

Strategic Plan

2023-2027

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1. Introduction

The annual collective economic power of consumers is worth over one hundred billion pounds, contributing nearly two thirds to Scotland's GDP, underpinning the importance of their voice and contribution. But consumers are in an era of challenge and change. The UK's exit from the EU, the Covid-19 pandemic and Russia's invasion of Ukraine are affecting the supply and cost of goods and services for consumers and small businesses across Scotland.

At the same time, the evolving transition to net zero is transforming markets and services. Evidence suggests consumers place importance on tackling climate change and recognise the need to adapt behaviour to achieve a successful transition. That desire is accompanied by a need for information and support to help consumers contribute to realising Scotland's ambitious climate change target.

This is the context for Consumer Scotland's first four-year Strategic Plan.

As the statutory, independent body for consumers in Scotland we seek to improve the lives of current and future consumers.

In recent decades there has been increasing focus on consumers as recipients of markets and services. Consumer protection, consumer choice and the needs of consumers in vulnerable circumstances are considered as part of policy and regulation. Consumer Scotland seeks to build on those foundations and promote a move to consumers being shapers of markets and services.

That means consumers being asked "what do you want" and "how do you want us to provide it?" Working with the grain of people's aspirations and behaviour will increase the prospects of success in enhancing consumers' wellbeing and tackling climate change.

Consumer Scotland seeks to:

- enhance understanding and awareness of consumer issues by strengthening the evidence base
- serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
- enable the active participation of consumers in a fairer economy by improving access to information and support

To successfully progress this agenda, Consumer Scotland will work in partnership with a wide range of organisations in the public, private and third sectors.

This Strategic Plan incorporates feedback from a number of organisations on our Interim Strategic Plan and we are grateful to all those who responded. It should be read in conjunction with our annual Work Programme which details the individual workstreams we will take forward.

David Wilson
Chair

Sam Ghibaldan
Chief Executive

2. Our role

Consumer Scotland is the statutory, independent body for consumers in Scotland. We were established by the Scottish Parliament to advocate on behalf of consumers and represent consumer interests.

2.1 Who are consumers?

“ All of us are consumers. All of us deserve the right to be protected against fraudulent or misleading advertisements and labels, the right to be protected against unsafe or worthless ... products, the right to choose from a variety of products at competitive prices. ”

President John F. Kennedy’s Special Message to Congress on protecting consumer interests, 15th March 1962.

The legislation that established Consumer Scotland provides a definition of consumers which includes individual consumers and small businesses that purchase, use or receive products or services. In effect everyone in Scotland is a consumer and consumers are vital to the Scottish economy.

Scotland’s population was most recently estimated to be over 5.46 million.¹

In 2021 household expenditure for Scotland was £101.4 billion, contributing 61% to Scotland’s GDP.²

As at March 2022, there were 355,000 small businesses in Scotland providing an estimated 920,000 jobs and contributing 27% of private sector turnover - around £74 billion.³

2.2 Our statutory remit

Our remit is set by the [Consumer Scotland Act 2020](#). The Act established Consumer Scotland as a Non-Ministerial Office, accountable to the Scottish Parliament, and with a scope to cover the public, private and third sectors. On 1st April 2022 Consumer Scotland formally came into existence as the independent statutory body working for consumers.

Under the Act, Consumer Scotland has the power to require information from a wide range of organisations, and the ability to provide guidance to public authorities in relation to their duty to have regard to consumer interests.

The Act sets out the core functions of Consumer Scotland. The legislation also provides a number of key areas of focus for us to take forward.

Our Statutory Remit

Functions

Advocacy and advice	Representation	Research and investigation	Information	Recall of goods	The Consumer Duty
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Areas of Focus

Reducing harm to consumers	Increasing consumer confidence	Encouraging public bodies to address consumer matters	Promoting sustainable consumption	Advancing inclusion, prosperity and wellbeing
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2.3 Our purpose, ambition and strategic objectives

Consumer Scotland will use our statutory functions to improve outcomes for current and future consumers. This Strategic Plan sets out our purpose, ambition, strategic objectives and partnership approach to put the legislation to work in the interests of consumers.

Our Purpose

To improve outcomes for current and future consumers

Our Ambition

That every consumer can participate in a fair and sustainable economy, confident their needs and aspirations will be met

Our Strategic Objectives

To enhance understanding and awareness of consumer issues by strengthening the evidence base	To serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors	To enable the active participation of consumers in a fairer economy by improving access to information and support
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Our Partnership Approach

To collaborate with other organisations with interests and expertise in consumer issues

2.4 Measuring outcomes, impact and influence

Consumer Scotland will develop measures to monitor our impact and influence as an organisation. More widely, we will also seek to assess how well consumers are doing, taking account of all the different ways their interests are being served in the economy as a whole.

Measuring our organisational impact and influence

We will develop a robust approach to measuring our impact and influence across our Strategic Objectives. This will include our impact on policy, and our contribution to raising the profile of consumer issues across the public and private sectors, and reflect the reality that achieving substantive change can take years. We will ensure we evidence our contribution to the [National Outcomes](#) set out in [Scotland's National Performance Framework](#). We discuss our approach to measuring our organisational objectives in more detail in Section 5 of this Strategic Plan.

Measuring overall outcomes for consumers

We will assess, on an ongoing basis, how markets and services work for consumers. We will monitor changes in the experiences of consumers in vulnerable circumstances, assess the ways that consumers are affected by and view the transition to net zero, and examine a wide set of issues around prices, choices and quality across different markets. Our three-yearly Consumer Welfare Report will bring this ongoing work together into a major assessment of the experiences of consumers in Scotland, and how those are evolving over time.

2.5 Our contribution to the National Performance Framework

The wellbeing of consumers impacts upon all aspects of the National Performance Framework.

When consumers are active participants in the economy, when opportunities for better outcomes for consumers are identified and acted on and when there is a deep understanding of consumer issues across policy makers, regulators and businesses in Scotland then this has a positive effect across all of the National Outcomes.

This can be most clearly observed in relation to the National Outcome for the Economy, but applies across the National Performance Framework, including in relation to Fair Work and Business, Communities, Education, Environment, Poverty and Human Rights.

Through our work, Consumer Scotland advances the interests and priorities of consumers, strengthening their position in society and the economy and positioning the consumer interest at the heart of the achievement of the National Outcomes for Scotland.

3. How we work

Our Strategic Objectives will provide a framework for all our work. The three Strategic Objectives will be supported by our Partnership Approach.

3.1 Understanding consumers

Strategic Objective 1: To enhance understanding and awareness of consumer issues, by strengthening the evidence base

High-quality research and analysis is at the heart of what we do as an organisation. Our research and analysis provides evidence and insight into issues such as how consumers are being affected by changes to policy or wider economic circumstances, how they change their behaviours in response to new information or circumstances, and their perceptions of and attitudes to a wide range of issues and trends. This evidence and insight, drawing on economic information, consumer research and data from advice organisations, forms the foundation of our policy and advocacy activity on behalf of individual and small business consumers.

3.2 Influencing policy and markets

Strategic Objective 2: To serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors

Consumer Scotland will deliver independent, evidence-led advice and advocacy to support the design, development and implementation of public policy and markets which understand the risks and opportunities and deliver better outcomes for current and future consumers in Scotland. It is increasingly recognised that public bodies, their own activities and how they affect business, have impact on consumers. We will support the introduction and operation of a Consumer Duty on public bodies in Scotland.

We will promote accessible and affordable service design that meets the needs of all consumers, including those in vulnerable circumstances. This will include encouraging good business practice and challenging business practice that could lead to consumer detriment.

To inform our approach and that of others Consumer Scotland will adopt a set of consumer principles, drawing on the internationally recognised principles adopted by the UN General Assembly,⁴ to underpin our policy analysis and development and help assess the consumer interest.

Our partnership approach will guide our work with other consumer organisations in Scotland, the UK and beyond. We will work closely with these bodies, particularly those responsible for consumer advocacy in regulated markets, to share insights and expertise and deliver value for consumers. Where appropriate we will represent the interests of consumers by sharing insights, building knowledge and developing solutions through international networks. We will also work closely with partners in key regulatory and enforcement agencies to share understanding of current consumer issues.

We will seek to promote collaboration between organisations in the broader consumer interest, contributing to the UK Consumer Protection Partnership and refreshing the Consumer Network for Scotland.

The Consumer Protection Partnership works within the UK consumer landscape, aiming to better identify, prioritise and coordinate collective action to tackle the issues causing greatest detriment to consumers. Consumer Scotland will work with other members, including governments, regulators, advice and enforcement bodies to represent the concerns and issues experienced by consumers in Scotland.

The Consumer Network for Scotland brings together key partners in the Scottish consumer landscape. Consumer Scotland will chair and facilitate the work of this network. We will engage with members to refresh the remit of the group, agree the future direction of its work and consider how it can be most effective in ensuring positive outcomes for consumers.

3.3 Enhancing consumer access to information and advice

Strategic Objective 3: To enable the active participation of consumers in the economy by improving access to information and support

The consumer advice landscape is extensive, but consumers don't always know where to turn to get help with their problem or to obtain advice.

Consumer Scotland wants consumers to have timely access to the information and advice they need, in a way that works for them. While Consumer Scotland has the statutory authority to provide information to consumers, there are a range of existing organisations with expertise in doing so. In line with our partnership approach, and to avoid duplication and adding further complexity into the advice landscape, our initial intention is to fulfil our statutory function of supporting, facilitating and coordinating the provision of advice and information to consumers, working with key organisations to promote their services, and identify gaps in provision across the consumer landscape. We will promote a joined-up system for consumers.

In furthering this objective we will seek to work closely with partners through the Consumer Network for Scotland and the Consumer Protection Partnership.

4. Improving the lives of consumers

4.1 Rationale

Our purpose is to improve outcomes for consumers in Scotland and we will target our resources at issues where we can have the most impact. In order to help us target our efforts and resources we have developed a prioritisation framework.

In seeking to prioritise our work, we will work closely with other bodies to ensure we are adding value. We will not be the most appropriate organisation to lead on every issue and we will support the work of others where appropriate.

4.2 Cross-cutting themes

The establishment of Consumer Scotland comes at a time when consumers are facing significant financial pressures. These pressures, together with the urgency of society's transition to net zero, are changing the way consumers access, purchase and consume products and services. In order to maximise our impact we will align our efforts and resources with the following cross-cutting themes.

4.2.1 The cost of living

Cost of living pressures affect consumers in different, sometimes complex ways. We will work to better understand the real impact of price increases on households, ensuring that characteristics of consumers in Scotland, such as increased rurality compared to other parts of the UK, are captured in this work. This analysis will be used to inform our advocacy work with governments, public and private sector bodies.

4.2.2 Climate change adaptation and mitigation

Scotland has an ambitious net zero target and consumers' choices will be key to achieving it. Our intention is to understand and track consumers' priorities for, and experience of, the transition to net zero. We want to understand how the transition can be made easier for consumers on lower incomes, or who face other disadvantages, to make sure they are not excluded. We will use our insights to help inform the design of net zero and adaptation policy and practice across the public and private sectors.

4.2.3 Consumers in vulnerable circumstances

We believe all consumers, including those in vulnerable circumstances, should be able to confidently engage in markets in order to meet their needs and aspirations.

We will build an understanding of the experience, needs and priorities of consumers in vulnerable circumstances, ensuring that we listen to, value and respect this lived experience and that it is reflected in our advocacy work.

4.3 Work areas

4.3.1 Markets shaped by consumers

Consumer markets are changing and developing in response to new pressures and new economic opportunities. New consumer vulnerabilities will also emerge as markets evolve and the regulatory framework must keep up with these changes if consumers are to be appropriately supported and protected.

Our work in this area will focus on understanding consumers' needs and aspirations and how these should inform the structure and operation of markets and services. We will use our evidence base to provide advice and input to governments, consumer bodies and regulators who are addressing the cross-cutting issues of the cost of living, consumer vulnerability and the transition to net zero.

4.3.2 Energy

Energy is an essential service for households and businesses, but the structure of the market is rooted in fossil fuels and historical patterns of supply and demand.

A resilient future energy market is more likely to be achieved if it is designed around the needs and aspirations of consumers. Affordability, a problem that has been exacerbated by high wholesale prices, and achieving a fair transition to net zero, are key issues in that debate. Solutions will require both supply and demand-side reform.

Our focus for the term of this Strategic Plan will be on markets that provide consumers with affordable access to heat and power, that provide a choice of high-quality products and services, and which serve the interests of all consumers in the transition to net zero.

4.3.3 Post

The postal sector provides essential services to consumers. Access to good-quality postal sector services is necessary for consumers across Scotland, including those in island and rural communities.

Consumer Scotland will seek to build a strategic understanding of postal services, working with service providers and regulators so that service design is informed by consumers and meets the needs of customers and communities in Scotland. Core areas of interest include inclusive and accessible postal services for those in vulnerable circumstances, promoting a fair post market across all areas of Scotland and promoting and supporting choice of affordable and efficient parcel services.

4.3.4 Water

The water sector in Scotland has a recent history of constructive engagement with consumers' needs and aspirations, including the innovative role of the Customer Forum for Water in developing Scottish Water's long-term Strategic Plan. Consumer Scotland will work to embed positive consumer outcomes and engagement with consumers across all aspects of service delivery in the water industry, including in the non-household market.

This will include consideration of how water and wastewater services can contribute to a just transition to net zero, how services should be adapted to mitigate the impacts of climate change, and how Scottish Water contributes to wellbeing.

4.3.5 The Consumer Duty

The Consumer Scotland Act 2020 introduced a new duty on relevant public authorities, when making strategic decisions, to have regard to their impact on consumers in Scotland and to the desirability of reducing harm to those consumers.

The Act gives Consumer Scotland power to issue guidance on the Consumer Duty with the approval of Scottish Ministers. Relevant public authorities will be required to have regard to that guidance, when the appropriate provisions of the Act are commenced.

Following a consultation by the Scottish Government on the duty, Consumer Scotland has commenced scoping work to provide it with an evidence base on which to develop and implement its role in relation to the duty.

4.3.6 Consumer information

Our website provides signposting for consumers to key advice organisations. We are working with stakeholders to consider the potential for an active referral tool, including appropriate signposting and referral mechanisms for consumers in vulnerable circumstances. Consideration will be given to technological or innovative solutions that can improve consumers' experiences and outcomes.

4.3.7 Recall of goods

The Act placed a duty on Consumer Scotland to operate, or secure the operation of, a publicly available database of recalls of goods in Scotland. We are engaging with stakeholders to understand what information exists already in relation to recalled goods, any gaps in that information and the potential to enhance its breadth, quality or accessibility.

4.3.8 Consumer Welfare Report

The Act sets out that Consumer Scotland must publish a Consumer Welfare Report every three years detailing how well the interests of consumers are being served in Scotland, and, where harm is being caused to the interests of consumers in Scotland, the nature and extent of that harm. The first report is due to be published in April 2026.

To inform this report, we will be commissioning baseline surveys that will be repeated at regular intervals to ascertain the ongoing welfare of both current and future consumers.

In keeping with our approach to developing our evidence base we will also bring together a variety of data from across the consumer landscape to inform the Consumer Welfare Report.

4.3.9 Investigations

Consumer Scotland has a statutory remit to undertake investigations into sectors or practices it considers cause, or may cause, harm to consumers, or in relation to our role of providing consumer advocacy and advice.

We have commissioned scoping work to identify how best to conduct investigations, including the criteria, processes and resources we may need. This work includes looking at the approaches taken by other bodies with investigative functions such as the Competition and Markets Authority, learning from their experience and ensuring that appropriate arrangements are in place to avoid duplication and facilitate the referral of recommendations.

How We Work		
Understanding consumers	Influencing policy and markets	Enhancing access to information and advice
Cross-Cutting Themes		
The cost of living	Climate change adaptation and mitigation	Consumers in vulnerable circumstances
Work Areas		
Markets shaped by consumers	Energy	Post
Water	The Consumer Duty	Consumer information
Recall of goods	Consumer Welfare Report	Investigations

5. Our organisation

5.1 Culture and values

Consumer Scotland aims to provide a rewarding, supportive environment in which to work, where everyone feels able to contribute to a forward-thinking, trustworthy organisation. We plan to nurture staff by being an inclusive, enthusiastic and respectful organisation. We will learn from each other, developing knowledge, skills and expertise. To allow us to deliver on our goals we will work collectively across the organisation, drawing on the contributions of all staff to make a difference for consumers in Scotland.

Consumer Scotland is a values-driven organisation. We are fair and transparent and all our work is underpinned by evidence. We value collaboration and work in partnership with other organisations to achieve common objectives. We are committed to improvement and we will review our work and its impact to continually learn and develop.

5.2 Measuring our performance

A fundamental element of our values as an organisation is to demonstrate our performance and influence. There are many factors which contribute to changes in consumers' wellbeing, of which our activities are only one. Nonetheless, being able to evidence the difference we are making for consumers is important to demonstrate the value we provide.

We will develop a performance measurement framework, founded on a 'logic model' which will help us to identify the contribution we are making to progressing our purpose and strategic objectives. This will set out how our activities and outputs – from research and analysis through to advocacy – contribute to changes in consumer markets and services.

To monitor our performance, we will use both quantitative and qualitative measures. We are developing a set of key performance indicators (KPIs) covering activities, outputs, outcomes and impacts.

Demonstrating the impact that we have made is not straightforward, as much of our influence on long-term outcomes is indirect. Nevertheless, we believe this approach – and the indicators that we will report against – will enable us to monitor the effectiveness of what we are doing.

We aim to publish our measurement framework on our website by autumn 2023. Once published, it will form the basis of our annual reporting to Parliament, describing our impact and helping to establish priorities for the future.

5.3 Accountability

Consumer Scotland is a statutory body, independent of government and accountable directly to the Scottish Parliament.

We report annually to the Scottish Parliament on our future priorities through our forward work programme and our annual report, detailing the activities undertaken in the previous year. We will continue to develop our relationship with the Scottish Parliament and will assist all relevant parliamentary committees by providing updates on our work, setting out our findings in key areas of interest and by responding to requests from the Parliament for input to its work when required.

As set out in our founding Act we will appoint a suitable individual or body to prepare a report on our performance, which will cover an initial three year period, and then move to cover each subsequent five year period. The report will be published, laid before the Scottish Parliament, and sent to Scottish Ministers.

5.4 Funding

Our funding comes from two sources. Our core funding comes from the Scottish Government's annual budget as approved by the Scottish Parliament. We also receive funding for specific advocacy activities in the electricity, gas, post and water sectors from the levies that ultimately derive from consumers' bills. We will diligently follow the best practice guidance as set out in the Scottish Public Finance Manual to ensure that the Parliament and consumers achieve value for their money.

As a public body, we operate in line with the Public Finance and Accountability (Scotland) Act 2000 and have a duty to produce audited annual accounts, in line with the Scottish Public Finance Manual, which are audited by Audit Scotland.

Consumer Scotland must meet the expectations set out for it by the Consumer Scotland Act 2020 and do so while conducting itself in accordance with the highest standards of public sector governance and financial management.

5.5 Our structure

We are governed by an appointed Board who work with the Chief Executive to provide scrutiny and strategic direction for the organisation.

5.5.1 Board structure

Consumer Scotland currently has four Board members and is recruiting a fifth.

Consumer Scotland's Board is advised by an **Audit and Risk Committee** to provide constructive challenge on its responsibilities.

The Committee advises the Board and Accountable Officer on strategic processes in respect of risk, control and governance, governance statements, accounting policies, accounts and the annual report of the organisation.

At least once every three years, the Committee will review its own effectiveness and report the results of that review to the Board.

5.5.2 Advisory committees

The **Energy Consumers Committee** supports Consumer Scotland in ensuring its work is grounded in the real life experiences of energy consumers in Scotland. Members help inform our policy making and support our work to advocate on behalf of energy consumers.

We will establish a **Consumers in Vulnerable Circumstances Advisory Committee** following the advice and input of the Short Life Working Group on Consumers in Vulnerable Circumstances.

5.6 Openness and transparency

Consumer Scotland is an open and transparent organisation. We will keep stakeholders and the wider public informed about the progress of our work and the development of our organisation through our website, social media and through traditional media. We will publish our research and evidence on our website and share it with the Scottish Parliament Information Centre. We will provide opportunities for our stakeholders to provide feedback and to influence how we work.

5.6.1 Publication scheme

Our publication scheme will include:

- an annual Forward Work Programme, to be laid before Parliament
- an Annual Report, to be laid before Parliament
- a four-year Strategic Plan
- a Consumer Welfare Report every three years
- an independent review of Consumer Scotland's performance after an initial three-year period, and then after each subsequent five-year period
- regular insight reports covering consumer analysis, research and recommendations
- board minutes and other relevant papers

All documents will be published on our [website](#)

6. Find out more

To find out more about Consumer Scotland:

Follow us on [Twitter](#) @Consumer_Scot

Follow us on [LinkedIn](#)

Visit our [website](#)

7. Endnotes

- 1 [National Records of Scotland statistics on Scotland's Population](#)
- 2 [GDP Quarterly National Accounts: 2022 Quarter 2 \(April to June\) - gov.scot \(www.gov.scot\) Table G1](#)
- 3 [Businesses in Scotland: 2022 - gov.scot \(www.gov.scot\) Table B](#)
- 4 [United Nations Guidelines for Consumer Protection \(unctad.org\)](#)

