

Title	Response to the Consumer Panel's advice on the Consumer Policy Review				
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Matter for information

At the 13 December meeting the Board considered advice provided by the Consumer Panel in relation to the Consumer Policy Review. David Currie wrote to Colette Bowe on 20 December summarising the key points discussed by the Board. A copy of the letter is attached for information.

Letter from David Currie to Colette Bowe

20 December 2005

Colette Bowe
Chair
Ofcom Consumer Panel

Ofcom Board note on Consumer Panel Advice on the Consumer Policy Review

The Board thanks the Panel for its Advice on this important topic.

The Ofcom Board considered the Consumer Panel's Advice at its meeting on December 13th, 2005, and the key points raised were as follows.

The Board disagreed profoundly with the Panel's observations about the practical significance of the distinction between consumer and citizen interests. This distinction lies at the heart of the regulatory framework established by the Communications Act. In the Board's view, clarity over the relationship between citizen and consumer interests is essential, not only for political reasons, but also because the way in which the distinction is drawn has important implications for policy development.

The Board welcomed the Panel's advice on the need for additional research into the consumer experience, and the way in which people obtain and use information when making decisions. It was agreed that Ofcom should press ahead with further research in this area, and liaise closely with the Panel about the scope and progress of the work.

The Board gave careful consideration to the Panel's proposal that the consumer policy review consultation should be delayed until the research has been completed. The Board took the view that, on balance, it would be better to proceed with publication of the Consultation Document as planned in January 2006. It was considered important for Ofcom to set out its overall approach to consumer policy, and it was felt that this stance was unlikely to be affected by the results of the planned research. It is also likely that the results of the research will be available before publication of a Final Statement in the summer of 2006, and could be taken into account at that time. To the extent that the research findings suggest that other regulatory interventions would be appropriate, they can be taken forward at that stage, if necessary through separate consultations.

In relation to the view of some Panel members that Ofcom should provide more advice to consumers, the Board noted that the proposed development of the Consumer Advice section of the Ofcom website should make a significant contribution to that objective.

The Board discussed the Panel's proposal to delay consultation on the PASS scheme until the results of the new research are available. The Board agreed that the research may provide additional information which will be valuable in assessing future options, and that it may not therefore be possible to reach a final conclusion on the PASS scheme until the results are available. The Board nevertheless felt that it would be useful to invite views on a range of possible options in the January Consultation Document, without expressing a preference for any one option.

The Board agreed with the Panel's view that Ofcom is now in a phase of its life when monitoring and enforcement will come more to the fore, and that it should make a clear public statement setting its commitment to effective action in these areas. The Board was not convinced that it would be helpful to publish criteria for determining whether regulatory intervention was justified, as they might serve to limit Ofcom's ability to respond effectively in a fast-changing market. It was nevertheless agreed that, through the Consultation Document and subsequent Statement, Ofcom should set out clearly how it intends to ensure that monitoring and enforcement are effective, and signal its intention to devote additional resources to these activities.

Perhaps it would be helpful for me to meet with you and the Panel in the New Year and I will ask Denise to liaise regarding dates.

David Currie