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Age UK

Age UK is a national charity that works with a network of partners, including Age Scotland, Age Cymru, Age NI and local Age UKs across England, to help everyone make the most of later life, whatever their circumstances.

In the UK, the Charity helps more than seven million older people each year by providing advice and support. We also research and campaign on the issues that matter most to older people. Our work focuses on ensuring that older people: have enough money; enjoy life and feel well; receive high quality health and care; are comfortable, safe and secure at home; and feel valued and able to participate.

About this consultation

In April 2018, the Department for Business, Energy and Industrial Strategy published a consumer green paper 'Modernising consumer markets'.¹ We have responded only to the questions we feel relevant to older people, grouped under broader themes.

Therefore, we agree that there is a need, as set out in the green paper, to ensure that ‘all consumers should expect to get reasonable outcomes, even if they do not actively search for the best deal’ [38].

To ensure this Age UK wants to see the following –

- More concerted action across market sectors, for example, developing joint approaches to disengaged consumers following Ofgem’s work in this area. Although the UK Regulators Network (UKRN) is a valuable way of sharing information and approaches, we think regulators could be more efficient and consistent in doing so. There is also a risk that industries without sector-specific regulators fall through the net, leaving too great of a burden on the CMA.
- Consistent and tough penalties against firms who do not comply with duties around price transparency, renewal, better deals available elsewhere, etc.
- Regulators should continue to investigate markets to ensure that pricing is fair. We welcome recent price cap interventions in the landline and energy sectors, and encourage regulators to use this method of intervention where there is evidence of consumer harm and no effective alternative.

More broadly, we welcome the Government’s recognition of our ageing society in its ‘Grand Challenge missions’, and the important aim to ‘build markets for consumer products and services that better meet the needs of older people’.⁷ Central to this should be a focus on *inclusive design*

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We expanded the points above in our response to the CMA market study into digital comparison tools (DCTs),¹⁸ highlighting the need for DCTs to be fully accessible, including for vulnerable consumers, and for an ongoing assessment of the risk that those excluded from these services are significantly overcharged for essential services.

Finally, in focusing on emerging technologies and digital markets, the Government and regulators should not overlook consumer detriment in more *traditional* technologies and markets. We strongly welcomed the work Ofcom has done to highlight and address unfair pricing in the landline market, for example. An example of an ongoing issue is access to cash; there have been more than 2,800 branch closures in the past four years,¹⁹ many in rural areas, plus 300 cashpoint closures per month.²⁰

3. Consumer vulnerability

Q2. How can we ensure that the vulnerable and disengaged benefit from data portability?

We welcome the focus on fairness for consumers in vulnerable circumstances, particularly in essential service markets. Our perspective on older people and vulnerability is set out elsewhere,²¹ and summarised in Box 1.

Box 1: Summary of Age UK's view on consumer vulnerability

Someone's resilience and well-being in later life depend on a number of factors: their financial resources, physical health, cognitive and mental health, family support and social engagement.

Vulnerability – in the sense of being at particular risk of financial or personal harm – can arise from a shortfall or decline in one or more of these domains, for example from poor mental health, cognitive decline, the onset of physical disability or illness, or loneliness.

It should be *coherent* in that multiple regulators should take a similar (not necessarily identical) view of vulnerability to enable effective cross-sector interventions, including robust minimum standards for firms.

In practice, we expect firms to:

1. Create an environment in which customers are, and feel, safe to inform them of any additional needs they have.
2. Have systems and procedures in place to identify signs of customers who might need additional support or an adapted service. This should include customer-facing staff but also the use of customer data.
3. Design products, services and support *inclusively*, so that, as far as possible, they don't need to know whether a customer is vulnerable, because their standard offer is accessible to the maximum range of customers. This reflects the Government's Ageing Society Grand Challenge, where 'Ageing populations will create new demands for technologies, products and services.'²⁴

We welcome early moves to increase sharing of data on vulnerable customers between firms and sectors, to enable more joined-up, consistent support. Regulators should explore the case for expanding this to other essential service sectors, such as telecoms. However, it would be essential that customers give informed consent and that there is extra protection to reduce the risk of data breach.

We would also like regulators to consider how data identifying vulnerable customers (such as a vulnerability 'flag') can be securely and reliably shared between firms when they switch providers.

Behavioural biases

above. The Government's industrial strategy, with its 'Grand Challenge on Ageing', is an excellent opportunity to promote debate on inclusive design.

A very simple way to develop a less stereotypical approach would be to work with the market research industry (and their clients in the marketing industry) to improve segmentation of the older consumer market. Older people are too often categorised as being everyone over a certain age, which may sometimes mean that two generations

Thirdly, we

Civil court financial penalties
Given the evidence

Box 8: Concern re 8-week deadlock period

An older person described difficulties when switching energy supplier. Their new supplier said the switch had been blocked due to an outstanding balance, and their existing supplier more than tripled their direct debit payments without giving any notice.

The person took the case to an ombudsman but were frustrated at having wait eight weeks before they would look at it. They were on a low income and

Box 12: Delayed landline repair

A caller to Age UK was worried about her father. He recently had an operation and needs to be in regular contact with family for support. However, there was a fault with his landline.

She asked their father's provider to organise a repair. It said it would be repaired within three days but a month passed and it was still not fixed. This put her father at risk.

She also wanted to know if phone providers have a priority service register.

