Ofcom's independent Consumer Panel calls for regulator to address the needs of vulnerable people in its consumer policy

08 February 2006

The Ofcom Consumer Panel today welcomed the regulator's review of its approach to policy-making as a significant milestone towards putting consumer interests at the heart of its work.

Following strong advice from the Panel, Ofcom has given greater prominence to its consumer policy work, and made consumer protection one of its nine key priorities for the coming year. The Panel's recent work to develop a consumer interest toolkit for regulators and government has played an important role in this change. Panel signalled, however, that more work is needed to shape Ofcom's policies on information provision to consumers. Colette Bowe, Chairman of the Ofcom

Consumer Panel commented:

"Ofcom is undertaking research at the Panel's suggestion. This research looks at how different types of consumers use information about price and other factors in their purchasing decisions and what information they like to have access to. It will also explore people's consumer awareness of the costs of their communications products and services and purchasing experiences.

Ofcom's research will be completed before it finalises its statement on its approach to consumer policy. This will be important for understanding problems consumers may be having in the telecoms market place - and what, if any, further regulatory intervention the regulator may need to make. The Consumer Panel will return to this subject again before the summer."

The Consumer Panel and Ofcom disagree about the practical significance for Ofcom's work programme of the distinction drawn between "consumers" and "citizens". The basis of this disagreement is set out in the advice the Panel gave to the Ofcom Board, published in Ofcom's consultation document. The Panel is concerned that Ofcom is making the distinction between consumers and citizens too elaborate and losing sight of its practical significance.

Colette Bowe added:

"Most of what the Panel has been concerned with is in fact 'citizen' issues. For example how digital switchover will affect vulnerable people. Our primary concern will be to ensure that the work of 'consumer policy' continues to give full weight to the needs of vulnerable people, however they are defined."

Ends

Notes to editors and CSEs

The Ofcom Consumer Panel was established to advise Ofcom on the consumer interest in the markets it regulates. The Panel is independent and sets its own agenda. Visit <u>www.ofcomconsumerpanel.org.uk</u> for more information about the Panel.

The Panel's "Capturing the Consumer Interest" study was launched on 2nd February 2006. It is a toolkit which aims to help regulators and government factor in the

consumer interest in the formation and implementation of policy. It is available at <u>www.ofcomconsumerpanel.org.uk</u> or call 020 7981 4027 for a hard copy. Section 3(5) of the Communications Act requires Ofcom to have regard, in particular, to the interests of consumers in respect of "choice, price, quality of services and value for money."

Sections 3(6) - 3(8) of the Communication Act 2003 require Ofcom to identify cases in which consumer and citizen interests conflict with each other. Where Ofcom resolves a conflict in an important case, they are required to publish a statement setting out the nature of the conflict, the manner in which it has been resolved and the reasons for the decision to be resolved in that manner.

Colette Bowe, Chairman of the Consumer Panel, is available for interviews.

The Panel's members appointed by Ofcom are:

Colette Bowe, Chairman Ruth Evans, Deputy Chairman Azeem Azhar Fiona Ballantyne Roger Darlington Simon Gibson Graham Mather Kevin McLaughlin Kate O'Rourke Bob Twitchin