employer^{xxii}. The code of practice aims to ensure that there is no discrimination on the grounds of disability and that access to employment and career advancement with Consumer Scotland is based solely on ability, qualifications, and suitability for the work.

4.43 Consumer Scotland allows for reasonable adjustments to be made to either the work environment or terms and conditions of employment, as and when required.

Reporting of Civil Service and other compensation schemes – exit packages (audited information)

4.44 Since Consumer Scotland’s creation in April 2022, there have been no compulsory redundancies and no other compensation payments made in relation to dismissals.

Staff survey

4.45 Consumer Scotland does not have enough staff to take part in the Civil Service People Survey. In FY2024-25 we replicated the questions from the Civil Service People survey across our staff base. Our overall engagement score was 68% which compares favourably with other public sector bodies. Areas of focus identified from this have been progressed by an internal working group and included access to learning and development

Remuneration and Staff Report

opportunities, regular updates from senior management on our vision and strategy as well as quick wins around policy awareness.

Employee relations

4.46 Consumer Scotland aims to consult directly with employees wherever possible and also has a recognition agreement in place with the core members of the Council of Scottish Government Unions (PCS, Prospect and the FDA) as required. We mirror the terms and condition set by the Scottish Government main bargaining unit, including pay policy.

4.47 Consumer Scotland analogues Scottish Government HR policies and is subject to the public sector pay strategy annually.

4.48 Our Operations team fulfil the role of Health and Safety oversight and in partnership with our landlords (Registers of Scotland and Scottish Legal Aid Board), we conduct regular workplace inspections throughout the year, focusing on both health and fire safety. Fire evacuations are conducted regularly during the year by our landlords. No issues were identified.

4.49 We have an active career management/learning and development group who are developing a suite of learning interactions and resources for all staff. Our key staff skill sets are analysis, research, investigations, policy, communication and operations.

Diversity and Inclusion

4.50 Consumer Scotland is not yet subject to the Public Sector Equality Duty under the Equality Act 2010^{xxiii}; however, the intention is that it will be added to the schedule of relevant bodies to whom the legislation applies. Consumer Scotland aims to comply with the spirit of the Act and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012^{xxiv} and 2016 until it is legally required to do so. Consumer Scotland is committed to promoting equality and diversity in its activities and operation, including in the recruitment and employment of staff and Board members.

4.51 We actively consider diversity and inclusion across our work programme and the operation of our organisation. This includes our research, policy development, recruitment of staff and Board members, including retention and progression. We have established an Equality, Diversity and Inclusion champions group with a Board sponsor.

Gender Balance on Boards

4.52 Consumer Scotland is subject to the Gender Representation on Public Boards (Scotland) Act 2018^{xxv}. Following the appointment of a fifth Board member to Consumer Scotland in November 2023, we have now met the gender balance target. We continue to develop a succession plan to ensure that we do all we can to attract diverse, high calibre candidates in future, and will report on the measures we are taking as required by the Gender Representation on Public Boards (Scotland) Act 2018. We have two Board members who have indicated their intention to stand down so we will be working with the Scottish Government to backfill these roles.

Remuneration and Staff Report

Gender Pay Gap

4.53 The gender pay gap is calculated as the difference between average hourly earnings of men and women as a proportion of average hourly earnings (excluding overtime) of men's earnings. A positive pay gap means that men earn more than women on average and a negative gap the reverse. The gender pay gap is a means of highlighting a disparity in the pay received by men and women and is influenced by both the pay levels for equivalent jobs and the distribution of men and women across the grades within the workforce. Consumer Scotland pays men and women undertaking work of an equal value on the same scale (i.e. within the same pay range) with the exact pay depending on length of service.

4.54 The median gender pay gap for permanent staff at Consumer Scotland at 31 March 2025 is 5.9% and the arithmetic mean gender pay gap is 3.9%. With relatively small numbers of employees the pay gap measure is sensitive to quite minor changes in staffing and pay. As at 31 March 2025 the Executive Team was predominantly male (one female, three male) whilst the Senior Leadership Team was 53% female.

Hybrid Working

4.55 Hybrid working is blended home and office working and has been widely adopted across the Scottish Government, public bodies and throughout different industries.

4.56 At Consumer Scotland, we have created a hybrid working environment that sets our people up for success, promotes collaboration and maintains safety, whilst promoting wellbeing in the workplace.

4.57 The establishment of hybrid working has meant that arrangements can be set flexibly to suit business needs, colleagues' work-life balance and team dynamics. Hybrid working continues to offer the flexibility our colleagues have asked for and is good for many people's wellbeing and the environment.

Signed by:

043E29392DA04C6...
Sam Ghibaldan
Chief Executive
22 October

Parliamentary Accountability Disclosures

Parliamentary Accountability Disclosures (audited information)

- 4.58 Consumer Scotland is a Non-Ministerial Office and as such is not part of the Scottish Government but is part of the Scottish Administration. Consumer Scotland is directly accountable to the Scottish Parliament for the discharge of their statutory functions.
- 4.59 Whilst our accounts are not consolidated with those of the Scottish Government, we liaise with Scottish Government Finance colleagues on a regular basis to provide them with information relating to our expenditure and anticipated outturn. Our Framework Agreement sets out our relationship with Scottish Ministers.

Statement of losses and special payments

- 4.60 No material losses have been incurred by, or special payments made by Consumer Scotland since its creation in April 2022.

Gifts and Charitable Donations

- 4.61 No gifts or charitable donations have been made by Consumer Scotland since its creation in April 2022.

Remote Contingent Liabilities

- 4.62 Consumer Scotland is required to report any liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability under IAS37. There are currently no remote contingent liabilities to report.
- 4.63 These accounts were authorised for issue on the same date as the Independent Auditor's report.

Signed by:

043E29392DA04C6...
Sam Ghibaldan
Chief Executive
22 October 2025

5. Independent auditor's report to Consumer Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Consumer Scotland for the year ended 31 March 2025 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 10 November 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical

Independent Auditor's Report

Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting

for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to

Independent Auditor's Report

detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Public Finance and Accountability (Scotland) Act 2000.
- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These include the Data Protection Act 2018 and relevant employment legislation.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the requirement to operate within the revenue budget set by the Scottish Government as part of the Budget (Scotland) Act. The risk is that the expenditure in relation to year-end transactions may be subject to potential manipulation in an attempt to align with its tolerance target or achieve a breakeven position. In response to this risk, we obtained confirmation of the revenue budget via the Budget (Scotland) Act and tested a sample of accruals, prepayments and invoices received around the year-end to assess whether they have been recorded in the correct period.

In common with audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulation described as having a direct effect on the financial statements;

Independent Auditor's Report

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects:

the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and

the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Independent Auditor's Report

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

adequate accounting records have not been kept; or

the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or

Independent Auditor's Report

we have not received all the information and explanations we require for our audit.

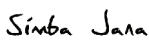
We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Signed by:

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Noel Simbarashe Jana, FCCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
8th floor, Silver Fin Building
455 Union Street
Aberdeen
AB11 6DB
United Kingdom

22 October 2025

6. Financial Statements 2024 - 25

Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2025

	Note	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Staff costs	5	2,720	2,396
Other operating costs	6	2,476	1,263
Finance costs	7	31	-
Notional costs	8	42	48
Depreciation	9	80	1
Net operating expenditure		5,349	3,708
Total comprehensive net expenditure for the year		5,349	3,708

Per chapter 11 of the FReM, grant funding from the Scottish Government and other sponsoring bodies (Department of Business and Trade and Scottish Water) is not shown as income in the Statement of Comprehensive Net Expenditure, but is instead recognised as funding in the Statement of Changes in Taxpayer's Equity.

All amounts relate to continuing activities.

The accompanying notes on pages 84-99 form an integral part of these financial statements.

Financial Statements

Statement of Financial Position as at 31 March 2025

	Note	31 March 2025 £000	31 March 2024 £000
Non-current Assets			
Right-of-use leasehold premises	9	602	-
Property, plant and equipment	9	77	87
Total Non-current Assets		679	87
Current Assets			
Trade receivables and other current assets	11	72	285
Cash and cash equivalents	10	116	109
Total Current Assets		188	394
Total Assets		867	481
Current Liabilities			
Trade and other payables	12	(622)	(485)
Obligations under leases	13	(82)	-
Total Current Liabilities		(704)	(485)
Net Current Liabilities		(516)	(91)
Total Assets less Current Liabilities		163	(4)
Non-current Liabilities			
Lease liabilities	13	(555)	-
Net Liabilities		(392)	(4)
Taxpayers' Equity			
General fund	SOCTE ¹	(392)	(4)
Total Taxpayers' Equity		(392)	(4)

The accompanying notes on pages 84-99 form an integral part of these financial statements.

Signed by:

 043E29392DA04C6...

Sam Ghibaldan

Chief Executive Officer

22 October 2025

¹ Statement of Changes in Taxpayers' Equity

Financial Statements

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Cash flows from operating activities			
Net operating expenditure	SOCNE ²	(5,349)	(3,708)
Adjustments for:			
Depreciation – owned assets	9	10	1
Depreciation – right-of-use assets	9	70	-
Notional Costs – external audit fee	8	42	48
Finance costs	7	31	-
Movements in working capital:			
Decrease/ (Increase) in trade receivables and other current assets	11	213	(200)
Increase in trade and other payables	12	137	88
Decrease in provisions		-	(1)
Cash used in operations		(4,846)	(3,772)
Interest paid - leases		(23)	-
Net cash flow used in operating activities		(4,869)	(3,772)
Cash flows used in investing activities			
Purchase of Property, Plant and Equipment	9	-	(83)
Net cash flow used in investing activities		-	(83)
Cash flows generated from financing activities			
Lease liabilities – repayment of principal	13	(43)	-
Scottish Government Grant in Aid	3	2,912	2,467
Grants from sponsoring bodies (DBT ³ , Scottish Water)	3	2,007	1,420
Net cash flow generated from financing activities		4,876	3,887
Net increase in cash during the year		7	32
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	10	109	77
Cash and cash equivalents at the end of the year	10	116	109
Net increase in cash during the year		7	32

The accompanying notes on pages 84-99 form an integral part of these financial statements.

² Statement of Comprehensive Net Expenditure

³ The UK Government's Department of Business and Trade

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Statement of Changes in Taxpayers Equity for the Year Ended 31 March 2025

	Note	Total Reserves	
		2024/25 £000	2023/24 £000
Balance as at 1 April		(4)	(231)
Non-cash charges – Notional Costs (External Audit Fee)	8	42	48
Net operating expenditure	SOCNE	(5,349)	(3,708)
Scottish Government Grant in Aid	3	2,912	2,467
Grants from sponsoring bodies (DBT, Scottish Water)	3	2,007	1,420
Balance as at 31 March		(392)	(4)

The accompanying notes on pages 84-99 form an integral part of these financial statements.

Notes to the Accounts

1. Statement of accounting policies

1.1. Basis of preparation

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, these financial statements have been prepared in accordance with the principles and disclosure requirements of the 2024-25 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the UK public sector context.

The accounts are prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors. Consumer Scotland did not rely on any significant judgements or estimates in compiling the financial statements for the year ended 31 March 2025.

The policies adopted by the Scottish Government relevant to Consumer Scotland are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.2. Accounting convention

These accounts have been prepared under the historical cost convention and on a going concern basis. Figures are presented in pounds sterling and are rounded to the nearest £1,000.

1.3. Critical accounting judgements and key sources of estimation

The preparation of these accounts requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenditure. These assessments are based on historic and other factors that are believed to be reasonable, the results of which form the basis for making judgements. The estimates and underlying assumptions are reviewed on an ongoing basis.

Consumer Scotland leases its head office premises at Thistle House, 91 Haymarket Terrace, Edinburgh, EH12 5HD through a Memorandum of Terms of Occupation (MOTO) with the Scottish Legal Aid Board (SLAB). This lease arrangement permits them to use and occupy this office space. The lease renews annually, at a pre-agreed rental rate, with the initial period starting from 1st April 2024 and ending on 31st March 2025. Both parties currently intend that the occupation of the property will continue on this basis until 31st October 2033 and this intent is documented in the MOTO. It is set out in the MOTO that any change of

Financial Statements

intent that would result in either party choosing not to renew would require six months' notice in writing.

Determining the lease term for this agreement requires significant judgment, as it involves assessing the likelihood of exercising the renewal options over a potentially extended period. IFRS 16 requires that a lease term includes periods covered by options to extend the lease if it is reasonably certain that the option will be exercised. This assessment necessitates a comprehensive evaluation of various factors.

In determining the lease term, the following factors were considered:

- **Company Intentions:** Management's assessment of the likelihood of exercising these options is based on the Consumer Scotland's long-term strategic plan, which anticipates continued occupancy of these premises until at least 31st March 2030, as well as management's intent to occupy for the remainder of the term set out in the MOTO, i.e. until 31st October 2033.
- **Market Conditions:** The organisation has conducted ongoing market research, and while suitable alternative premises exist, they do not offer comparable space, location, and lease terms. In summary, the space occupied offers value for money, allows for some growth in the workforce, and critically when staff commute from and work in various locations, is close to Edinburgh Haymarket station. The market for office space in the immediate area is strong and therefore acquiring alternative premises is likely to be challenging.
- **Potential for early termination:** While the lease agreement allows for annual renewal, the Company retains the flexibility to reassess its occupancy needs annually and terminate the lease with the appropriate notice in writing of six months. This possibility was explicitly considered in the assessment of reasonable certainty.

Based on the above considerations, management concluded that it is reasonably certain that the renewal options will be exercised until 1st April 2032. Therefore, the total lease term for the head office premises is considered to be 9 years and 7 months. The impact of this judgment is a higher lease liability and right-of-use asset recognised on the balance sheet compared to recognising only the initial one-year term. Consumer Scotland will continue to monitor the circumstances surrounding this lease agreement and will reassess this lease term annually. Any changes to the lease term will be reflected in future financial statements. Further details on the lease liability are disclosed at note 13) Lease liabilities.

In the year ended 31st March 2025, there were no other material assumptions or other sources of estimation uncertainty that could lead to a significant risk of a material adjustment to the carrying amounts of assets and liabilities in the forthcoming year

1.4. New accounting standards

All new standards issued, and amendments made to existing standards are reviewed by the Financial Reporting and Advisory Board (FRAB) for subsequent inclusion in the FReM in force for the year in which the changes become applicable. Consumer Scotland have considered

Financial Statements

the accounting standards not yet applied and have assessed the possible impact that their application would have on the financial statements.

New and forthcoming accounting standards include:

- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
 - Effective Date: Annual periods beginning on or after 1 January 2024.
 - Overview: Clarifies the measurement of lease liabilities in sale and leaseback transactions, ensuring consistency in application.
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current
 - Effective Date: Annual periods beginning on or after 1 January 2024.
 - Overview: Provides guidance on the classification of liabilities, particularly concerning covenants and rights to defer settlement.
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements
 - Effective Date: Annual periods beginning on or after 1 January 2025.
 - Overview: Introduces new disclosure requirements for supplier finance arrangements to enhance transparency.
- Amendments to IAS 21 – Lack of Exchangeability
 - Effective Date: Annual periods beginning on or after 1 January 2025.
 - Overview: Provides guidance on accounting for transactions when exchangeability between currencies is lacking.
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
 - Effective Date: Annual periods beginning on or after 1 January 2026.
 - Overview: Clarifies the classification of financial assets with ESG-linked features and addresses electronic payment settlements.
- IFRS 18 – Presentation and Disclosure in Financial Statements
 - Effective Date: Annual periods beginning on or after 1 January 2027.
 - Overview: Introduces new requirements for the presentation and disclosure of financial statements, including the categorisation of income and expenses.
- IFRS S1 and IFRS S2
 - Potential UK Adoption: The UK government plans to decide on the endorsement of these standards by mid-2025, with possible implementation from January 2026.
 - Overview: IFRS S1 requires disclosure of sustainability-related risks and opportunities, while IFRS S2 focuses specifically on climate-related disclosures. These standards aim to enhance transparency and comparability in sustainability reporting.

None of the new or forthcoming accounting standards are expected to have a material effect on Consumer Scotland's financial statements for the year ended 31st March 2025.

Financial Statements

1.5. Non-Current Assets

Property, Plant and Equipment (PPE) assets are accounted for as non-current assets unless they are deemed to be held-for-sale, and are accounted for under IAS 16 - Property, Plant and Equipment. Note that due to the asset type's specific characteristics, leased right-of-use property is considered separately below under "IFRS16 leases".

Initial Recognition

Physical non-current assets are capitalised if the individual item cost is £5,000 or more. Computer software is capitalised as an intangible asset where:

- the cost exceeds £1,000, and
- the licence term exceeds one year.

All other expenditure below these thresholds is expensed as incurred.

Subsequent Measurement

Depreciated historic cost is used as a proxy for the fair value of furniture and fittings, equipment, and information technology systems. All the assets in these categories have short useful economic lives of between 3 and 15 years, which reflect the life of the asset and a depreciation charge, which provides a realistic reflection of consumption.

Depreciation and Amortisation

For all property, plant and equipment, depreciation is charged from the month they are brought into service. For intangibles, where relevant, amortisation is applied in an equivalent manner.

Rates are calculated to write off their valuation by even instalments over their estimated useful lives, which for the principal categories of assets are as follows:

Asset Category	Useful Life
Leasehold Premises	Period of the lease
Furniture and Fittings	3 – 15 years
Office Equipment	3 – 15 years
Information Technology	3 – 15 years
Software (Intangible)	3 – 5 years

The useful lives of assets are reviewed annually, and adjustments are made prospectively as required.

Impairment of Assets

Losses in value reflected in valuations are accounted for in accordance with IAS 36, Impairment of Assets as adapted by the FReM which states that impairment losses that arise from a clear consumption of economic benefit should be taken to the statement of comprehensive net expenditure. The balance on any revaluation reserve (up to the level of impairment) to which the impairment would have been charged under IAS 36 would be transferred to the general fund. Upwards movements in value are taken to the revaluation

Financial Statements

reserve. Downward movements are set off against any credit balance held in the revaluation reserve until the credit is exhausted and thereafter charged to the Statement of Comprehensive Net Expenditure (SOCNE).

1.6. IFRS Leases

IFRS 16 removes the distinction between finance and operating leases to ensure that all assets embedded within leases are capitalised and recorded on the Statement of Financial Position, unless immaterial or exempt. In practice, this means most leases must be recorded 'on balance sheet'.

Initial Recognition

The definition of a lease under IFRS 16 has been applied to all relevant contracts entered into after 1 April 2022. This definition assesses whether the arrangement includes the right to control or use an asset and obtain substantially all of the economic benefits associated with that use over the term of the arrangement. For any such contracts, upon lease commencement, a right-of-use asset and lease liability are recognised, except for:

- Short-term leases (lease term of 12 months or less), and
- Leases of low-value assets (less than £5,000).

On 1st April 2024, Consumer Scotland entered into an arrangement through a Memorandum of Terms of Occupation (MOTO) with the Scottish Legal Aid Board (SLAB) which records terms in relation to the occupation of premises at Thistle House, 91 Haymarket Terrace, Edinburgh, EH12 5HD, Edinburgh. This is a long-term arrangement that includes characteristics that management believe require it to be considered a lease in the financial statements for the year ended 31st March 2025, and beyond for the term of the arrangement.

Subsequent Measurement

IFRS16 requires Consumer Scotland to recognise a right-of-use asset in the Statement of Financial Position in relation to building premises for this arrangement. A corresponding lease liability for the financing of the arrangement is recognised at the same time.

The right-of-use asset is recorded at cost. The initial cost is determined to be the amount of the initial lease liability, less any lease payments or incentives made at or before the commencement date, taking account of any initial direct costs or estimated costs to dismantle or restore the asset. The lease liability is calculated as the present value of the payments for the remaining lease term, discounted by the rate implicit in the lease, or where this cannot be determined, the rate advised by HM Treasury for the calendar year. Lease payments included in the calculation of the lease liability are fixed payments.

Financial Statements

Depreciation

The asset is depreciated using the straight-line method from the commencement date over the lease term, where this is equal to or shorter than the asset's useful life.

Impairment of Assets

The lease liability will be recalculated if there is a material change in future lease payments arising from a change in the interest rate, or if Consumer Scotland change their assessment of whether they will exercise a purchase, extension, or termination option. The right-of-use asset will be periodically reviewed to account for any potential impairment losses and any material remeasurement of the lease liability. Details of the lease liability are provided in note 13 to these financial statements.

1.7. Financial Instruments

Financial Instruments are classified and accounted for, according to the substance of the contractual agreement, as financial assets, financial liabilities, or equity instruments. Consumer Scotland held no equity instruments as at 31st March 2025, or during the current or prior years.

Financial assets are classified into the following categories:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and loss (FVTPL)

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets and financial liabilities are included on Consumer Scotland's Statement of Financial Position. These are recognised when Consumer Scotland becomes party to the contractual provisions on a trade date basis.

Consumer Scotland's financial assets comprise trade and other receivables and cash and cash equivalents. These assets are recognised at cost, which appropriately approximates fair value given their short maturities.

Consumer Scotland's financial liabilities comprise trade and other payables and lease liabilities. Trade and other payables are recognised at cost, as this appropriately approximates fair value given their short maturities. Lease liabilities are recorded as set out in note 13.

1.8. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts.

Financial Statements

1.9. Short term employee benefits

A liability and an expense are recognised for holiday days and other short-term benefits when Consumer Scotland's employees render service that increases their entitlement to these benefits. As a result, an accrual has been recorded for holidays and flexi-time earned but not taken, as at the 31 of March 2025, this is disclosed along with the prior year comparative.

1.10. Grants from Scottish Government and other sponsoring bodies

Consumer Scotland funds its activities via grant in aid from the Scottish Government and sector derived grants from other sponsoring public bodies. In addition to the support received from the Scottish Government, grants are also received from the UK Government's Department of Business and Trade and Scottish Water. The available funding is drawn against throughout the year in compensation for the expenses incurred on agreed work programmes.

These funding sources are considered "grants receivable as compensation for costs already incurred or for immediate financial support" and as such will be recognised in the period in which they are receivable in line with IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance. Consistent with chapter 11 of the FReM, grants are not shown as income in the Statement of Comprehensive Net Expenditure but are instead credited directly to the General Fund reserve on an accruals basis in the year to which they relate.

In accordance with the Scottish Public Finance Manual, procedures are in place to ensure compliance with any conditions or provisions attached to any grant payments.

1.11. Other operating income

No income was generated from any activities, other than via funding through grants as described above, in the year ended 31 March 2025 or the prior year.

1.12. Segmental reporting

IFRS 8 – Operating Segments requires disclosure of information about Consumer Scotland's operating segments. Information is based on internal management reports, both in the identification of operating segments and measurement of disclosed segment information.

1.13. Pensions

Past and present employees are covered by the provisions of the Civil Servants and Other Pensions Scheme (CSOPS), which is a defined benefit scheme and is unfunded. Consumer Scotland recognises the expected cost of providing pensions for its employees on a systematic and rational basis over the period during which it benefits from their services by payment to the CSOPS of amounts calculated on an accruing basis (relevant disclosures are included in the Remuneration and Staff report - see pages 62-72. Liability for payment of

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future benefits is a charge to the CSOPS. Separate scheme statements for the CSOPS as a whole are published.

1.14. Value added tax (VAT)

Most of the activities of Consumer Scotland are outside the scope of VAT. In general, output tax does not apply, however input tax on purchases is recoverable in many circumstances. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. The Scottish Government is responsible for recovering VAT from HM Revenue and Customs (HMRC) on behalf of Consumer Scotland.

1.15. Provisions

IAS 37 - Provisions, Contingent Liabilities and Contingent Assets applies in full, and in these accounts, provisions are made for legal or constructive obligations which are of uncertain timing or amount at the statement of financial position date on the basis of the best estimate of the expenditure required to settle the obligation. Where material, they would be discounted using the appropriate discount rate as prescribed by HM Treasury. There were no material provisions included in the financial statements as at 31 March 2025.

1.16. Related party transactions

Consumer Scotland is a Non-Ministerial Office of the Scottish Government and as such considers Scottish and UK Government bodies to be related parties. During the year, Consumer Scotland undertook a number of material financial transactions with these government bodies. Further details are provided at note 14 to these financial statements.

1.17. Going concern

Consumer Scotland receives its funding from the Scottish Government via grant in aid, and sector derived grants from other sponsoring public bodies, specifically the Department for Business and Trade, which is a department of the UK Government, and Scottish Water. Consumer Scotland's annual operating budget is approved and published each year, as part of the Scottish Government's budget, by the Scottish Parliament. Future funding requirements have been agreed with the Scottish Government (including specifically for the subsequent financial year to 31 March 2026) that give the Board reasonable expectation, taking account of grants from the other sponsoring bodies, that Consumer Scotland will have adequate resources to continue in operational existence for the foreseeable future. In addition, Consumer Scotland has no reason to believe that Scottish Ministers intend to withdraw support to the organisation, thus ensuring the continued provision of services by the entity. For these reasons, it is considered appropriate to prepare the financial statements using the going concern basis of accounting.

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2) Statement of operating costs by operating segment**Net expenditure by segment**

	£000	Net expenditure				Total
		Energy	Post	Water	Other	
Year ended 31 March 2025		1,203	194	359	3,593	5,349
Year ended 31 March 2024		844	193	355	2,316	3,708

Assets

	Energy	Post	Water	Other		Total	
				2024/25	2023/24	2024/25	2023/24
Total Assets	-	-	-	867	481	867	481
Total Liabilities	-	-	-	(1,259)	(485)	(1,259)	(485)
Net Liabilities	-	-	-	(392)	(4)	(392)	(4)

The net assets of Consumer Scotland are not separately identifiable on a segmental basis and have therefore been disclosed in the financial statements as a total only.

Consumer Scotland receives grant funding from the Department of Business and Trade and Scottish Water as a share of the consumer levies raised in their respective markets. The funding is provided for agreed work programmes carried out in relation to three separately reportable sectors, Energy, Post and Water.

Funding is received to enable Consumer Scotland to fulfil its role of representing the interests of consumers in these markets. Work outside these sectors is funded by the Scottish Government and includes cross-cutting activities to represent consumers in vulnerable circumstances and on the themes of the cost of living crisis and climate change. The costs of corporate functions are included on an apportioned pro rata basis under the relevant operating segment.

All activities of Consumer Scotland and assets held by them are geographically based in the UK.

3) Grant funding

	2024/25 £000	2023/24 £000
Scottish Government Grant in Aid	2,912	2,467
Grant from the Department of Business and Trade	1,658	1,064
Grant from Scottish Water	349	356
Total grant funding	4,919	3,887

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4) Performance against budget

	2024/25		2023/24		
	£000	Budget	Expend	Budget	Expend
Net operating expenditure		5,484	5,349	3,763	3,708

The Budget figure above of £5,484,000 (23/24: £3,763,000) includes £3,424,000 (23/24: £2,317,000) of budgeted funding from the Scottish Government, £1,668,000 (23/24: £1,088,000) of budgeted funding from the Department of Business and Trade and £392,000 (23/24: £358,000) of budgeted funding from Scottish Water. Only the required funding for expenditure incurred was claimed as grants during the year.

5) Staff costs

	2024/25	2023/24
	£000	£000
Salaries	1,887	1,644
Social security	213	181
Other pension	537	448
Agency staff	64	46
Employee benefits	19	77
Total staff costs	2,720	2,396

Salaries include Board members' fees and expenses.

Employee benefits include accrued flexi-time and holiday pay.

Further details on staff numbers and related costs can be found in the Remuneration and Staff report – see pages 62-72.

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6) Other operating costs

	2024/25	2023/24
	£000	£000
Staff related:		
Training and subscriptions	41	71
Travel and subsistence	15	10
Payroll	11	7
Recruitment	7	5
Childcare	1	1
Non-staff related:		
Grant to third parties	1,669	444
Research	420	386
IT costs	79	74
Other office expenses including procurement	63	80
Accommodation costs	85	89
Legal and professional fees	13	21
Marketing	17	28
Computer equipment	7	20
Office equipment	48	27
Total other operating costs	2,476	1,263

‘Grant to third parties’ above comprises grants made to Citizens Advice Scotland, Trading Standards Scotland, and Advice Direct Scotland for consumer initiatives.

Accommodation costs of £85,000 (23/24: £89,000) comprise payments to Registers of Scotland for serviced accommodation at St Vincent Plaza, Glasgow of £18,000 (23/24: Nil), and Meadowbank House, Edinburgh of £9,000 (23/24: £77,000). In addition, accommodation costs include service costs of £37,000 (23/24: Nil) and utilities costs of £21,000 (23/24: Nil) payable to SLAB in relation to the use of the building leased at Thistle House, Edinburgh. Prior year accommodation costs also included one off office design costs of £12,000.

7) Finance costs

	2024/25	2023/24
	£000	£000
Lease interest	31	-

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8) Notional costs

	2024/25	2023/24
	£000	£000
External audit fee	42	48

9) Non-current assets

	Right-of-use leasehold premises	Property, plant and equipment	Total
2024/25	£000	£000	£000
Cost			
As at 1 April 2024	-	88	88
Additions	672	-	672
As at 31 March 2025	672	88	760
Depreciation			
As at 1 April 2024	-	1	1
Charge for the year	70	10	80
As at 31 March 2025	70	11	81
Net Book Value			
As at 31 March 2024	-	87	87
As at 31 March 2025	602	77	679

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	Property, plant and equipment	Total
2023/24	£000	£000
Cost		
As at 1 April 2023	5	5
Additions	83	83
As at 31 March 2024	88	88
Depreciation		
As at 1 April 2023	-	-
Charge for the year	1	1
As at 31 March 2024	1	1
Net Book Value		
As at 31 March 2023	5	5
As at 31 March 2024	87	87

10) Cash and cash equivalents

	2024/25	2023/24
	£000	£000
Consumer Scotland bank account - RBS	116	109

11) Trade receivables and other current assets

	2024/25	2023/24
	£000	£000
Amounts falling due within one year		
Accrued grants	-	280
VAT	66	-
Prepayments	6	5
Total receivable within one year	72	285

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12) Trade and other payables

	2024/25	2023/24
	£000	£000
Amounts falling due within one year		
Trade payables	153	33
Other payables	114	107
Accruals	355	345
Total due within one year	622	485

13) Lease liabilities

The initial lease liability was calculated using a discount rate of 4.72% per HM Treasury guidance as at the date of the lease inception. Lease payments are made quarterly in arrears and the total cash outflow on lease payments for the year ended 31 March 2025 was £66,000 (2024: nil).

As at the 31st of March 2025, 103 months of the initial 115 months lease term remained. The following table shows a maturity analysis of the undiscounted lease payments due for the remainder of the lease term:

Lease payments – maturity analysis	Lease payments £000
Payments falling due:	
Not later than one year	110
Later than 1 year and not later than 2 years	88
Later than 2 years and not later than 3 years	88
Later than 3 years and not later than 4 years	88
Later than 4 years and not later than 5 years	88
Later than 5 years	312
Total lease payments	774
Less: unearned lease interest	(137)
Total lease liabilities	637

The lease liabilities are shown in the Statement of Financial Position as follows:

	2024/25	2023/24
	£000	£000
Amounts falling due within one year		
Obligations under leases	82	-
Amounts falling due after more than one year		
Obligations under leases	555	-
Total	637	-

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The movement in lease liabilities during the year ended 31 March 2025 was as follows:

	Lease liabilities £000
As at 31 March 2024	-
Liability on new lease commencing 1 st April	672
Lease interest	31
Lease payments (principal)	(43)
Lease payments (interest paid)	(23)
As at 31 March 2025	637

£8,000 of lease interest due for the year ended 31 March 2025 remained payable at the year end.

The following amounts that related to leases were recognised in the Statement of Comprehensive Net Expenditure:

	2024/25 £000	2023/24 £000
Depreciation – right-of-use assets	70	-
Finance costs – lease interest	31	-
Total	101	-

The following amounts that relate to leases were recognised in the Statement of Cash Flows:

	2024/25 £000	2023/24 £000
Interest paid - leases	23	-
Lease liabilities – repayment of principal	43	-
Total cash outflows during the year	66	-

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14) Related party transactions

Consumer Scotland is a non-Ministerial Office of the Scottish Government and as such it considers the Scottish and UK Governments as related parties. During the year, Consumer Scotland undertook a number of material financial transactions with the Scottish Government and UK Government bodies.

The most significant of these were in relation to grant funding where Consumer Scotland received £2,912,000 (2023/24: £2,467,000) from the Scottish Government, £1,658,000 (2023/24: £1,064,000) from the UK Government's Department of Business and Trade and £349,000 (2023/24: £356,000) from Scottish Water. In addition, Consumer Scotland received various services from other areas of the Scottish Government. These included accommodation related charges of £85,000 (2023/24: £77,000), procurement service charges of £56,000 (2023/24: £74,000), and IT services and support charges of £50,000 (2023/24: £45,000). Consumer Scotland leased its main premises from the Scottish Legal Aid Board; further details of this arrangement are set out in Note 13 to these financial statements.

No board member, senior manager or other related parties have undertaken any material transactions with Consumer Scotland during the year.

15) Capital commitments and contingent liabilities

As at the years ended 31 March 2025 and 31 March 2024, there were no contracted or foreseen capital commitments or contingent liabilities.

16) Events after reporting period

As at the date of signing, no event has occurred since 31 March 2025 which materially impacts the financial statements.



Consumer Scotland

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 hereby give the following direction.
2. The statement of accounts for the financial year to 31 March 2025, and for subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial period, and of the state of affairs as at the end of the financial period.
4. This direction shall be reproduced as an appendix to the statement of accounts.

A handwritten signature in black ink, appearing to read 'Kersti Berge'.

Kersti Berge
Director, DECC

On behalf of the Scottish Ministers

June 2025

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- ⁱ [Consumer Scotland Act 2020 \(legislation.gov.uk\)](#)
 - ⁱⁱ [Strategic Plan 2023-2027 | Consumer Scotland](#)
 - ⁱⁱⁱ [Consumer Scotland Work Programme 2025-2026 | Consumer Scotland](#)
 - ^{iv} [Community Empowerment \(Scotland\) Act 2015](#)
 - ^v [National Performance Framework - gov.scot](#)
 - ^{vi} [Government Financial Reporting Manual 2024-2025](#)
 - ^{vii} [The Civil Service code - GOV.UK \(www.gov.uk\)](#)
 - ^{viii} [Code of Conduct for Members | Consumer Scotland](#)
 - ^{ix} [Register of Members' Interests | Consumer Scotland](#)
 - ^x [Public Services Reform \(Scotland\) Act 2010 \(legislation.gov.uk\)](#)
 - ^{xi} [Standing Orders | Consumer Scotland](#)
 - ^{xii} [Framework Agreement | Consumer Scotland](#)
 - ^{xiii} [Scottish Public Finance Manual - gov.scot \(www.gov.scot\)](#)
 - ^{xiv} [Ethical Standards in Public Life etc. \(Scotland\) Act 2000 \(legislation.gov.uk\)](#)
 - ^{xv} [Public Services Reform \(Scotland\) Act 2010 \(legislation.gov.uk\)](#)
 - ^{xvi} [Senior Salaries Review Body - GOV.UK \(www.gov.uk\)](#)
 - ^{xvii} [Staff pay remits - Public sector pay - gov.scot \(www.gov.scot\)](#)
 - ^{xviii} [Public sector pay policy 2024 to 2025 - gov.scot](#)
 - ^{xix} [The Employment Equality \(Age\) Regulations 2006 \(legislation.gov.uk\)](#)
 - ^{xx} [Home - Civil Service Commission \(independent.gov.uk\)](#)
 - ^{xxi} Pay ranges are in accordance with the Public Sector Pay Policy for 2024-25; confirmation of pay grades is contained within section three of the [technical guide](#)
 - ^{xxii} [Disability Confident employer scheme - GOV.UK \(www.gov.uk\)](#)
 - ^{xxiii} [Equality Act 2010 \(legislation.gov.uk\)](#)
 - ^{xxiv} [The Equality Act 2010 \(Specific Duties\) \(Scotland\) Regulations 2012 \(legislation.gov.uk\)](#)
 - ^{xxv} [Gender Representation on Public Boards \(Scotland\) Act 2018 \(legislation.gov.uk\)](#)