

# Delivering positive change

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Workplan 2019/20



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# Citizens Advice Scotland

## – Advocacy Workplan 2019/20

The Scottish Citizens Advice network has a footprint in every local community in Scotland and by linking this local offering with our national expertise in advice provision, which includes consumer and energy issues, we can ensure that people can access advice where and how they want, regardless of where they live in Scotland.

As well as this direct support to the individual, we also use the information with which people trust us – to act as a voice on their behalf, providing a dignified challenge to governments, regulators and business in order to bring about change and prevent issues from recurring.

We hold the largest data set of societal issues outside the public sector and because we are wholly independent from government, we can use our insight, evidence and influence to provide a genuine voice for people. Our advocacy work spans working with governments, regulators and business at a UK and Scottish level on improving areas of particular detriment, undertaking research and delivering awareness and education campaigns.

Our approach to advocacy is defined in our impact framework shown below.

In all of our work we seek to build understanding of how issues affect individuals, communities and the nation as a whole. We know from our work in advice giving that people rarely categorise themselves into an ‘energy consumer’ or a ‘benefits claimant’. In developing our advocacy plan, we believe there is much to be gained in taking a systemic approach to both issues and advocacy and have therefore brought all of our work into one plan. We will build upon this approach in the coming years to continue developing a holistic approach to our advocacy work.

Following the consultation period, the final draft of the workplan will be agreed with the Scottish Government and for those projects funded by levy payers in the energy and post sectors, these will be reviewed to ensure they are within the scope and reasonableness of the levy purposes.

Citizens Advice Scotland – how we make an impact								
STRATEGIC AMBITION		We Are...	Building a fair society where rights are respected					
WHAT?	LEVERS/AUDIENCE	We'll make this happen by...	Informing & Empowering Individuals & Communities			Changing policy, practice & law		
	LONG TERM GOALS/ OUTCOMES	The big outcomes we want are...	Improving standards of life	Increase Equality	Increasing action – helping people help themselves	Build a better future		
	THEMES		Social Justice	Financial Health	Strong Communities	Fair & Simple Systems		
	MICRO OUTCOMES	The change we'll look for on this is...	Law changed	Changes to government policy	Change in Corporate Policies	Increase in public confidence	Increase in public awareness & action	Increase in client financial
HOW?	METHODOLOGY	We Act When...	There's evidence	When people tell us its an issue	We're best placed to do so	We can make an impact	We can see harm (or potential harm)	There is potential benefit
		Our Approach is...	Evidence led	Collaborative	Holistic	Solutions focussed	Non-Judgemental	People First
			Credible	Effective	Expert	Responsive		
	TOOLS	Tactics we'll use...	Policy Development	Campaigning	Advocacy & Public Affairs	Research & Evidence	Communications & Marketing	Network Engagement
	WHO WE WORK WITH	Our allies in change	Industry	Regulators	Government	CAB	Staff	Parliaments
					Academics	Partner/peer groups	Our Network	

Note: although we are talking a more holistic approach to our advocacy work, we have retained specific outcomes and work areas related to our consumer and levy funded work. The funding allocations are detailed in the detailed notes at the end of the document.

# 1. Social Justice

Work on social security, employment and other social justice issues makes up almost half of the workload of the Scottish network. In our work for the next year we have focussed, in the main, on issues which see the greatest numbers of people come to us for advice, and built upon areas where we have significant expertise and delivered significant improvements in 2017/18.

We will focus our work on social justice in three specific areas, which are the areas we see the largest levels of detriment and where we believe we can deliver significant impact:

- > 1.1 Universal Credit
- > 1.2 Assessments and the Scottish Social Security system
- > 1.3 Insecure work, conditions and low pay

In addition we will be undertaking early, exploratory work looking at our housing evidence base to establish whether there are any significant issues we need to take action on.

## Social Justice – advice provided by the Scottish CAB network

Rank	Issue	
1	Benefits	Employment and Support Allowance
2	Benefits	PIP (Daily living)
3	Benefits	PIP (Mobility)
4	Benefits	Housing Benefit
5	Benefits	Other
6	Benefits	Universal Credit
7	Employment	Pay and entitlements
8	Benefits	Attendance Allowance
9	Housing	Private sector rented property
10	Benefits	Child Tax Credits

## 1.1 Universal Credit

We know from our evidence that there remain a number of issues with the UK Government’s new flagship benefit, which include: a five week wait for a first payment, issues for those who cannot access digital services, high rates of deduction for debt, inappropriate use of sanctions and payments being made incorrectly.

### The importance of resolving outstanding issues with Universal Credit

Universal Credit has been a rapidly growing advice area, and is now the 7th most common area advice is sought, up from 20th most common in 2016/17. This is despite Universal Credit not being available to most new claimants during the period, and around 80% of the eventual caseload still to migrate.

As the legacy benefits that Universal Credit replaces are also ranked as the 1st, 5th, 17th, 18th, 19th and 45th most common issues, and Universal Credit is scheduled to fully roll out by 2023, we recognise that this is area will be the single largest advice area for our network, particularly as our network rolls out the Universal Support, help to claim service throughout next year.

Ultimately about half a million Scots will be claiming Universal Credit once roll out is complete – with this volume of claimants it is imperative that this entitlement works for people.

### Our aims for Universal Credit

We are looking to achieve the following outcomes to improve the experience of claiming Universal Credit for people:

- > A reduction in the five week delay to receive a Universal Credit payment, possibly by introducing an additional non-repayable payment within the first assessment period
- > Ensuring there are solutions in place for people who are not able to make a claim online
- > Minimising the impacts on claimants by reducing:
  - Instances of rent arrears
  - The level of deductions from Universal Credit to repay advances and third party debts

We would also look to see some of the administrative issues that emerge from CAB evidence addressed.

We would also like to see a fundamental review of sanctions and conditionality, with action resulting to ensure that people are never left with no income, and that any sanctions are proportionate, effective and used as a last resort.

### How we plan to do this

We will continue to work with the Department of Work and Pensions and parliamentarians to campaign on behalf of our clients and the Scottish CAB network.

While this remains a live issue, we will use the strength of our brand to continue highlighting issues experienced by clients and ensure we maintain public awareness of the issues caused by Universal Credit to ensure these are heard by policy makers.

## 1.2 Assessments and the Scottish Social Security system

The current experience of CAB clients is that face-to-face assessments for Personal Independence Payment (PIP) and Employment and Support Allowance (ESA) can be inaccurate, poorly conducted and are undignified and stressful.

ESA, PIP (Daily Living) and PIP (Mobility) make up the first, second and third most common advice areas in our network.

With the commitments made by Scottish Ministers to build the Scottish Social Security System around the foundation principles of Dignity, Fairness and Respect, and the devolution of disability benefits to Scotland completing by 2021, we believe there is a current window of opportunity to significantly improve outcomes for our client group.

### Why this matters

Investigations into the current system of undertaking assessments have clearly shown poor decisions being made that adversely impact a group of people, some of whom are extremely vulnerable. Impacts include an exacerbation of mental health conditions and physical symptoms and incurring additional costs related to assessments and appeals.

### Our vision for an improved experience

We believe the regulations and guidance that define the application processes for Scottish disability benefits should ensure that:

- > The number of face-to-face assessments is reduced
- > People's existing evidence, including their own testimony, and those of who know them best is given greater weight in the decision making process
- > Existing evidence such as medical information is sourced by Social Security Scotland, rather than people being expected to provide it (and pay for it)
- > Where assessments are required, they are dignified, respectful and accurate.

Processes, policies and procedures in related areas of the Scottish social security system, such as redeterminations and appeals, agency operations and communications, provision of independent advice and advocacy, and carers benefits are consistent with this approach.

In addition, we believe that changes should also be made to the assessments that remain reserved to the UK Parliament – PIP (until 2021), ESA and Universal Credit.

Changes are made to the PIP assessment process to reduce the number of face-to-face assessments, and to improve their accuracy.

Changes are made to the ESA/UC Work Capability Assessment to reduce the number of face-to-face assessments, make better use of existing evidence and to improve their accuracy.

Assessments for ESA, UC and PIP are delivered by a public sector provider.

### How we plan to do this

As the leading organisation on the Scottish social security system generally, and one of the leading organisations on disability benefits, the Scottish Government values our evidence and proactively seeks our views on a regular basis.

We will use our influence to ensure our views and those of the people we represent are taken into account as Social Security Scotland develops its proposals for disability benefits.

We will continue to work with the Department of Work and Pensions and parliamentarians, as they consider to campaign on behalf of our clients and the Scottish CAB network.

## 1.3 Insecure work, conditions and low pay

People often come to see the Scottish Citizens Advice network, with issues related to insecure or low paid work. We often find that incomes do not meet the basic cost of living and people also have issues with insufficient working hours, being poorly treated by employers, and having difficulties asserting basic employment rights due to their contractual status.

### What our network is telling us

With nearly 50,000 employment related issues logged by the Scottish CAB service in 2017/18, we want to take action on these root cause issues to prevent people experiencing more severe issues related to social security, debt and ultimately experiencing a crisis situation.

Typical issues faced by people in insecure and low paid work include:

- > Struggling to pay for essentials due to low pay
- > Struggling to pay for essentials due to inadequate or unpredictable hours
- > Being unable to budget due to unpredictable hours
- > Having difficulty claiming social security support due to their employment status
- > Being unfairly dismissed
- > Not being paid in full for work done
- > Being treated unfairly or illegally by unscrupulous employers
- > Having difficulty asserting their basic employment rights

The Office for National Statistics suggests that the number of employment contracts without a minimum number of guaranteed hours in the UK (zero hours contracts) was 1,800,000. Our evidence has shown that misuse of these contracts has caused problems for CAB clients in Scotland.

### The outcomes we want to deliver

We want to see changes to legislation to give improved rights to workers on insecure and low paid contracts. This might include:

- > Giving workers on zero hours contracts the right to request a permanent contract with regular guaranteed hours.
- > Simplifying the National Minimum Wage, with a reduction in the number of different rates, equalising the rate for all ages and increasing the levels to that of the “real” Living Wage
- > Ensuring that employment tribunals remain free to use and
- > The creation of a new Employment Commission
- > ‘Workers’ being given the same rights as ‘employees’ in law

### How we will go about doing this

The UK Government is currently considering legislation to implement the recommendations of the Taylor Review on Modern Working Practices, which provides a good influencing opportunity.

The Scottish Government has announced that organisations receiving public grants will need to comply with fair work criteria including payment of the Living Wage and not using exploitative zero hours contracts, in addition to exploring options to develop support and advice for small, micro and Business Pledge employers to support fair work practices in their businesses. We will look to inform these developments using our evidence base.

We are also looking to work with partner organisations to encourage good practice amongst employers, and highlight poor practices to be avoided. This might include contributing to an accreditation scheme, or equivalent initiative.

## 2. Financial Health

After Social Justice, Financial Health related issues make up the next largest area of work for the Scottish Citizens Advice network.

### Financial Health – advice provided by the Scottish CAB network

Rank	Issue	
1	Debt	Remedies
2	Debt	Arrears – council tax, community charge
3	Debt	Credit, store and charge card debts
4	Debt	Other
5	Finance and Charitable Support	Charities – Food bank
6	Debt	Unsecured personal loan debts (ex. payday)
7	Debt	Arrears – rent: LA
8	Debt	Bank and building society overdrafts
9	Debt	Catalogue and mail order debts
10	Finance and Charitable Support	Charities (non-food bank)

In the main this focusses on supporting clients to resolve debt issues, however we also undertake significant work on maximising income, with this area set to grow in 2019 with the full roll out of income maximisation related advice programmes.

Given the increasing financial pressures experienced by people we will be working on prevention: specifically to understand the reasons that people experience problem debt, and start to develop solutions for identifying tackling these problems at an earlier stage.

This area of work will see the creation of a new Financial Health team in 2019, and work identified at this stage includes:

- 2.1 Tackling problem debt
- 2.2 Income maximisation

We also intend to investigate a number of specific areas to identify whether people experience sufficient levels of detriment for us to take action:

- > **Guarantor Loans** – there is a growing volume of qualitative evidence suggesting that this type of product is open to misuse and exploitation
- > **Unarranged overdrafts** – the ‘total cost of credit’ for some consumers using unarranged overdrafts is significantly higher than would be permitted by the high cost credit cap
- > **Access to financial services** – a disproportionately high number of Scots (approximately 190,000 people) remain ‘unbanked’

In addition we will undertake some early work to understand and better define the role of the Scottish Citizens Advice network in improving Financial Capability.

### 2.1 Tackling problem debt

Our experience of advice provision has provided us with significant insight into the nature and types of debt. In the UK, [unsecured personal debt is now at the highest levels since before the recession](#), and while post-recession regulation has addressed some forms of irresponsible lending, benefits and wages not keeping pace with the cost of living has meant that this gap is now filled by rent arrears building up, priority debts such as council tax or energy bills and non-traditional credit sources (e.g. guarantor loans, overdrafts).

## Improving outcomes for those experiencing problem debt

In order to improve outcomes for people we are looking to improve debt recovery practices and engagement with debtors across a number of areas:

### 1) Increase the number of local authorities adopting good debt recovery practices by:

- > ensuring that debt recovery is co-ordinated across different local authority teams dealing with different debt types – in some areas debt recovery for water and sewerage charges, for council tax, and for rent arrears may all be dealt with by different departments in different ways
- > giving advance notice of debt recovery action, such as Water Direct
- > including financial capability checks in their debt recovery processes
- > negotiating levels of repayment that are affordable and proportionate for the debtor
- > use of “breathing space”

### 2) With energy companies, we will work towards:

- > Increasing the take up of support that helps address fuel debt, through awareness raising campaigns that identify hard-to-reach groups with government, and energy companies. Linking this support to wider holistic support to maximise income and manage wider debt.
- > We will also explore whether emergency fuel credit is effective in providing a temporary solution to those in financial crisis, and how/ where other types of financial support and advice may be better targeted to mitigate fuel debt and poverty in the longer term, building upon our current work trialling the roll-out of Scottish Power’s Hardship Fund. This would build upon the momentum generated by our recent work with energy suppliers, promote the importance of holistic advice and support for those struggling most financially.

For local authorities, we will lobby for more transparent bills and debt communication notices to:

- > Clearly explain that council tax reductions or exemptions do not apply to water and sewerage charges, (for local authorities)
- > Provide adequate information on what happens if payments are missed
- > Provide advice on what to do if struggling with payments

On fuel debt, we recognise that Ofgem has worked extensively to improve debt communications by energy suppliers. We will work with our colleagues at the Extra Help Unit and Ofgem to lobby for further improvements such as:

- > Standardise information given to those in fuel debt about options to arrange a suitable debt repayment plan and discretionary credit (this currently differs from company to company).
- > Increase awareness of rights, fuel debt support and debt management options amongst Scottish consumers as well as working on other pressing issues from the consumer perspective such as mistrust of suppliers or ignoring debt bills.

## 2.2 Identifying and overcoming barriers to benefit take-up

There remains a lack of public awareness of eligibility criteria for social security entitlements. It’s estimated that more than a third of those eligible for certain benefits do not take them up – which could be increased with the relevant advice, support and referrals.

Our new Financial Health Check service is a route by which to aid this, as well as referrals to DWP/Home Energy Scotland for free grants for energy efficiency home improvements.

### Why claiming social security entitlement matters

Current estimates for benefits take-up are as follows:

- > Pension Credit – 64%
- > Housing Benefit – 86%
- > Income Support and ESA – 88%
- > Child Benefit – 94%
- > Child Tax Credit – 83%
- > Working Tax Credit – 63%

Given the issue of income not keeping pace with the basic cost of living is a significant contributory factor to many of the issues brought to the network, maximising income is clearly an important first step in improving overall financial health.

Outcomes sought for Income maximisation Initially this work will focus on identifying barriers to benefits take up as these are varied and complex, before developing solutions to increase benefits take-up in Scotland.

This would include developing approaches to advocacy and a public education campaign to improve take up.

## 3. Strong Communities

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Sixty Citizens Advice bureaux sit at the heart of Scottish communities – staffed by a mixture of staff and volunteers who are trained to offer information and advice to people.

Building upon our pivotal role in local communities, this strand of advocacy work will see a focus on improving the infrastructure, services and support networks that people depend upon. We also want to play a key role in building strong communities, whether that's in increasing the community voice in public body decision making, protecting communities from harm, or ensuring long term sustainability.

In our role as the national body for the Scottish Citizens Advice network, and as the Scottish consumer advocate, we will cover the following areas as part of our 2019/20 workplan:

- 1.1** Post Office Outreach Services
- 1.2** Post Office Accessibility
- 1.3** Vulnerable Consumers
- 1.4** Empowering Communities
- 1.5** Connecting people
- 1.6** Access to Justice

This work draws and builds upon what has been considerable success in this area, in this year we will continue our work on

- > **Transport:** influencing the Transport Bill
- > **Parcel surcharging:** working to ensure domestic and non-domestic consumers living north of the central belt in Scotland have fair and affordable access to online goods

### 3.1 Post Office Outreach Services

16% of the post office network in Scotland is comprised of outreach services, but awareness of these services is low. Post Office Ltd's (POL) proactive evaluation, which is designed to improve services, does not include a review of those Outreach services to check that what is being delivered is what people need.

#### Outcomes sought for Post Office Outreach Services

We want people living in rural areas to be aware of and have access to outreach services that provide services they need in a way that they need them.

#### How we plan to do this

We will work with POL to establish an evaluation framework for existing and new outreach services, based on our recommendations, and we will monitor progress towards achieving this. In addition, we will support the development of measures to improve consumers' awareness of outreach services.

### 3.2 Post Office Accessibility

Under the Network Transformation Programme, post offices have been modernised or moved into new premises. Some of these may not be accessible for vulnerable people, particularly those with mobility issues. Research in Wales found that many post offices have restricted access, lack of disabled parking or lack of privacy that may prevent or make it more difficult for the most vulnerable in society to access and use.

#### Outcomes sought for Network Transformation Programme

We want all post offices in Scotland to be accessible to vulnerable people.

#### How we plan to do this

We will conduct research during 2019-20 into accessibility issues at post office branches across Scotland. Together with POL, we will support a clear process to improve access for vulnerable consumers and strengthen monitoring of accessibility issues across the network.

### 3.3 Vulnerable Consumers

Consumers in vulnerable situations are not necessarily accessing the ‘priority services register’ (PSR) non-financial support across essential service providers e.g. energy, water. Systems for identifying and registering eligible people in vulnerable situations are currently not integrated, and public awareness of these systems and support services is poor. The numbers of those who are successfully registered on PSRs for Scottish utilities (namely energy suppliers and Scottish Water) are lower than other GB nations.

#### Outcomes sought for Vulnerable Consumers

People that find themselves in vulnerable situations can easily sign up on a simpler, more integrated registration process, to receive additional support across essential services.

#### How we plan to do this

Citizens Advice Scotland has already done considerable research and advocacy work in this area. It is important to continue and conclude this advocacy work to capitalise on the momentum within the Scottish Government, regulators and utilities at GB and Scottish level to improve access to services for vulnerable consumers. We are working with the Scottish Government on taking forward our forthcoming recommendations on the registration of vulnerable consumers. We do not see this as constituting a major work stream but it is nonetheless essential to see it through to an end point.

### 3.4 Empowering Communities

Communities are seldom invited to exercise their right to be heard, but are often impacted, when work is carried out in their area by both public and private service providers such as Scottish Water or energy networks.

CAS research has revealed that:

- People are largely disengaged with public services, and yet, are keen to be more involved in activities that impact their community.
- People strongly support measures that protect the environment, and yet do not associate their own behaviour in terms of inappropriate disposal of household waste, with negative consequences on Scottish Water assets, for example fatbergs, and the environment, such as sewerage debris on beaches.

Service providers often miss out on the opportunity to educate communities on the responsible use of public services, in areas where individual actions can impact others as well as the natural environment. For example:

- Scottish Water spends £6 million each year unblocking sewers because of the inappropriate disposal of waste such as fats, oils and wet wipes
- Sewerage litter often ends up in our marine environment
- Human intervention can affect bathing water quality, such as mis-connections that allow untreated sewerage to enter burns and the marine environment

#### Our aims

Communities will influence how public services are delivered in their area and will dispose of waste responsibly to protect the built and natural environment.

We also intend to use these activities to develop blueprints for community engagement which can be transferred to other industries.

#### How we plan to do this

Scottish Water has agreed to strengthen its community engagement policy and practice in response to CAS’ recommendations in ‘Untapped Potential’, which includes the potential to carry out awareness and education on appropriate waste disposal at the same time as carrying out public consultation work. CAS will continue to work with Scottish Water and the Customer Forum to develop a stronger framework for co-design of projects with communities, as part of the Investment Planning Prioritisation Framework for SR21. Additional social and economic benefits for communities will be identified and plans put in place to deliver these, for example, the creation of accessible shared places within the community.

As a member of the Bathing Water Strategy Group, we will work with SEPA, Scottish Water and the local CAB to carry out discrete and contained research in Eyemouth, where there are known bathing water quality issues, to develop a clear understanding of local awareness of the 3Ps and use of public infrastructure. Findings will support the development of wider, consumer-centred strategy to address similar community related bathing water quality issues in Scotland.

### 3.5 Connecting people

CAS's recent research found that 32% of SME's rated their access to broadband as variable or poor, and 45% of those in remote rural areas state that it is often or usually poor. As markets and services become 'digital by default' problems with access to reliable broadband or mobile services can result in people, particularly those in rural areas, experiencing reduced access. This can be acute for the most vulnerable in our society, who need to access their basic rights, including civil justice and social security systems.

#### Our aims

We want Scottish people and to have reliable access to quality telecommunications services. We want to ensure that vulnerable consumers have access to the essential services they need and are not disadvantaged by poor quality broadband or telephone services.

#### How we plan to do this

CAS will work with key decision makers to ensure that rural communities do not get left behind in the roll out of broadband. We will seek to influence policy on how public services are delivered, to reduce disadvantage and ensure that an alternative to online applications is provided, and to improve signposting for the public on where digital support can be accessed.

### 3.6 Access to Justice

A number of related issues result in people being excluded from the legal support they need. CAS, as the consumer voice in Scotland, is actively involved in addressing a number of service related issues:

- Review of Legal Services: The 'Fit for the Future' report has recommended that those who use legal services and those that deliver these

services will be best served by independent regulation responsible for the whole system of regulation in Scotland and accountable to the Scottish Parliament. The changes would result in the removal of regulation from the Law Society of Scotland and the removal of the Scottish Legal Complaints Commission. This would have implications for CAB services in respect of complaints about legal services, and could result in CAB advisers falling under the new regulator.

- The review of Scotland's Legal Aid system has produced a number of recommendations including: putting the user at the centre; creating a consumer panel; creating a new type of legal assistance model that could involve CAB advisers. It is essential that there is a strong consumer voice on the Panel to inform policy development and also ensure that CAB clients benefit from any changes in how Legal Aid is made available.
- Review of Simple Procedure: Following the Scottish Civil Justice Council's consultation on how well Simple Procedure Rules are working, it is essential that any follow up process has a strong consumer voice to ensure that issues of concern are raised and addressed as part of the review.
- Currently there is insufficient support for those representing clients at tribunals in terms of information sharing, reviewing common issues and providing insights into what more is required to improve the process.
- CAS is a member of the Scottish Legal Services Group which has a specific interest in improving consumers' access to justice. The group brings together a number of agencies to review consumer protection and good practice in service delivery.

CAS will engage with legal advisors, the Scottish Government and associated working groups and forums to call for strong consumer (and bureaux) protection within any transformation of legal regulation. Requests are regularly made to CAS to address access to justice issues. There is an opportunity to review and structure how bureaux can best respond to providing legal services

# 4 People-first markets and services

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CAS works to put the interests of people first in a wide range of markets and service industries. These range from issues such as parking and funeral charges, to industries such as telecoms and transport. We have a particular focus on the energy, post and water industries where we have statutory powers and levy funding to act as the consumer representative, tasked to consider current and future detriment and benefit.

We have had significant success in recent years. Our evidence highlighting excessive fines by private parking operators has led to a Bill on a private parking code of practice being introduced in the UK Parliament, and the Scottish Parliament has indicated it will adopt the relevant provisions. We have also highlighted the impact of funeral charges on grieving families, work that helped stimulate a CMA investigation, a UK Government consultation on funeral plans and a Scottish Government proposal to develop a Funeral Bond to help people save for funerals. We will continue our advocacy work around these issues.

In recent years we have built strong partnerships in the regulated utilities sectors, working closely with government, regulators and companies to ensure the consumer voice is heard and their needs and aspirations addressed. This has resulted in success including a CMA investigation that echoed our call for the regulation of district heating, and a Scottish Government commitment to take that forward.

Our Consumer Tracker Survey aims to ensure that we understand trends in the issues that, year after year, remain important to consumers' experience of the regulated industries in Scotland. This survey provides a core evidence base across much of our advocacy work in utilities, and allows the impact of our work to be measured over time. We will use the results of the first three tracker surveys to identify changes in the consumer experience over time, and to inform our ongoing policy and advocacy work. Our fourth tracker survey will be carried out in quarter four of 2019-20.

In 2019-20 we are proposing to focus on the following consumer issues under our People First Markets and Services work stream:

- 4.1** Consumer Protection Frameworks
- 4.2** Off Gas Consumers
- 4.3** Energy Efficient Scotland

- 4.4** Energy Networks
- 4.5** Fuel Poverty
- 4.6** Post Complaints
- 4.7** Strategic Review of Scottish Water
- 4.8** Affordable Water Charges
- 4.9** Third Party Intermediaries
- 4.10** Big Energy Saving Network and Week in Scotland

## 4.1 Consumer Protection Frameworks

Consumer protection frameworks are vital to ensure that people can readily understand their legal rights as consumers, are able to apply them or seek redress, and can be enforced. Such frameworks can incorporate general consumers' rights, and also specific issues relating to the market concerned.

Our recent work on addressing mis-selling relating to the Green Deal scheme identified eight pieces of regulation relevant to consumers' rights. This is a complex landscape and our investigation revealed that many customers did not understand their rights, or how to seek redress. This can be confusing for consumers and for business.

### Our aims

We want people easily be able to understand their rights, and to ensure that there are robust frameworks that protect consumers in a range of markets and sectors.

### How we plan to do this

We will set out a broad range of consumers rights that can be included in market specific frameworks. There are a number of areas this could be applied, including the development of consumer protection frameworks for district heating and Energy Efficient Scotland, and in the non-domestic water market in Scotland. We will also seek to apply this more widely in the postal, telecoms and other sectors.

## 4.2 Off Gas Consumers

There are more than 500,000 non-gas homes in Scotland, and 22% of people rely on non-gas fuels to heat their home, in both rural and urban areas. There has been a long-term strategy to extend the gas grid, but the need to tackle climate change means that this will need to be reviewed.

People who are reliant on non-gas heating often have to pay significantly more to heat their homes. Electric heating can cost three times as much as gas, and 51% of electric heating users – 140,000 people – are in fuel poverty.

Other non-gas heating options include oil and district heating. Oil users can suffer from high and volatile prices, while at present those connected to heat networks do not have the same protections as those for regulated fuel markets.

The lack of a clear strategy for heat in off-gas areas can make it hard for people to make informed decisions about replacing their heating systems. This impacts on their ability to reduce their bills, and their carbon footprint.

### Our aims

Our aim is to help reduce bills for users of non-gas fuels, ensure they have appropriate consumer protections and that there is a long-term strategy for off-gas areas that will both help consumers lower bills and reduce carbon emissions. This will help consumers take informed choices about upgrading their heating systems.

### How we plan to do this

We plan to build on our recent work and:

- > Ensure targeted support is available for users of electric heating
- > Increase the affordability of electric heating through regulation, system improvement and behaviour change
- > Continue to encourage the Scottish Government to facilitate the development of oil clubs and develop a price comparison site for oil users
- > Secure government and regulatory commitment to a future strategy for decarbonisation of off-gas areas, and ensure it is designed around consumers' needs

## 4.3 Energy Efficient Scotland

Improving the energy efficiency of housing in Scotland is key to reducing fuel poverty and carbon emissions. Approximately 1.4 million houses in Scotland need energy efficiency measures, and CAS has played a significant role in making this a National Infrastructure Priority and encouraging the Scottish Government to develop its long term programme, Energy Efficient Scotland (EES).

As part of this programme the Scottish Government is expected to introduce regulations for minimum standards of energy efficiency in the private rented sector in 2019. Two-thirds of homes in the this category (around 10% of all households) are currently below Energy Performance Certificate (EPC) Band C.

### Our aims

Our aim is to put consumers at the heart of the design of EES, ensuring that it can succeed in transforming the energy efficiency of homes in Scotland, reducing fuel bills and fuel poverty. Drawing on lessons from previous schemes and CAS research, we are seeking the following outcomes for EES to succeed:

- > Public support for the EES programme both from home-owners and landlords built through effective communications and word-of-mouth
- > Incentives for households that offer consumers short-term, tangible benefits alongside the long-term cost and carbon savings
- > The improvement of EPCs so that they are more easily understood by consumers
- > A simple, one-stop-shop for consumers to take through consumers the full energy efficiency journey from identification of measures required, through to installation and receipt of relevant advice or payments
- > Robust consumer protection measures in place to ensure ongoing public confidence in the programme

### How we plan to do this

Building on our work to date we will work with the Scottish Government to ensure that EES is clearly communicated, made easy for consumers and includes a robust consumer protection framework. As part of this we will seek to identify how EPCs can be improved to increase consumer understanding.

## 4.4 Energy Networks

In Scotland 83% of properties are connected to the mains gas grid and almost all properties are connected to the electricity grid. Consumers pay for the maintenance and upgrade of the energy networks through their energy bills with the average household in Scotland paying £262 per year. The companies who operate and own these energy networks are monopolies and are regulated by Ofgem under a regulatory framework known as RIIO. Ofgem is in the process of designing the next price control period for energy networks, RIIO 2.

As consumers are often unaware of network companies, and the financial contribution they make towards them, Ofgem is seeking to strengthen the consumer voice in the next set of price controls.

The way the energy networks are designed and used is also changing. The energy system is already becoming lower carbon, smarter and more flexible and will continue to do so with more renewable generation and the roll out of electric vehicles. This has implications for both how much the energy networks cost consumers and how business and domestic households interact with them.

### Our aims

Our aim is to ensure that the energy system in Scotland is designed around consumers and that the consumer voice is at the heart of decisions being made. We want to make sure that costs are reflective of the services provided and that the networks are developed in a way that aligns with consumer values and priorities. We also want to make sure that those who cannot engage in the energy transition are not left behind and importantly don't end up paying even higher costs.

### How we plan to do this

We will engage with Ofgem in the RIIO 2 process to make sure that the framework both protects vulnerable consumers and drives consumer value. We will use our experience and findings of research carried out in 2017-18 to advocate on behalf of consumers in this process.

CAS will also continue to engage with Scottish energy network companies who are undertaking a programme of enhanced stakeholder engagement whilst developing their business plans for RIIO 2. This work is requiring the commitment of considerable resource by CAS, which is essential for the consumer voice to be heard as the future strategies for energy networks is developed.

## 4.5 Fuel Poverty

The latest statistics show that in 2017, 24.9% or 613,000 households in Scotland were fuel poor, and 7% or 174,000 households were living in extreme fuel poverty. This is largely due to high energy costs, low incomes, poor energy efficiency, and inefficient use of energy. Our research suggests fuel poverty is having a highly detrimental effect on large numbers of households. Our Speaking Up report also indicates that the impacts of fuel poverty are complex, affect different groups in different ways, and as such, households have differing support needs.

The Scottish Government have introduced the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill, which commits it to using a revised definition of fuel poverty, setting a new target, and delivering a new fuel poverty strategy. CAS has been instrumental in bringing this about and informing the bill.

### Our aims

We want the legislation around the new fuel poverty bill to be strengthened by:

- > a more ambitious target in general
- > the introduction of an enhanced minimum income standard for remote rural Scotland
- > the development of the new strategy that includes action to address all four drivers of fuel poverty

### How we plan to do this

This year we will take forward predominantly advocacy work around the new Fuel Poverty Bill. We have been instrumental in getting the Fuel Poverty Bill introduced, and have influenced its content. We are now continuing this work as the Bill is at Stage 1 in parliament and have provided written and oral evidence. At Stages 2 and 3, there will be an opportunity for us to ensure the Bill is strengthened through amendments.

Once the Bill is passed, there is likely to be an advocacy role for us in the development of the new strategy, ensuring that it has consumers' interests at its heart. We also want to explore how other levers such as the Warm Home Discount can be used to further reduce fuel poverty.

## 4.6 Post Complaints

Our 2017 Consumer Tracker survey found that 16% of Scottish consumers said they had experienced problems with postal services in the past 12 months, but less than half of those had made a complaint, often as they did not think it was worthwhile to do so. Of those that did complain, 41% said they were not satisfied with the outcome of their complaint.

For a market to function effectively, consumers need to be able to make informed choices about the goods and services they purchase, and businesses need to have credible mechanisms for feedback to allow them to improve their offering.

We have been working collaboratively with the Consumer Council for Northern Ireland (CCNI) and Citizens Advice (England and Wales) to research postal complaints issues in 2018-19 and will continue to do so in 2019-20.

### Our aims

Our aim is for postal operators to adopt our recommendations for improving their complaints processes. This is intended to improve the complaints experience for consumers, resulting in more satisfactory resolutions when things go wrong and increased consumer confidence in the postal market.

Improved consumer feedback mechanisms for postal operators may ultimately lead to better services for all postal consumers.

### How we plan to do this

We've been engaging with postal operators as part of our research on complaints and will seek to work with them to improve their complaints processes. Depending on the outcomes of our research we may recommend that Ofcom, the regulator, look again at the Consumer Protection Conditions associated with complaints in the postal sector.

## 4.7 Strategic Review of Scottish Water

The Strategic Review of Scottish Water for 2021-27 (SR21-27) will determine issues relating to investment, service levels and customer charging. As a key stakeholder in the water industry CAS has been seeking to ensure consumers' interests are central to the process.

CAS, in partnership with the Water Industry Commission and Scottish Water, has established the Customer Forum to represent consumers and communities in this process. This is the second Customer Forum that has been formed.

An important development during SR21-27 has been the establishment of the Research Coordination Group (RCG), in which the Forum and key water industry partners collaborate on research to identify and understand customer interests.

### Our aims

SR21-27 is a complex process encompassing a wide range of issues and participants. The outcomes we are seeking include:

- Decision making for the long-term to ensure that the most efficient and effective use is made of the charges customers pay. This will require a Strategic Plan encompassing several decades.
- Increased public benefit from Scottish Water's activities
- More effective community engagement so that they are better involved in decisions affecting them
- A programme to accelerate the removal of lead from water in Scotland
- A strategy for connecting communities and the 195,961 people currently reliant on private water supplies, or enabling them to take a more robust, affordable and systematic approach to achieving compliant water quality

### How we plan to do this

The collaboration between all stakeholders in the industry has increased significantly during SR21-27. Scottish Water is co-creating its Strategic Plan, and CAS has committed significant resource to its participation in the process.

Additionally, CAS is working with partners in the RCG to identify what further consumer research is required to support the SR21-27 process. Following that CAS is likely to undertake further research, potentially in collaboration with industry partners. Key issues could include intergenerational equity and legacy for future consumers, price profiles and investment, wider environmental and service issues (such water pressure), and risk and resilience.

## 4.8 Affordable Water Charges

In 2018 CAS carried out research identified that 12% (297,000) of Scottish households spend more than 3% of weekly income on water and sewerage charges, and that only 21% are eligible for current affordability measures to receive a discount on their charges.

Our research demonstrated that low income is the primary factor in making water charges unaffordable for some households. However, changing to an income-based assessment to more accurately target financial support would be complex and costly. Therefore the Council Tax Reduction Scheme, for which six passport benefits create eligibility, is currently the best available means of targeting financial support, although there are issues with low take up of that benefit.

CAS worked through the Scottish Government's Long Term Charging Group to develop proposals to improve financial support for those households struggling to pay water charges. We welcome the Government's proposal to double the maximum reduction for recipients of the Water Charges Reduction Scheme to 50%.

### Our aims

CAS is seeking to make water charges affordable for those Scottish Water customers currently struggling to pay.

### How we plan to do this

To achieve that outcome, in 2018-19 we will:

- > Continue our advocacy work to ensure the proposal to double the maximum water charge reduction is implemented
- > Encourage collaborative work by the Department for Work and Pensions, the Scottish Government and local authorities to increase the take up of Council Tax Reduction, and thus the Water Charges Reduction Scheme

## 4.9 Third Party Intermediaries

CAS research indicates that the emergence of alternative service provision models such as Third Party Intermediaries (TPIs) could leave smaller organisations more vulnerable to malpractice with little course to redress and with limited bargaining power to secure improved services. Typically TPIs will seek to 'bundle' contracts for services such as water, telecoms and energy. However, they are not necessarily bound by the codes of practice as licensed providers are. This could have a detrimental impact on the 236,102 SMEs in Scotland, particularly those with poor financial resilience e.g. sole traders.

### Our aims

Our aim is to ensure customers purchasing services through TPIs are protected by Codes of Practice.

### How we plan to do this

CAS has primarily engaged in this issue in the context of the non-domestic water market for Scotland. We will work with WICS and the industry to ensure TPIs are covered by Codes of Practice. We will also work to establish a suitable forum of interested and relevant parties to consider how non-household retail market policy could reflect a stronger consumer focus and continue to secure positive outcomes for non-household customers.

## 4.10 Big Energy Saving Network and Week in Scotland

These programmes are designed to help vulnerable consumers who are often among those most disengaged from the energy market and lack the confidence necessary to save money by taking action on tariffs, switching and improving energy efficiency. Consumers who don't regularly switch are highly likely to be on the most expensive tariffs and our primary aim is to support vulnerable consumers to switch and save.

The Big Energy Saving Network (BESN) and Big Energy Saving Week (BESW) complement activity such as Energy Best Deal (EBD) to bring together trusted third sector and community bodies to provide targeted, personalised advice that can help bring down the energy costs of some of Scotland's most vulnerable consumers.

Every BESN grant funded project is coordinated by a Network Champion. Each named Champion receives specialised training which is developed and delivered in a format that is beneficial for both new members of the Network and returning Champions. The training includes information on tariffs, switching, and assistance for vulnerable consumers and incorporates practical guidance on how to deliver the BESN project and meet the specified reporting requirements.

£5,000 per champion is allocated to each organisation (up to a maximum of 4). Each champion will provide support to 100 consumers through one-to-one appointments and to 40 front line workers through group sessions. In 2018-19 we are delivering the service for the first time as a subcontractor for Citizens Advice, and for this year we are delivering on a business as usual basis using the existing energy champions network.

Making CAS directly responsible for BESW will improve effectiveness by ensuring it can be tailored for the Scottish context and the timing of the campaign moved to the autumn in order to help people prepare for winter. It will also enable us to build on our partnership with Home Energy Scotland.

For the next financial year, we propose to be directly funded for both programmes by BEIS, as this will give an ability to expand them, and deliver in co-ordination with our other directly contracted energy projects and to co-ordinate effectively throughout Scotland using CAS energy advice networks.

The anticipated cost of the BESN for 2019/20 will be £160,000, which will enable CAS to expand the current champions network to a further 10 organisations in Scotland. For BESW we would be seeking £40,000 to undertake this campaign.

## 5 Exiting the EU

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Although not a formal element of our workplan for 2018/19, the UK's exit of the EU is an unprecedented event which will require Citizens Advice Scotland to undertake a monitoring and advocacy role across all areas of the network.

Infrastructure enhancements delivered ahead of exiting the EU will allow Citizens Advice Scotland to track and respond to emerging issues, altering government to any areas of detriment or concern.

Working as part of the Consumer Protection Partnership we will ensure we're able to respond to emerging threats to consumers as they arise.

We will also undertaking more detailed analysis of the impacts on regulated markets as further details emerge.

## 6 Campaign activity

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Campaign work delivered by the network will broaden in focus, with the intention to better support campaigning across the breadth of areas covered by the Scottish Citizens Advice network.

At this stage we are looking to deliver the following campaigns:

**Social Justice:** Employment  
Partnership campaign with employers to raise awareness of employment best practices

**Financial Health:** Income maximisation  
Consumer education campaign to increase benefit take-up

**Building strong communities:** Access to Justice  
Scams Awareness campaign as part of CPP

**Markets and systems:**  
Big Energy Savings Week – Scottish Campaign

# 7 Funding breakdown for levy funded activity

We continue to enhance our focus on advocacy activity, and to increase the impact of the research that we carry out. The provisional budget required to deliver the activity detailed in this work plan is below. It may, of course, need to change during the course of the year should it prove necessary to respond to external developments.

## Levy Funded Consumer Advocacy Activity 2019-20

	Programme spend	Staffing and related costs	TOTAL
<b>Cross Sector</b>	30,920	99,080	130,000
<b>Energy</b>	128,960	272,040	401,000
<b>Post</b>	50,819	120,181	171,000
<b>Water</b>	80,235	239,765	320,000
<b>TOTAL</b>	290,934	731,066	1,022,000

Like every other organisation, we are subject to inflationary pressures, but always seek to use our funding efficiently and effectively. We assess the work required in each area and develop our programme accordingly; this means that the individual sector budgets can go up or down each year. In that regard there has been a significant increase this year in energy to reflect the resources needed to ensure consumers are adequately represented in the RIIO II process.

The anticipated cost of the BESN for 2019/20 will be £160,000, which will enable CAS to expand the current champions network to a further 10 organisations in Scotland.

For BESW we would be seeking £40,000 to undertake this campaign.



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