Consumers, estate agents and redress bill

Part 1 – ‘The National Consumer Council’

Second reading Monday 4 December 2006

The Scottish Consumer Council (SCC) strongly supports this Bill, which will bring together the major consumer advocacy bodies in the UK, to create a stronger, more coherent new body. Done right, this will greatly benefit consumers. In the Scottish context, it will combine the roles of the Scottish Consumer Council, Energywatch and Postwatch, and put the new enhanced Scottish Consumer Council on a statutory footing.

In Scotland, these existing bodies have already done much to improve the daily lives of consumers, and in particular to help the disadvantaged and the vulnerable get a fair deal. The Bill is therefore very much to be welcomed, as bringing these bodies together should enable them to be even more effective in the future.

We are delighted to see the commitments in the Bill to continue to have a separate Scottish body within the UK-wide structure, and an office in Scotland. We are, however, concerned that the Bill as presently drafted may not adequately safeguard the current consumer advocacy function of the Scottish Consumer Council in championing change in Scotland through independent research and policy development.

The SCC would like to see minor (and it is hoped non-contentious) amendments to the Bill at Committee Stage to ensure that its current functions are secured. These amendments would cover:

- The remit of the new Scottish Consumer Council
- The relationship of the new Scottish Consumer Council with Scottish Ministers and the Scottish Parliament
- The funding arrangements for the new Scottish Consumer Council

Remit

The new SCC is defined in the Bill as a ‘territorial committee’ of the new National Consumer Council. As currently drafted, the Bill defines the remit of the new SCC (and other such “territorial committees”) as being:

- the provision of advice and information to the new NCC about consumer matters affecting Scotland
- the provision of advice to the new NCC about the exercise of its functions in so far as they affect Scotland

This does not reflect the active policy development role currently delivered by the SCC. While there is a further sub-clause allowing but not requiring the new

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1 Clause 1(4)
NCC to delegate other functions to the new SCC,\textsuperscript{2} this provides no safeguard for the future.

The SCC believes that the Bill should be redrafted to give the new SCC a substantive remit in relation to Scotland in terms of representation, research and information ie. the core functions defined in the Bill for the new NCC. This would not in practice go beyond the current role of the SCC. It would simply enshrine that current role in statute.

\textbf{Relationships with Scottish Ministers and the Scottish Parliament}

As currently drafted, the Bill requires the new NCC, rather than the new SCC, to send a copy of its forward work programme to Scottish Ministers.\textsuperscript{3} It also requires the new NCC, rather than the new SCC, to send a copy of its annual report to Scottish Ministers to be laid before the Scottish Parliament.\textsuperscript{4}

Each of these provisions represent a step back from what happens currently, whereby the SCC produces its own work programme and annual report and deals directly with Scottish Ministers and the Scottish Parliament. The sub-clause mentioned above in relation to remit would allow but not require the new NCC to delegate these functions to the new SCC, but this gives no safeguard for the future.

The SCC believes that the relevant clauses should be redrafted to give the new SCC the duty to send its work programme and annual report to Scottish Ministers.

Again, this would not in practice go beyond the current role of the SCC. It would simply enshrine that role in statute.

\textbf{Funding}

As presently drafted, the Bill is silent on the proportion of funding that will flow to the new SCC (and other “territorial committees”). This gives no safeguard for the future, and in theory could mean that a future new SCC could be starved of funding and thus unable to deliver its remit.

The SCC would prefer that the Bill contained an explicit formula (perhaps based on weighted population) for the allocation of funding to the new SCC (and other “territorial committees”).\textsuperscript{5}

Again, this would not in practice go beyond the current arrangements for funding the SCC. It would simply place them in statute.

\textbf{Note:} This briefing is intended to complement the wider briefing on the Bill from the National Consumer Council, and deals only with issues relating specifically to Scotland.

End

\textsuperscript{2} Clause 1(4) (c)
\textsuperscript{3} Clause 4(7)
\textsuperscript{4} Clause 6(3)
\textsuperscript{5} In Schedule 1 Part 5