



OFFICIAL REPORT
AITHISG OIFIGEIL

Economy, Energy and Fair Work Committee

Tuesday 29 October 2019

Session 5



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ECONOMY, ENERGY AND FAIR WORK COMMITTEE
29th Meeting 2019, Session 5

CONVENER

*Gordon Lindhurst (Lothian) (Con)

DEPUTY CONVENER

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

COMMITTEE MEMBERS

*Jackie Baillie (Dumbarton) (Lab)
*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Jamie Halcro Johnston (Highlands and Islands) (Con)
*Dean Lockhart (Mid Scotland and Fife) (Con)
*Richard Lyle (Uddingston and Bellshill) (SNP)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
Andy Wightman (Lothian) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Jane Adams (Chief Officers of Citizens Advice Bureau in Scotland)
Gillian Burgan (Clackmannanshire Citizens Advice Bureau)
Kristi Kelly (Aberdeen Citizens Advice Bureau)
Anne Lavery (Citizens Advice Scotland)
Rory Mair (Citizens Advice Scotland)
Derek Mitchell (Citizens Advice Scotland)
Lucy O'Leary (Central Borders Citizens Advice Bureau)
Adam Stachura (Age Scotland)

CLERK TO THE COMMITTEE

Alison Walker

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Economy, Energy and Fair Work Committee

Tuesday 29 October 2019

[The Convener opened the meeting at 09:48]

Decision on Taking Business in Private

The Convener (Gordon Lindhurst): Good morning and welcome to the 29th meeting in 2019 of the Economy, Energy and Fair Work Committee. We have received apologies from Andy Wightman.

Agenda item 1 is a decision on taking business in private. Do members agree to take items 3 and 4 in private?

Members indicated agreement.

Consumer Scotland Bill: Stage 1

09:48

The Convener: Agenda item 2 is consideration of the Consumer Scotland Bill. We have a number of witnesses with us today. From my left to my right we have Jane Adams, chairperson of the chief officers of citizens advice bureau in Scotland—COCABS—group; Anne Lavery, deputy chief executive of Citizens Advice Scotland; Derek Mitchell, chief executive of Citizens Advice Scotland; and, last but not least, Rory Mair, chair of Citizens Advice Scotland. I welcome you all.

The sound desk will operate the microphones, so there is no need to push any buttons. If you want to answer a question, simply raise your hand and I will try to bring you in. You do not all need to answer every question; we will let the discussion flow as members of the committee ask about various matters.

I will ask the first question. What does CAS do with regard to providing consumer advice and campaigning on consumer issues? I see Rory Mair volunteering to answer.

Rory Mair (Citizens Advice Scotland): The first thing to say is that, in Scotland, we are by far the biggest provider of consumer advice and advocacy. We provide more than 250,000 pieces of information every year—no other agency provides more advice than we do through our network of bureaux across the country. We also advocate on behalf of consumers on the issues that they raise with us. Our approach to consumer advocacy involves the lived experience of citizens, so it is the citizens themselves who tell us what is important to them and we take that forward. We think that that is an important element of any consumer advocacy and support mechanism—we actually listen to what is bothering citizens and then advocate on those things.

A common misconception, which I recognise is perhaps a result of our name, is that we are only an advice agency. However, ever since we were formed 80 years ago, we have had two objectives: one is to give advice; and the other is to advocate on behalf of citizens on the issues that they bring to us. Right at the heart of what we do across the citizens advice network is the idea that we give advice and advocate on those things that are important to citizens. That is an absolutely crucial point to bear in mind in relation to the bill.

The Convener: I suppose that what people need is somewhat broader than that, though, because there might be general issues that people are not aware of and which they, therefore, do not raise with you. I imagine that there are plenty of things that people might have an issue with, if they

knew about them. How do those matters come to the fore?

Rory Mair: In some senses, that is the important issue in relation to the bill. As we say in our submission, one of the reasons why we support the idea of the creation of consumer Scotland is that there probably needs to be some broader, research-based approach that asks how we can identify where consumer detriment might happen and how we can ensure that it does not happen. We recognise that, as we are an agency that is focused on citizens and their experience, that is not our primary purpose. However, it is fair to say that we conduct research in order to identify with various service providers other areas in which consumer detriment might happen, and that we work with big service providers to try and ensure that their systems operate in a way that means that consumers will not be damaged.

The Convener: Do any of the other members of the panel wish to comment, particularly on my second question?

Derek Mitchell (Citizens Advice Scotland): I agree with Rory Mair that consumer Scotland will fill a potential gap. However, it is important to remember that people see themselves not as consumers or citizens but as people. They come into our bureaux and tell us what is happening with regard to things that are detrimental to their communities, and we pick those things up. As Rory Mair says, we can validate what they are telling us by checking whether the thing that they are talking about also happens in other places—Aberdeen, Inverness, Edinburgh, Glasgow, Ayrshire and so on. If we find that it does, that is an issue for us.

We wrote to the committee with information about a few things that we have done in that regard, such as our work around parcel surcharging. Funeral poverty is another good example of what we do. The utility of what we do in that regard does not simply involve the individual who finds themselves in funeral poverty, because the changes that we can make by shining a light on funeral poverty mean that other people who might struggle when a relative dies can afford to bury them gracefully. We do a range of similar work. For example, the your bus, your say campaign, which was brought to us by Jane Adams's bureau, concerned bus services that had stopped operating or were infrequent in an area, which meant that people faced social isolation, difficulty accessing job centres when they were trying to get back into work or problems when trying to access the jobs market in general.

All those issues involve people's lived experience, but I do not think that people who are experiencing difficulties in relation to those things

come into our bureaux saying, "I have a consumer issue."

Jane Adams (Chief Officers of Citizens Advice Bureau in Scotland): I will follow up on what Derek Mitchell and Rory Mair said about the perspective of the bureaux and the strength of the network. Let me use the bus campaign as an example. We identified that there was an issue in Aberdeenshire. The strength of the network allowed us to find out whether it was a bigger issue across Scotland and to take that advocacy campaign around the country.

Gordon MacDonald (Edinburgh Pentlands) (SNP): Citizens Advice Scotland provides a valuable service. Unfortunately, it has no presence in my constituency, so, occasionally, I have to send constituents halfway across the city to get its support.

In relation to the gaps that you highlighted in the consumer support network, CAS's website highlights six areas on which you provide advice: benefits, debt and money, work-related problems, housing, relationships and consumer issues. What proportion of your workload is consumer issues?

Anne Lavery (Citizens Advice Scotland): As Rory Mair said, we deal with about 240,000—

Gordon MacDonald: The figure that I have is 272,000 clients.

Anne Lavery: That is the virtue of the service that we offer. As we have made clear, we do not see people as citizens or consumers; they are just people. People come to citizens advice bureaux with, on average, seven issues. Some of those issues might be related to fuel poverty, which is a consumer issue. However, they might be in fuel poverty because, as a result of universal credit issues, they have not received their benefits. We look at the person in the round.

Although we provide 240,000 pieces of advice and see 270,000-odd clients, we have recently done work to look at the proportion of advice that we give that is specifically consumer related. We have tried to take a conservative approach, so that we do not provide an unfair analysis, but the minimum proportion of the workload that is consumer related is, roughly, one third. However, that third is made up of people who have other issues. That is the virtue of the service and the benefit of the advice that we provide. People can come to one place and have their problems solved, rather than be categorised as a citizen or a consumer.

Gordon MacDonald: I accept that people have a range of problems.

Anne Lavery: Absolutely.

Gordon MacDonald: You help roughly 90,000 people a year who have consumer issues.

Anne Lavery: Yes—people whose primary issue is consumer related.

Gordon MacDonald: Last week, we heard that consumers spend £8 billion a month in Scotland and roughly £100 billion a year. The Audit Scotland report “Protecting consumers”, which came out a couple of years ago, mentions

“1.3 million people in Scotland who think they have reason to complain about goods or services bought in the last year”.

Given the fact that the Audit Scotland report says that 1.3 million people a year have problems with consumer issues, and you deal with roughly 90,000 people, is there a large gap in support for consumers?

Anne Lavery: The people we are talking about access our services predominantly through the bureaux. A much larger number of people access our services through our website. A lot of the people to whom you refer are able to self-help and simply need advice through the public-facing advice site, which empowers them to solve their problems. There is a gap but it is smaller than the figures indicate, because people self-serve and find other ways to access the advice through our network, as opposed to coming into a bureau. Over the past years, we have been keen to provide advice to people in a way that suits them. That might be face to face in a local constituency, over the phone or by accessing advice—which they can use to solve their problem—on our website.

Gordon MacDonald: You talked about web access. The Scottish Government commissioned Advice Direct Scotland to provide telephone and web advice on consumer issues. How has that impacted on CAS? Do you work in tandem? How does the relationship work?

Anne Lavery: Despite the removal of that contract, we are still the biggest provider of consumer advice in Scotland. We continue to provide that consumer advice through our bureaux, our extra help unit and a telephony offering.

Rory Mair: There is another issue. Previously, we provided that service. The difficulty is that a telephony service, by its very nature, signposts people somewhere, and it signposts people to us. That means that people are phoning one agency and are being told that the answer to their problem lies with somebody else. We know that people do not like being pushed from one place to another.

For people who can get a resolution to their problem simply by accessing a website, that works very well. I recognise that there are a number of

people to whom that applies. However, the great number of people who will not get their problem resolved simply by accessing a website need to be referred somewhere else. At the moment, we are the place where those people are referred.

10:00

Derek Mitchell: To go back a bit to what Anne Lavery was saying regarding the interdependencies between citizens, consumers, advice and advocacy, if someone is living on a limited income and their washing machine or their boiler breaks, that is a consumer issue. They will often have a choice to make, because they do not have any spare money. Do their weans go to school with dirty clothes, or do they get their washing machine fixed? If they get the washing machine fixed, they might not be able to pay their rent or their council tax that week. We find that people do not see themselves as being compartmentalised.

As Anne Lavery said, there will be times when people come to see us with about seven different issues. The beauty of providing services to people when they want them, where they want them and how they want them, which we work hard to do, is that we can see the results of some of the national projects that we deliver. Somebody may be having a web chat with a simple question that they think can be answered pretty simply. However, when that web chat or conversation takes place, it may become clear that there are many other issues. Sometimes, when somebody asks if they can pick up the phone and speak to you, they come on the phone with a range of issues in their life that need to be resolved, and we suggest that they make an appointment to come in and see us. The triage service at that point is really important. It involves providing information, advice, advocacy and redress; it is about solving people's problems when they come to us the first time. That is where we are going—that is what we want to do.

Jane Adams: As a practical point regarding face-to-face consumer advice within communities, it is worth noting that, over the past 10 to 20 years, there has been a reduction in the amount of direct funding that is put into local CABs for consumer advice, yet we have managed to maintain our service levels: the 250,000 issues advised on, as well as the generalist advice. We have been able to do that through our network of more than 2,000 volunteers giving high-quality advice. We have maintained that despite funding not being put into face-to-face advice on consumer issues.

Gordon MacDonald: The majority of your funding comes from either local authorities or the United Kingdom Government. Is that right?

Jane Adams: For the local bureaux, it comes from local authorities, yes. Local authorities have been more specific about how they want their funding to be used. Bureaux often find that that does not cover consumer advice.

Jackie Baillie (Dumbarton) (Lab): The committee understands that some of the advocacy work that you carry out is going to be transferred to consumer Scotland. I am thinking of your policy units on energy, post and water. There is no reference to that in the policy memorandum at all. Where have you got to with your discussions with the Government on that? Are you able to discuss the extent of that transfer at this stage? If so, what will the likely impact be on Citizens Advice Scotland?

I am looking to Derek Mitchell to answer first.

Derek Mitchell: Rory Mair can start, and I will come in later.

Jackie Baillie: Rory will start—perfect.

Rory Mair: You have identified exactly the worry that we have: if the new agency does the things that are set out in the consultation, which are strategic, high-level activities that we do not do, we do not have a problem. If it does what we already do, we do not see how that adds any value to what consumers experience. We work to a high standard and we have good relationships with big providers that allow us to do that work to a high standard. Simply transferring that work around does not seem to us to make much sense. We are very worried about that, because the resources that make up our total ability to support consumers need to be maintained. If any bit of that is taken out, it is not just the area where that bit is taken out that will suffer but our ability to provide the work as a national resource and to support the CABs properly.

You have identified exactly what we are worried about. If the new agency does the things that are set out—such as intervene in markets to make them more consumer friendly, undertake high-level research that nobody else does and hold big campaigns on complaints—we will support that, as we said in our written submission. However, if it starts doing what we already do, we will want to know why. We are worried about the effect that that would have on the resources that we receive.

Regarding our discussions with the minister, we have had a little bit of reassurance at a high level that there is no intention to do that, but because there are few specifics in the bill on how the new agency will behave, we are worried that the agency, once it is formed, will seek to find its own place, which might impinge on what we do. We are looking for assurances through this process that that will not happen.

Derek Mitchell: We are supportive of a new body that, as colleagues have pointed out, does things in a more systematic way, involves itself and puts consumers at the heart of decision making, just as the public sector equality duty and the fairer Scotland duty have done. Those are really good things.

The top-down approach can meet our bottom-up, lived-experience approach; there is some discussion about how those meet in the middle. If the new body comes into operation and it is left to the new chief executive and chair to decide how the body operates in Scotland's already well-defined consumer protection environment, that will be a waste of public money, when it could do the things that we want and the Scottish Government intends it to do. It should focus and add value, not try to muscle its way into different things. By its nature, intervening in markets and systems is a medium to long-term measure.

Our worry is that, after the first year, the body will need to come and respond to you guys about what it has done. It might have done a lot of really good things, but the visibility of that work will not be immediately apparent, so the danger will be that it looks for some low-flying fruit—we are that fruit.

Jackie Baillie: If I am picking you up right, at the moment you have nothing on paper—never mind in a policy memorandum or in the bill—that gives you that reassurance.

Derek Mitchell: The reassurance that we have from the minister is that we will not lose anywhere near as much of the initial money as we thought we would lose. The minister's view is that the new body should operate at that higher level. He has reassured us that he respects, values and trusts what we do and will continue to do so.

Jackie Baillie: Just so that I am clear, there is no staff transfer but there is some resource clawback. Is that what you are describing?

Derek Mitchell: It is too early to say whether there will be any staff transfer, so I cannot give you a definitive answer on that. I do not think that there will be much because, as Rory Mair says, if the new body is genuinely going to do the things that are set out, it will not undertake people-based advocacy, which is what we do and which works very well. In the main, industry likes it—sometimes it does not like it—when we put consumers' interests first, particularly slightly vulnerable consumers.

It is a bit early to say, but there might be something in the middle because, for example, we get money for national research that might legitimately sit with consumer Scotland in the future. We are still working on that with officials.

Jane Adams: I am not party to the conversations that Derek Mitchell and Rory Mair are having, but the network of local bureaux are concerned that changes from the Consumer Scotland Bill might mean a reduction in resource to CAS, which will affect the ability of local bureaux to carry out advocacy and social policy work. What happens with the bill must not have an impact on the advocacy work that local bureaux do—I do not want that to be missed. We cannot perform our client-facing role without CAS's support and it cannot do it without us. It is important that that is captured in our conversations.

Jackie Baillie: Clarity is needed in the bill or in writing to provide that reassurance.

Jane Adams: Yes.

Colin Beattie (Midlothian North and Musselburgh) (SNP): Mention has been made of the extra help unit and the fact that CAS provides support to energy and postal customers across the country through that unit. How will that be directly affected? How much of the work that is done in relation to energy and postal customers is consumer led and how much is higher-level advocacy?

Anne Lavery: On your first question, the extra help unit is an integral part of the service that we offer. As you say, it provides advice to vulnerable post and energy consumers and those who are often at risk of being cut off. It is a huge part of the advice offering that we provide because, as we have said, those who are at risk of having their energy cut off are also those who are struggling to put food on the table. Having the extra help unit as part of the citizens advice network means that not only can we help those people with their energy issues, we can do a warm transfer across to the bureau, which can help them with their wider issues. In the opposite direction, people who come into the bureau can access the expertise that we have in the extra help unit, which is a Great Britain-wide service that is run out of Scotland.

We have sought the reassurances that you have asked about from both the Scottish and UK Governments—it is a joint funded unit—to confirm whether they see it as part of the citizens advice network in the future. Both Governments have given us assurances that they see the unit as an integral part of our services and that there are no plans to remove it from the citizens advice network at present.

Colin Beattie: Thank you. My second question was about how much of the work that is done in the unit, particularly in relation to energy and postal customers, is consumer led and how much is higher level advocacy.

Anne Lavery: The unit provides that advice to the consumer at the point when they need to ensure that their energy supply does not get cut off. That data is then fed into a data hub that we have constructed. We own the biggest data set on individuals outside the public sector and we can feed that in and link it to the data that we have from the bureaux to understand and advocate on those issues that impact people the most.

It is about taking the information that comes from the extra help unit and amalgamating it with the wider bureau data, which allows us to pick up on patterns and to see, fairly early, where patterns are emerging. Through the extra help unit, we have relationships with the energy and service providers, just as we do through our advocacy work on the energy side. It is a virtuous circle of advice that highlights patterns of detriment and allows us to advocate—through the wide data set that we have—on people's behalf; it allows us not just to solve problems immediately for individual clients and those who are affected but to highlight those issues through campaigns, so that people who might not be aware of the issue will become aware of it.

Colin Beattie: How big is the advocacy service in the unit? It is funded by both the UK and Scottish Governments, but how much of the resources do you use for advocacy on the wider issues, as opposed to the consumer-led issues?

Anne Lavery: We have an impact team, which is our policy and advocacy unit. That team is part-funded by the UK Government and the Scottish Government, because it deals with citizen consumer issues. That goes back to the point that we made earlier—it is about issues and campaigning on the issues that have an impact on people. The funding that is being proposed to be moved into the new body is the funding that is used to support the delivery of that entire advocacy offering that the citizens advice network provides. Does that answer your question?

Colin Beattie: Only partially. How much would that money amount to? How much of the resources are pointed at consumer-led issues and how much are pointed at the advocacy service?

Derek Mitchell: In practice, they are not separated in that way. For us, the importance of the extra help unit is that it has a practical day-to-day role in preventing disconnections from happening. Self-disconnections have risen considerably over the last wee while—you guys will know from your constituencies that people make a choice between heating their house and feeding their weans. That is how dire things are for some people. An energy company physically disconnecting someone is now almost a thing of the past and that is largely due to the EHU.

Colin Beattie: If I may interrupt, you have indicated that you think that the funding on the advocacy side will potentially go away. You must have already scoped out what the impact of that would be and how much funding is at risk. Do you have those figures?

10:15

Derek Mitchell: On the advocacy function for energy, the levy-based advocacy money is going, but we will not walk away from engaging and advocating on behalf of vulnerable consumers in the energy market. As you know, there will be a rise in energy bills in the future, there are climate change targets to meet and there is carbon reduction. A whole range of things are happening in the energy market—now, and for the foreseeable future—around networks and everything else, and we need to be a central part of that, speaking for the people who do not really have a voice. There are a lot of issues around electric cars and how things will develop. The vast majority of people who come to our bureaux will never have an electric car, so why should they pay for the privilege of the infrastructure costs to facilitate that? There are big decisions and discussions that I am sure you guys will be having about whether the Government, industry or whoever pays for that. We need to continue to have a role in that space, and I think that the minister agrees that we should have that.

Colin Beattie: But you have not scoped out what part of that work might be at risk in the move to the new body or whatever. You said earlier that you felt that some of it might move away. You must have assessed that.

Derek Mitchell: Yes. You will have a note of the point about the levy-funded advocacy, which equates to roughly £1.5 million.

Colin Beattie: And that is the part of your work that you think could be at risk.

Derek Mitchell: We have reached an understanding with the Government about the advocacy that we provide, which will be crucial. We have taken a hit—albeit a manageable hit—in the amount of resource that we will have to provide advocacy in the future.

Colin Beattie: I will move on to something a bit different. In your response and letter to the committee, you said that you would like to see the role of Citizens Advice Scotland put on a statutory basis in the bill. I have two questions on that. First, how would that work in practice? Secondly, what difference would it actually make?

Derek Mitchell: Until the point at which advocacy and advice were devolved, we were covered by statute: we were named as advocates

under the CEAR act. Going back to what Rory Mair said earlier, we are absolutely supportive of what could be a unique public body working in Scotland to provide first-class services with a top-down approach in addition to our bottom-up approach.

The fear is not about now; it is about what happens in the future. We want some recognition of the work that we will continue to do in the future, just as we have been discussing. Many of the responses that have been made on the bill have mentioned a fear of replication or duplication. Part of the bill deals with not replicating or duplicating what public authorities do—although I am not sure why bodies are defined specifically as “public authorities”.

We do not have infinite resources in Scotland to provide advocacy—no Government has infinite resources. Our focus, therefore, is on ensuring that any new body—any new kid on the block—adds value and does not do things that are already being done. There is a precedent for that. The fact that we have more than 2,500 volunteers, as Jane Adams mentioned earlier, does not mean that we cannot carry out statutory functions.

Colin Beattie: I wish to clarify one point. Do you have a different status here in Scotland from that in England? In other words, do you have some sort of statutory basis down in England that you do not have up here?

Derek Mitchell: Our sister organisation does.

Colin Beattie: What would that be?

Anne Lavery: Previously, under the CEAR act before it was amended under the Scotland Act 2016, we had the statutory responsibility. That has now been removed from Citizens Advice Scotland, but it is still held by Citizens Advice in England and Wales.

Derek Mitchell: And the National Consumer Council, as it was.

Anne Lavery: Our ask of the committee is that that position be put back into legislation in Scotland, so that we can continue to have assurance that we will be delivering people-based advocacy on behalf of citizens across Scotland.

Colin Beattie: To be clear, that is not affecting your day-to-day services in Scotland. It is securing your position in the future that you are more concerned about.

Anne Lavery: It is about ensuring that we can continue to deliver that service, yes.

The Convener: I want to bring in Rory Mair, as he was wanting to comment. Perhaps you could also clarify which act we are talking about here. An acronym has been used for it.

Rory Mair: Okay—the others will do that.

I will start with the first point. I have been chair of CAS for three years. Eighteen months ago, we were told that £1.5 million would be taken off us to form the basis of the funding of the new agency. It has taken 18 months of our time to get an assurance from the minister that that will now not happen. I am looking for a situation in which the biggest provider of consumer advice and advocacy in Scotland is not spending 18 months of its time trying to ensure that its resources and its ability to support citizens will continue because there is no protection for us under any legislation or any other assurance that the resources that we have now are the resources that we will have in the future.

It is a real issue for the network to be able to plan for the future without thinking that we could just be told at a stroke, and with no reference to anything else, to form a new thing with £1.5 million having to come off—in other words, that a third of our available resources would have to disappear in order for the new agency to be formed. That has not happened, because we spent 18 months seeking reassurance with ministers. Should I and the board of CAS be spending 18 months trying to ensure that we do not lose resources, or should we be focusing on the needs of citizens and providing the best possible service?

Yes, we are looking for some statutory basis that says that you cannot simply come along, take the resources away and say that they are being transferred to another agency. That does not seem to be unreasonable for the biggest provider of consumer advice and advocacy in Scotland.

Colin Beattie: So the statutory basis that you are looking for is really about ring fencing funding.

Rory Mair: No. The statutory basis that I am looking for is that policy makers have to treat us as seriously as other people. That is not necessarily what happens now. Being named in the bill would allow us to have that status. That is what we are after. We know that you cannot take away all our uncertainties, and we know that you cannot secure our funding into the future. All we are asking for is that you do not add to those uncertainties and insecurities, noting that we were covered in statute before and we are now not going to be. That seems to us to be a regressive step, and we do not want that to happen.

Derek Mitchell will tell you what that acronym means.

Derek Mitchell: Says Rory confidently. Anne might know.

Anne Lavery: The CEAR act is the Consumers, Estate Agents and Redress Act 2007.

The Convener: That is a UK act that applied only to England, because this area is of course devolved in Scotland. Is that correct?

Anne Lavery: It is devolved now. The powers that we had under the 2007 act were changed under the Scotland Act 2016.

The Convener: So more recently than the 2007 UK act.

Anne Lavery: Yes.

The Convener: The bill that we are considering now is effectively a reconsideration of where we are at in Scotland, as it is now the preserve of the Scottish Parliament to deal with the matter.

Anne Lavery: Yes.

Derek Mitchell: Essentially, what we are looking for is an assurance that our place in this space, which we have occupied for 80 years, continues into the future. In our recent conversations we covered the difficulty with our funding and, once we had spoken to the minister, things happened pretty quickly. The minister has given an assurance that he respects, trusts and values what we will be doing. We want some sort of assurance for the future. If that was in the bill, it would be great, or it could be set out through guidance or whatever, but we do not want to be faced with the same situation going into the future that we have faced over the past 18 months, with a huge degree of uncertainty. We want to represent people. That is what we are good at.

The Convener: We will move on to questions from Richard Lyle.

Richard Lyle (Uddingston and Bellshill) (SNP): I believe that you have near-enough answered the question that I am going to ask you. I previously worked with Mr Mair in another setting, and I know how much he likes to press the Government and so on. Good morning, Rory—I have not seen you for a number of years.

Basically, what do you really want out of the bill? What is your view? I respect your organisation and what you do—there is a citizens advice bureau round the corner from my office. What would you suggest? What detail should there be in the bill?

What will consumer Scotland do in practice? What is needed? What guarantees, if any, would you like?

Rory Mair: I will start; others will no doubt come in.

We think that a big prize is on offer and that, with the advent of consumer Scotland, there will be a strategic top-down approach to consumer issues, big research and big campaigns, and that that would meet the bottom-up approach. We think that that would provide something absolutely

unique to Scotland and that there would be a fantastic consumer protection and advice service.

Our worry is that, with the creation of that top-down bit, the bottom-up bit will be eaten into. We are looking to ensure that the new agency does not undermine what already exists, because citizens rely on that, and that there is a balance between a top-down approach and a bottom-up approach to consumer issues. The CAS board genuinely believes that it would be a good thing if we could merge those approaches together properly. That is why we support the creation of consumer Scotland.

We want a reassurance that consumer Scotland will concentrate on the things that it has been said that it will do, and we would like details of what a systems-based approach to consumer issues is. It is said that there will be such an approach, but we have not heard a description of what that is, and we think that members ought to press on that. I know what I think it is, and I know what would be valuable.

Richard Lyle will remember from our days in local government that we moved away from an audit position in which there was auditing for best value once in a blue moon. We think that there should be a best value-type process for consumers. Service providers would be told, "If you don't have the systems in place to protect and nurture consumers, we'll assume you're not doing that." That is what a systems-based approach would involve. We will never do that, but if that is combined with what we do, there will be a fantastic consumer protection and advice service in Scotland. That is what we would like.

Richard Lyle: Basically, you want the new organisation to have what it will do set in stone—bear with me, Rory—or, alternatively, you know what it will do in the future and what you will do, and you want to be left to do what you are good at and to carry on with your good work. You want assurances or a commitment in the bill to ensure that you can carry on, with nothing changing. You want things to improve for consumers, but your organisation will not be overaffected by the bill. That is what I am getting from you.

Rory Mair: We do not feel that nothing will change. An agency such as consumer Scotland cannot be brought into being with nothing changing. We do not want the bringing in of the new agency to be seen as an end in itself. The outcome that we want is the creation of a better system.

All that we are asking for is that, in the creation of the new agency, the effect that it will have on people who are already doing business will be taken into account. I think that our business will change in the years after consumer Scotland has

been established. The interface between us and consumer Scotland will certainly have to develop. It is not fair to say that we are simply saying that we want nothing to change. However, we want assurances that citizens will continue to be served by us in the way that they have been in the past.

Jane Adams: I want to follow on from that. When we consulted chief officers on the bill, we were concerned about the lack of detail. We were not exactly sure what consumer Scotland would do, so it was hard to base an opinion on that. However, the consensus was certainly that we did not see any value in consumer Scotland's replicating what citizens advice bureaux and CAS already do very well and have done very well for 80 years.

Of course we welcome any developments that would make the consumer landscape fairer in Scotland, but we want the community-based advocacy that we do to be recognised and protected.

From the chief officers' point of view, the bill does not have detail on what consumer Scotland would do. We want what we do to be protected, but we see value in work being done at a more macro level. Rory Mair talked about that.

10:30

Richard Lyle: I will finish by pressing the question, which any one of you can answer. What do you think consumer Scotland should do, and what do you think your organisations should be left to do?

Derek Mitchell: For me, consumer Scotland should do the things that we have been discussing with officials and the minister.

Richard Lyle: Like what?

Derek Mitchell: Running high-level investigations into consumer detriment, taking a systems-based approach to how systems and markets operate, and ensuring that there is a consumer duty. It is our proposal and our ask that a consumer duty be put in place, to make sure that consumers get rights such as those under the fairer Scotland duty and the public sector equality duty, to ensure—as Rory Mair said—that there is a best value approach. If people cannot demonstrate that they are taking that approach, we can assume that they are not.

Those are the high-level things that consumer Scotland can do, and will do very well. It is not that we do not want to change—we are having our 80th anniversary, so we can look back quite a bit. When we were formed in 1939, we dealt with ration books, evacuations and folk getting their houses bombed, so we have moved on. From some of the stuff that has been talked about today,

there is still a sense that we simply deal with citizen issues, benefits, debt and housing. If we want to remain as relevant today as we have been in the past, and be able to look to the future, we will change. We have changed enormously in the past two to three years and we will continue to change and evolve in a way that makes sense for the people whom we represent.

Richard Lyle: Are you basically saying that we should leave you to do what you do well, and consumer Scotland can set the policy?

Derek Mitchell: It is not only us in the consumer landscape at the moment; there are many in that landscape who do very good work. We are looking for the new body—and I believe that this is the intention—to provide additionality to that landscape, around the things that I spoke about earlier.

Richard Lyle: Thank you.

The Convener: I would like to clarify my understanding of what Rory Mair said. Derek, I assume that you have not been advising for the past 80 years.

Derek Mitchell: Not myself, no. [*Laughter.*]

The Convener: As I understand it, it is not that you want things set in stone, but you want to know what the framework in which you will operate will be. Is that correct?

Rory Mair: Yes. Just as we have to be respectful and cognisant of the new body, the new body has to be respectful and cognisant of the people who are already in the business doing the work. We are looking for that reassurance.

I think that we will have to negotiate on this—you cannot set in stone and pin down what the agency will do on day 1, and we would not ask you to do so. That would just restrict the agency. However, a framework that says how we will operate together would be very important.

The Convener: On that point, Mr Lyle is asking about the detail of how you see that framework. Derek Mitchell's response was that that has been put to ministers in discussions. To respond to Mr Lyle's question, could you write to the committee after today's session with details of precisely what you are looking for with regard to the framework? It would be helpful to have those.

Finally, the bill is intended to create a duty on certain public bodies to have regard to the impact of their strategic decisions on consumers. Do you favour that proposal, and is it set out specifically enough in the bill at this stage?

Derek Mitchell: Yes, I think that the intention is absolutely right, although we will have to wait and see how it works in practice. Others have mentioned the amount of information that we

glean from communities every day, and through the development of that hub and the information that we have, we are keen to tell consumer Scotland and policy makers generally about that lived experience. How they get that information from public authorities is another matter, but the intention is absolutely right.

The Convener: You can write to the committee later on that or any other point that has been raised to clarify or add to what you have said.

Jamie Halcro Johnston (Highlands and Islands) (Con): Congratulations on your 80 years. My question is on two areas and is for either Rory Mair or Derek Mitchell. Prior to the announcement and your concerns that you were going to lose £1.5 million, what consultation did you have with the Government? Was it sprung on you or had you been discussing a potential change in funding?

Rory Mair: I would not say that there had been consultation—the announcement came pretty much out of the blue.

Jamie Halcro Johnston: A lovely surprise for you.

Rory Mair: It was a surprise.

Jamie Halcro Johnston: How long has that £1.5 million funding been part of your revenues and how long is it guaranteed for in the future? What reassurances have you been given on that?

Derek Mitchell: The funding that we are going to lose has been in place since 2012—when Consumer Focus was disbanded, the powers in Scotland came to us.

Jamie Halcro Johnston: How long is it guaranteed for? Is it for one year or three years?

Derek Mitchell: The current commitment is for the next financial year. Our assumptions from the discussions is that that will become part of our base budget and then that money would have to be cut from that—as happens to other organisations. I do not think that that is the intention, but then, that is life in the third sector. It gives us some clarity over the next 18 months.

Jamie Halcro Johnston: But is there no long-term commitment?

Derek Mitchell: That is part of what we are seeking assurances on through the process.

Jamie Halcro Johnston: Thanks for that. I want to come back to the potential role of consumer Scotland and how that would fit in. At the moment, when you are carrying out high-level research and creating campaigns, you can utilise the information that comes in from the bureaux and that data in order to make your case. Will that data be available to the new body? If it is your data at the moment, will it be made available to

the new body or would data protection restrictions prevent that?

Derek Mitchell: We would not give out personal data, but we would share anonymised data. We are committed to that. The future of the consumer protection system in Scotland should be about collaboration and partnership. We will do whatever we can to help the new body in the future.

Jamie Halcro Johnston: So that data will be available to it.

Derek Mitchell: Absolutely.

Jamie Halcro Johnston: We have talked about the high-level research. At the moment, there are areas where CAS does that and there are areas where other organisations do that. Is there any reason why the new body could do that better, if that additional funding, which is being allocated to set up the new body, was provided to fund CAS or the other organisations to do that research?

Derek Mitchell: We are on record as saying that we carry out the research that we do very well. We take the right approach and it often validates lived experience. I am sure that consumer Scotland will do such research well, too.

Jamie Halcro Johnston: There are areas in which you have greater specialism and there are areas in which other consumer bodies specialise more. However, the new body will be more general in its approach.

Rory Mair: If our vision of consumer Scotland is the one that is implemented, and it aims to do the things that we have described, the interface will be most immediate in the area that you are describing. The question of what is top-level research for us and what is top-level research for the new agency is something that we will have to work through quite carefully. As Derek Mitchell suggested, if there is an area where staff transfer might happen, it will be in the area of high-level research.

Jamie Halcro Johnston: Alright. In your submission, you say:

"The Bill as presented is too greatly focused on the single output of creating Consumer Scotland and too little is said about how this action creates a better outcome for citizens in terms of an enhanced system to better protect their interests."

As a general point, where can you see the new body creating better protection for consumers? If we had a clean slate, would this be the way that you would propose to improve protection or would you take another approach?

Rory Mair: What has been difficult for us as a board is that we see genuine value in the creation of consumer Scotland, but we also see it as a threat to us. It has been difficult for us because, on

behalf of consumers, we want to welcome what consumer Scotland could be, but at a practical level we are worried about resources and whether it will impinge on our work.

That is why we are coming here and saying that there are things that we do not do and should not do. We do not know how to make markets more consumer friendly. We do not know how to do extremely high-level investigations and get redress at that level, and we do not have the backing of a Government-led agency to help with that. That is not what we specialise in. We specialise in a community-based, lived-experience approach.

We recognise that the new agency would do some good stuff. Our concern is that it will do good stuff only if it recognises that the rest of the system has to be maintained as well. If the new thing is created at the expense of the rest of the system, that will not be good for consumers. We need to keep the whole system in place and augment it with the new thing that we are talking about.

Jamie Halcro Johnston: Do you think that there is a willingness on the part of the Government to address the concerns that you and others in the sector have expressed?

Rory Mair: That is what we continue to press the minister on.

Gordon MacDonald: I just want to clarify something. The figure of £1.5 million has come up a couple of times this morning. You said that you have received reassurance with regard to your funding. If that £1.5 million relates to high-level research staff who might transfer to a new organisation, surely the net effect on your organisation is zero. Alternatively, are you saying that some of that funding will be used to cross-subsidise other parts of your organisation?

Rory Mair: If only we had £1.5 million for high-level research—that would be great. However, only £200,000 or so of that amount was to do with high-level research; the rest relates to the core of what we do. We have been assured that we will not lose substantial resources. The sum is perhaps a wee bit lower because of a recognition that some of that high-level research will go to the new agency. However, the £1.5 million was not for high-level research—as I said, it relates to the core of what we do, which is why we were so keen to get the assurance that we would not lose that money. If we lost it, it would make it virtually impossible for us to do consumer advocacy and to support the bureaux with their advocacy. It was not a transfer that was simply based on the high-level research; that involves a much smaller figure.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): You have almost answered the question that I was going to ask. The issue of the separation of duties has been raised. Your

submission talked about CAS and the bureaux taking a bottom-up approach and the potential for consumer Scotland to take a top-down approach. Just a moment ago, you said that you do not do certain things and do not carry out certain functions. Can you flesh that out a bit more so that we can get a clearer understanding of what the separation of duties might look like in practice?

Rory Mair: I can, and others might be able to come in with more specifics.

As I said, we take a bottom-up approach. It is not our job to intervene in markets across the board. We work on the basis of consumers coming to us with questions; we do not try to find a systematic way of making providers of services and goods be more nurturing of consumers and less exploitative. That is not our job—that is not what Citizens Advice Scotland was set up to do, and it is not what we would want to do.

Similarly, it is quite difficult for us to undertake massive pieces of research into what will happen in the future or where there is potential consumer detriment and how it can be avoided. If big investigations need to be done, it is better for them to be done by a Government-led agency rather than by us, as we would be doing them in a bottom-up, consumer-led way. It is not that we will not do bits of that work; it is that there is another place for that to be done. That is exactly the sort of thing that, in the consultation document, the Government said that consumer Scotland would do. We support that.

Derek Mitchell: That is right. I get the sense that this new body will have economists and analysts who will take a systems-based approach. We do not have any of those kinds of people at that level. The proposal is about additionality. We have a well-defined space. As I said earlier, a lot of people provide good consumer protection in Scotland, and we see the proposal as adding value to the landscape. We do not want consumer Scotland to replicate or duplicate what is already being done.

10:45

Willie Coffey: So, if the relationship between CAS and the new agency works as it has been described, you would support that and you could work in that environment.

Derek Mitchell: Absolutely.

Willie Coffey: On data sharing, Anne Lavery mentioned that CAS has one of the biggest consumer-issue datasets that exist. Clearly, when the new agency is set up, it will depend on gathering data from you and a number of other sources. How do you see that working? Will you

be able to share information with consumer Scotland and other agencies quite well?

Anne Lavery: We recognise that data sharing will be crucial to the operation of the new agency. As an organisation with a footprint across most communities in Scotland, we get our data from the lived experience of people in those communities, and a central agency will need to have access to that type of information, as well as information from other agencies, in order to do the advocacy work that it will want to do.

As the chief executive has said, we welcome the opportunity that this body can create to enhance that data sharing and to ensure that all of the datasets that exist across Scotland can be pulled together to identify the significant issues that cause consumer detriment. Provided that the approach is consistent with the general data protection regulation and the associated legislation and does not impact on our confidentiality arrangements, our impartiality and our services to citizens, we would be happy to share our data.

We would like a bit of scoping work to be done to see what kind of data is out there that could support the new agency and to help us to understand how easy it would be for that data to be shared with the new agency, because that will be fundamental to its ability to do its job.

One of our asks is for the dataset that the new agency develops to be made public. It could be a useful dataset for all agencies and could be used as an education tool and a means of improving outcomes for consumers.

Willie Coffey: Presumably, there will have to be discussions about who has access to and ownership of your dataset.

Anne Lavery: Absolutely. We would want to discuss that with our network. However, we do not want to put in place unnecessary barriers. Our aim is to make things better for citizens and consumers and for people to improve things. We think that we have a key role to play in that. We use our data to ensure that we can campaign on those issues that impact on people and communities, and we are happy for other agencies to work in that way, where appropriate. We want to ensure that, if there are other ways in which consumer detriment can be tackled, we are party to enabling that to happen.

The Convener: I thank members of the panel for coming to speak to us. I now suspend the meeting to enable a change of witnesses.

10:47

Meeting suspended.

10:51

On resuming—

The Convener: We move to our second panel of witnesses on the Consumer Scotland Bill. We have with us Adam Stachura, head of policy and communications for Age Scotland; Gillian Burgan, social policy worker and scams helpline adviser for Clackmannanshire citizens advice bureau; Lucy O'Leary, chair of Central Borders citizens advice bureau; and Kristi Kelly, bureau manager at Aberdeen citizens advice bureau. Welcome to all four of you.

Gordon MacDonald will ask the first question.

Gordon MacDonald: An Audit Scotland report a few years ago highlighted that 1.3 million people in Scotland thought that they had reason to complain about the quality of products or services, but more than half a million of those people either did not complain to the retailer or took no further action. In your specific areas, what major consumer issues are brought to you?

Adam Stachura (Age Scotland): Some of the bigger issues we hear about through our free national helpline are about care home contracts and the provision of services around funerals. After the Competition and Markets Authority investigation into care home contracts, there has been interesting work with the Convention of Scottish Local Authorities and trading standards to try to develop better information and advice for people about what is expected when they initiate contracts.

That is a big issue, notwithstanding the more routine things that happen when people buy products and services. For instance, digital exclusion can make it more difficult for people to understand how to access their rights and what to do about them and how to contact a company or find any trace of their purchase if they have misplaced a receipt. Those are also big issues for us.

Gillian Burgan (Clackmannanshire Citizens Advice Bureau): In Clackmannanshire, our consumer stats normally make up just short of 22 per cent of our client base; breaking that down, 14 per cent are debt issues that arise from arrears on hire purchase—catalogue and mail order—and even mortgage or bank and building society overdrafts. Car finance and repairs have become more significant issues recently.

Lucy O'Leary (Central Borders Citizens Advice Bureau): Sometimes inquiries may be logged as covering several different issues. In Galashiels, about half of the consumer issues that have been identified are around utilities and communications—the big-ticket items. It may well

be that smaller items are dealt with online or through the website.

Kristi Kelly (Aberdeen Citizens Advice Bureau): I agree with that. A lot of our consumer issues are to do with debt and utilities.

Gordon MacDonald: Several weeks ago, we took evidence from Thomas Docherty of Which?. He said that no consumer body in Scotland advocates on behalf of people using banking, legal and rail services. You mentioned communications, but he said that telecommunications is not covered. Why are no organisations in Scotland looking at those areas on behalf of consumers?

Adam Stachura: I think that lots of organisations will look at those issues individually. For example, CAS, Age Scotland and Which? all conduct inquiries and investigations into such issues.

I will offer a personal view on banks. They are regulated on a UK-wide basis, because it is a reserved power. I know that this committee and others have looked at bank branch closures and how they impact on consumers in Scotland in particular. The challenge might be to do with where the responsibility lies or where the different banks' boardrooms are.

It is certainly incumbent on lots of different organisations to flag up the issues that you raise and highlight them and for members of this committee and those beyond this room to advocate on behalf of their constituents, too. However, there are regulatory bodies, with teeth, whether that be Ofcom or the Office of Gas and Electricity Markets.

Lucy O'Leary: I cannot answer the question about why there are not regulatory bodies for those areas. However, if we consider utilities and communications, the changes in the market structure and in the bodies with which people are having issues are so rapid that I am not sure how you can chase those moving targets.

In relation to communications, people have gone from complaining about BT not putting a line into their house to complaining about their mobile phone contract. It is the same for utilities. There has been an explosion in the range of companies offering services over the years. The sector is fast moving. Although the issues may stay the same, the complainees change very quickly.

Gordon MacDonald: I am trying to determine whether there is a need for a general organisation that would look at the wider consumer issues and support you guys in providing your day-to-day advice. Is there such a need? Should there be an organisation that looks at the problems and how they can be addressed and signposts people so that they get the best advice? Should it look at

regulation for Governments, whether that be the Scottish or UK Government?

Gillian Burgan: I absolutely agree that there is such a need. As a bureau, we can only take things to a certain level, whether that be providing first or second-tier advice. We need support in relation to third-tier advice and beyond.

I noticed that the phrase “super-complaint” was used in feedback in the “Analysis of responses to the Consultation on A Consumer Body for Scotland”, which I think is brilliant. There are such things as super-complaints. As a bureau, we deal with so many different organisations, which have different rules and are governed by different bodies. If we had a body that we could go to for support when we have taken a case as far as we can, that would enhance what we do. I would welcome that.

Lucy O’Leary: This goes to the heart of the relationship between the bureaux, CAS and consumer Scotland. When clients come through our door, they do not say, “I’ve got a consumer issue.” They just ask for help.

We and our advisers may identify which bits of those issues are consumer issues. That takes a lot of teasing out in some cases. Aggregating that in CAS, so that we can highlight that there is a widespread problem—whatever it may be—that is particularly big in rural areas would be a really valuable function. As has been said, the extra bit of the jigsaw that would be good to have is a body that can tackle the infrastructure and the shape of the market.

Gordon MacDonald: The suggestion is that, when it is created, consumer Scotland could start by looking at a maximum of two or three subjects a year. What priority areas should it look at on behalf of clients?

Gillian Burgan: I run the scams web chat, and scams are a massive problem. We have been running the service since 2 September, and I have dealt with 36 cases already, with a total of about £33,000 having been lost to scams so far. It is a massive area, and it should be focused on.

11:00

Lucy O’Leary: At the start of that work, I would like there to be a good whole-systems look at where consumer harms fit into other areas, such as employment debt and welfare. I am not sure about identifying an issue; the danger of doing that is to hive off the problem into a little world of its own, and that is not how it is for our clients.

Kristi Kelly: I would agree with that. You have possibly identified a few gaps. You could look at the wider picture and then identify the gaps and you could perhaps focus on them.

Willie Coffey: Are the public genuinely confused about who to go to for help and so on? Do people need clarity about who best to approach? Could consumer Scotland help to declutter the landscape?

Gillian Burgan: I do not think that people are confused. I spent 22 years in retail and if I, as a deputy store manager, could not resolve someone’s complaint, the first thing they would say would be, “I’m going to Citizens Advice to make a complaint. I’m going to take this further.” CAS is a body that people recognise they can go to for help, so that we can escalate an issue on their behalf.

Adam Stachura: There is absolutely a place for lots of different organisations that can advocate and give good advice. It depends on which organisation people like. It is the same in politics—voters or constituents go to whomever they trust and have a good relationship with. There is certainly a useful role for the agency to be an overarching body and to be the first port of call for lots of things that can be signposted.

If we consider the landscape, we have the CMA, which will look at investigations, although it does not really have all the necessary teeth—it will give recommendations. Beyond the CAB network, Citizens Advice Scotland, Age Scotland and so on, people think of going to trading standards offices, but their staff go and speak to businesses as opposed to being consumer facing and taking the consumer’s problem to the business.

There is certainly a place for the agency, and there is the overarching point that consumer Scotland is a straightforward name so that is where people will go to find out about all the various problems and issues.

Kristi Kelly: Having an organisation called consumer Scotland could be really confusing to people who would already know where to go for help. It does not really say what the organisation does.

As was mentioned in the previous panel session, people who phone an organisation can get told that they actually need to go somewhere else. Is consumer Scotland going to be another layer to that, so that someone phones the agency and gets told, “Well, phone this person,” but then get told when they do, “No, actually, you need to phone this other person”? It needs to be clearly defined which organisation people should get passed on to, so that they are not just passed around, in which case they get fed up. They give up and they do not bother resolving their issue, because they cannot even figure out who they are supposed to speak to about it.

Willie Coffey: Adam Stachura discussed “digital by default” in his written submission. Is there a risk

that much of the advice is becoming too digital and that that is becoming the only option for many people? Adam Stachura also mentioned premium advice lines, which people can get advice by only if they can afford to pay for the phone calls. Is there a risk that we are making things a bit too digital?

Adam Stachura: Digital is becoming the most straightforward and simple option for lots of things. It is the fastest way to put up information and direct people. Huge numbers of people will have mobile phones in their pockets and will just be able to Google something—or use whatever search engine they choose.

We deal with older people in general—anyone over the age of 50—but the big challenge, as we at Age Scotland see it, is that there are 500,000 people in Scotland over the age of 60 who do not use the internet. We use that figure repeatedly. That is a current figure, and it is equivalent to the population of Edinburgh. That is the number of people who do not use the internet and who might not have anyone else to go to in order to ask for advice or to ask where they can find out about something.

The danger is that the most vulnerable or most in need people do not know how to get access to the phone number in the first place because it is on a website. We looked around at the different advice that people could get and where to signpost people. The answer is the same for lots of local authorities. To find a phone number, people have to go online and be lucky enough to be able to navigate the maze in the first instance.

The big challenge for us is having different options for people to go to, such as a face-to-face option or an on-the-phone option. A freephone number is absolutely vital, as is ensuring that there are not lots of different numbers for people to dial before they can work out who they want to talk to. That could mean that, by the time they have heard six options, they have forgotten what the first one was. There should also be a way for people to write to us.

Having the freephone and face-to-face options is hugely important, because a lot of older people might want to talk about physical things with somebody. They might not have the facility to take a photo of the thing or to scan that photo in and email it off somewhere.

The context is that half a million people over the age of 60 are not using the internet. That is a significant number of people who could just miss out.

Lucy O'Leary: I will give a concrete example. All the bureaux collect information from individual clients and feed it up to CAS to inform its policy development. Our social policy report from the last

quarter mentioned trying to get an 82-year-old guy who did not have internet access to find a cheaper energy deal. However, all the cheap energy deals are online only. That immediately turns a consumer issue into a money issue and a fuel poverty issue.

Kristi Kelly: Digital should add to what is already there. Our network is moving to more digital options. We now do web chats and more telephone support than we did before, and we are looking to move that on. However, that does not cut the number of people who come through our doors looking for face-to-face support. It has increased the number of people we have dealt with without affecting our face-to-face support. It is important that people have both options.

Willie Coffey: If there is to be a role for consumer Scotland, it should be to ensure that the digital gap does not become wider. We should try to reach out to the more vulnerable sections of society that do not have access. I presume that the witnesses agree that we need to give that further consideration.

Lucy O'Leary: I have a point to make about vulnerability. I know that the bill contains a description of vulnerability. All our clients are vulnerable when they come in to us, whether or not they tick an official vulnerability box. If I am trying to sort out some knotty problem, I am vulnerable to misinformation, duff advice and all that sort of thing. The people whom we see are vulnerable because they have a problem, and not just because they fit the description of somebody who is vulnerable.

Jackie Baillie: There is an offer of a definition of vulnerability in the bill, but I take it from Lucy O'Leary that she would want that definition to be widened so that it is more flexible.

Lucy O'Leary: I certainly would. There are some big gaps. For example, our bureau is seeing a rising proportion of people who have either temporary or long-term mental health issues. When we talk about the people whom our bureau helps, I tend to talk about them as people who are at a low point of resilience. That can mean me, because I am having a bad day. It can mean somebody who has a long-standing mental health problem. It can mean somebody who lives 10 miles from the nearest bus. It is not a badge; it is just a state of being.

Jackie Baillie: Is that view shared by your colleagues on the panel? I see nods.

Adam Stachura: I agree with that. Not all older people are vulnerable; we would never say that in Age Scotland. However, when we look at scams and fraud, we might discuss older people as a target market of people because of their perceived vulnerability. That is for lots of reasons—they

might live on their own or have cognitive impairment, for example. We welcome the fact that older people have perceived vulnerability. However, it is a very good point that, as soon as someone presents with a problem, they need that kind of help.

Jackie Baillie: Let us stick with definitions for a moment. The bill defines consumers in a way that excludes small businesses. I am thinking of the sole trader type of operation. Is that helpful, or should they be included? I am conscious that other pieces of consumer legislation include them.

Lucy O'Leary: We are in Galashiels—you may know what it is like. We have a small-business urban environment with a rural hinterland in which there are a load of very small rural businesses. Those businesses are very vulnerable to disruptions in communications. The broadband is—well, I will not get into that. The vulnerability to any kind of disruption and the ability to get something done about it is a big issue for us.

Jackie Baillie: Is that view shared by the other panellists?

Adam Stachura: I am afraid that I do not have a view on the sole trader issue, given our line of work.

Jackie Baillie: Are there no older sole traders?

Adam Stachura: There will be, and they will be an incredibly valuable part of the economy, but I am not entirely sure that I am best placed to judge.

Jackie Baillie: That was a nice recovery.

Some submissions that we received suggested that there were genuine concerns that consumer Scotland might end up duplicating work that is carried out by other organisations. I am keen to know how to avoid that so that we get added value from the new body, as has been suggested. Perhaps Adam Stachura can start.

Adam Stachura: When we look at the landscape of information and advice provision and advocacy work, it is very interesting to see that there is a really good network across Scotland. It includes the network of bureaux as well as the Age Scotland helpline, along with our information guides and community development work. There are a lot of organisations that do very similar things.

As I said earlier, it is important to consider that, although some people might not be comfortable with a particular organisation, they might look to someone else if they have had a good first experience. It is very important that every organisation that provides information and advice and carries out advocacy work works together with other organisations, recognising that they might not have a monopoly.

For instance, we do a lot of good partnership working with Citizens Advice Scotland on consumer and advocacy issues. It is important to know who the expert is. I understand that there might be people in bureaux or in CAS who will signpost or refer individuals with issues relating to social care and care home contracts to Age Scotland so that they get the right advice, or what might be seen as the best advice.

It is important to understand in the advice landscape that there might be people who are better suited to helping with certain issues. It is important to look at the situation in the round, especially with regard to consumer Scotland and how everyone works together. It might not be the most helpful thing to give one person a monopoly on everything; I do not think that anybody would think that that would be a good idea.

We have a good landscape in Scotland for cross-working. We realise where the best efforts can be made and who the experts in some niche fields might be to ensure that we get to the end product. That means that whoever has presented themselves to us—in the same way that your constituents will present themselves and your case workers will do valiant and noble work to ensure that their problems are resolved—will be helped, but they will also know where to go if we do not have the answers. That is incredibly important.

Jackie Baillie: Are there any other views?

Gillian Burgan: I agree with Adam Stachura. As a bureau, we can take complaints only so far. The bureaux would welcome a body that is made up of experts in the consumer field. As Adam Stachura said, we signpost people elsewhere because we can take things only so far. If there was one body, we would not have to send a client from pillar to post, back and forth.

Jackie Baillie: My understanding is that the new body is not going to resolve individual cases; rather, it will have a much more strategic advocacy role. Therefore, your desire for a third tier will not rest with that body if it separates itself out.

Kristi Kelly: I see consumer Scotland more as a body that will collate information. At present, our local staff see that someone has an issue, as staff do in the bureaux in other areas, and CAS collates all that information and feeds it back. However, as Adam Stachura said, there are other bodies out there that collect different information. In its role, consumer Scotland can collate all the information and make a higher-level decision.

Jackie Baillie: That is useful.

Lucy O'Leary: In an ideal world, it would be great to have a body that was able to achieve a bit more consistency in access to consumer advice.

Our organisation is made up of 60 different individually funded charities. We are all in different financial positions, and our budget has been cut year on year. Whether we like it or not, there is currently a bit of a postcode lottery in people's ability to talk to someone face to face in a bureau at a time that makes sense for them. I know that it is difficult, but it would be fantastic if consumer Scotland could do something about the commissioning of good-quality consumer advice at the right level.

11:15

Colin Beattie: Consumer Scotland will have advocacy, advice and information-gathering powers, but enforcement and powers to change the main consumer rights will remain reserved to the Westminster Government. Do you see that as a barrier to consumer Scotland being able to make a difference for consumers?

Adam Stachura: I suppose that the proof will be in the pudding in relation to how consumer Scotland works and what issues are presented to it. I did not have an answer to the earlier question about what the first couple of years might look like, on the basis that things will change quite quickly. We need to consider the other organisations or bodies that will take things forward, such as the Competition and Markets Authority, because there will be partnership working.

As part of the change to the legislation, the view of the Scottish ministers will certainly be taken into account in relation to any bigger work. There might be a challenge for consumer Scotland around power of attorney, given the cross-border issues that exist. It might be able to advocate on consumer issues on behalf of people who have a power of attorney for someone else, but there might be a challenge with that being accepted or adopted at the other end, in England, Wales or Northern Ireland. However, I am not yet sure whether there would be a problem with where the main powers would lie, on the basis that the Scottish ministers would have some power to help to commission new work.

Kristi Kelly: The bill is a bit vague about compelling information. It does not really say what that would mean. Are you saying that it could be reserved to the Scottish Government to do the compelling?

Colin Beattie: No. What I am saying is that I am concerned that enforcement and powers to change consumer rights will still lie with the Westminster Government, and I am looking to hear what you think about that. Consumer Scotland will have advocacy, advice and information-gathering powers, but it will not have powers to enforce if there are any infringements

that it sees or the power to change any consumer legislation. All of that will still lie with the Westminster Government. Is that a barrier to consumer Scotland carrying out its duties effectively?

Kristi Kelly: I guess that it will depend on consumer Scotland's relationship with the Scottish Government once consumer Scotland has been set up. If the Scottish Government sets up consumer Scotland and it does all the hard work and gathers evidence but the Scottish Government does not listen to it and make changes, it will be completely pointless.

Colin Beattie: The point is that the Scottish Government does not have the power to make any changes. That will still be reserved to Westminster.

Kristi Kelly: Ah—sorry. I misunderstood.

Colin Beattie: The question is whether that will impair consumer Scotland's ability to do its job effectively.

Lucy O'Leary: It probably will, except that, at the very least, consumer Scotland will have a slightly louder voice. It will have a single voice, whereas we currently have a lot of quieter voices.

Colin Beattie: There does not seem to be an opinion on whether consumer Scotland would be more effective if it had enforcement powers.

Lucy O'Leary: It will be easier to have an opinion on that when we know what consumer Scotland is actually going to be. I am not sure that I have that picture yet.

Colin Beattie: Okay. It is envisaged that consumer Scotland will collect data from lots of sources to help it to understand and prioritise consumer issues. What data would your organisations share with it?

Kristi Kelly: We generally share our information via Citizens Advice Scotland. We collate statistics. We have lots of detail in our cases that we cannot share without the clients' permission unless it is anonymised. Even if it is anonymised, we have to make sure that it does not identify people in any way.

Colin Beattie: Are you saying that the GDPR restricts the information that you can share?

Kristi Kelly: Yes.

Colin Beattie: How do you get past that?

Adam Stachura: I suppose that it depends on what information is required. Under GDPR, there will be lots of personal information on individuals that cannot be shared, but it might not be necessary for consumer Scotland to have that information. However, depending on how things

work out, in order to offer insights, we might provide information on general trends or types of issues that are coming in, such as the number of calls from certain locations, which would not necessarily involve providing people's personal data.

I do not think that there will be a problem. Consumer Scotland, as an agency, will be able to get information from other public bodies. However, it might also want information from charities to feed into its work—generally speaking, that would be about types of issues, trends and volume, to give the agency a picture of what is going on. Similarly, I do not think that anyone would share individual information with us unless we had express consent from that person.

Colin Beattie: I take it from what I have heard that the information would not drill down to the personal level—as you say, it will be about trends and overall positions—so what information can you share that would be useful to consumer Scotland?

Adam Stachura: If consumer Scotland is looking to conduct an investigation or raise an issue, we would be able to express information in a general sense. For example, we could give information on calls to our helpline on different types of issues. We could say that there had been X number of calls about a certain issue over a certain period, and maybe that there had been more from a certain local area. That approach—as opposed to providing the exact details of 200 people—adds tremendous value, as it shows where to start digging. It would be incumbent on the agency to come back and ask about specific matters that it might want us to explore further. However, in the first instance, it would just be about the top-level issues, to let the agency work out whether there is a wider impact.

Consumer Scotland will also be able to get information from the 60 CABs across Scotland, and Age Scotland is one of many charities that might be able to provide an insight on the public. Consumer Scotland could get a big picture, which could help it to work out what it needs to do and where to go.

Kristi Kelly: Adam Stachura mentioned the CAB network. We can give the local point of view, and CAS will collate the overall information. Sometimes, something that is an issue in Aberdeen is not an issue for Lucy O'Leary in the Borders, or vice versa. We could give more local information, which could then be compiled and brought together.

Sorry, but I have forgotten my other thought.

Colin Beattie: You can come back to it.

Gillian Burgan: Certain trends in Scotland are normally flagged up to bureaus by way of calls for evidence by CAS. We can feed into that. Those could be on issues such as universal credit. Whatever the trend is, we as bureaus feed in to social policy through the calls for evidence. We could perhaps do that for consumer Scotland as well.

Colin Beattie: I think that Kristi Kelly has just remembered what she was going to say.

Kristi Kelly: Yes. My other point was that, once consumer Scotland has decided what it wants to look at, it would be useful if it could let us know, because we would keep an eye out for those issues and be more mindful of them. It is difficult for us to go back and try to remember what has happened. It is not always easy to look through the data that we have on people, because we have to read every case. If we knew that consumer Scotland was looking for something specific, that would be in our minds, so we could keep an eye out for it and give better information.

Colin Beattie: I have two questions arising from that. First, I can see that it might be useful to have, for example, regional information and national information, but do your systems allow for that? I assume that they do.

Secondly, to go back to what Kristi Kelly said, would it be possible to get down to a very local level if that was necessary? Do you have the capability to change systems easily? Our experience with Government indicates that getting statistics is a huge issue. If you try to achieve that, would your systems enable it?

Lucy O'Leary: You would probably be better off asking the information systems leads at CAS about that, because they are the ones who collate the information—as Kristi Kelly said, we just send in our stuff. Every case is recorded using codes for what the issue is, how it has been dealt with and the demographics of the client. Each bureau already has a data sharing agreement in place with CAS. I guess that you are talking about what would be the data sharing agreement between CAS and consumer Scotland, which is the level above what we see.

We collect and submit data about individual cases, but it does not include individually identifiable information, as Kristi Kelly said. We do not have a lot of staff for the type of organisation that we are. The central Borders citizens advice bureau is, overwhelmingly, staffed by volunteers, so we do not have the resources to do deep dive retrospective data mining for individual cases. However, if we were, for example, interested in funeral poverty this quarter, we would make sure that our advisers identify those cases as they

come in, so that they can be flagged on their way through to the central system. Does that help?

Colin Beattie: That is helpful.

Richard Lyle: The bill would create a duty on certain public bodies to have regard to the impact of their strategic decisions on consumers. In practice, would that make a difference?

Adam Stachura: That is worth doing. I am trying to think of good examples. It will boil down to how the duty is implemented. If that does not happen now, it should happen. Public bodies should at least look at end users having the best experience of any service or product.

Lucy O'Leary: I have a slight worry that it will be a box-ticking exercise. How do big organisations, such as Vodafone, achieve and set out in their annual report something that takes account of the needs of their millions of users?

Richard Lyle: And do they really care?

Lucy O'Leary: And do they really care?

My background is in national health service management, and I will draw on an analogy in relation to that work. There was a requirement to involve patients, users and carers in our reporting but, because of the diversity that we dealt with, it was difficult to do it properly. That was the situation in a local health system. When it comes to a multinational organisation, it would be brilliant to achieve that, but I am not sure how we would do that in any meaningful way.

Richard Lyle: We have heard a lot of evidence this morning. I ask for your final thoughts. Is there anything else that the bill should do? Is there anything else that this committee should be asking about?

Adam Stachura: There are issues in our written evidence that we have not gone over in depth. It is important that staff and people who are involved in consumer Scotland are aware of the power imbalance that exists in contracts and services—whether that is in care home contracts or funeral services—for certain people. Sometimes, by virtue of their need, people do not have time to shop around. Staff have to be aware of the dynamics of people using services.

We have outlined a bunch of things in our submission. There were good questions earlier about digital exclusion. It is important to highlight that topic. A good example of a public service is how Social Security Scotland approaches matters—it make information available face to face, in localities, on the phone and on the website. As a new agency is created, there are lots of things like that to reflect on.

Lucy O'Leary: We have touched on the value of face-to-face advice. Our advantage is that the

face-to-face advice that we provide overwhelmingly comes from volunteers. That is about trust. We are based in Galashiels high street, behind a grotty shop front. People go in and there is someone that looks a bit like them, who can help them with their problem. Apart from the fact that it is brilliant value for money, it is about the local community helping the local community. Another structural layer might inadvertently chip away at that. I worry that we would lose that locally based trust and, therefore, the ability to unpick knotty problems for a person who walks through the door.

Richard Lyle: I would never say that any of your shops are grotty.

Lucy O'Leary: Come and see Galashiels. *[Laughter.]*

Richard Lyle: The people in them are lovely.

You are on the ground, so someone can walk in and instantly talk to you. A person from the agency might be 40, 60 or 100 miles away. Are you getting unnecessarily worried?

11:30

Lucy O'Leary: I hope so. As Rory Mair and Derek Mitchell referred to, the agency might introduce an extra silo into a system where the bureaux and CAS have a degree of holistic, whole-systems thinking. It would not be efficient or effective if part of the system says, "Oh—consumer issue! We can't deal with that. You have to go and talk to those people over there." More important, such an approach would not address what the client came in for. They do not care what the issue is; they just need help. That is my worry, but I hope to be proven wrong.

Kristi Kelly: The role of consumer Scotland should be to enhance what is already there, make improvements and fill in the gaps, not to erode anything that is already in place.

Richard Lyle: Thank you very much.

The Convener: As there are no further questions, I thank the witnesses for coming in today.

11:31

Meeting continued in private until 12:31.

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