

Consumer Scotland's response to its statutory duty to publish statistical information on compliance by regulated energy providers and postal operators with complaints handling standards

Background

- 1.1 The [Consumers, Estate Agents and Redress \(CEAR\) Act 2007 \(CEAR Act\)](#)¹ places a duty on Consumer Scotland to publish such statistical information **as it considers appropriate** relating to the levels of compliance of regulated energy providers and postal operators with the prescribed complaints handling standards². This duty also applies to several other UK consumer advocacy organisations³. It is anticipated at the time of writing that this duty will be extended to apply to compliance by authorised heat network providers with complaints handling standards from April 2025.
- 1.2 While we cannot be certain why Consumer Scotland and its predecessor consumer advocacy bodies were given this statutory role, we believe that it may have originally been intended to provide an additional means of ensuring that providers were held to account. A secondary purpose may have been to improve the transparency of information for consumers about complaints handling by providers.
- 1.3 Consumer Scotland staff carried out an in depth cross-team research project in late 2023 and early 2024 to review the duty and the currently available data on complaints handling, and to consider what action, if any, the organisation should take in response to the duty. The team reported to the Consumer Scotland board in March 2024 with a recommended way forward. The agreed way forward, as approved by the board, is set out at pages 3-4 of this report.

Review of available data

- 1.4 Any potential publication will require data, and there is a variety of available data, published and unpublished, from regulators, ombudsmen, and advice organisations. We have undertaken a thorough review of the data which is currently available to Consumer Scotland.
- 1.5 A considerable amount of published data is already available:
 - Quarterly publication by Ofgem on complaint figures and complaint handling including supplier data, and regular publication of data from consumer polling.
 - Annual data published by Ofcom on consumer experiences including complaint numbers and polling, with publications including written reports and an interactive dashboard.
 - Energy Ombudsman (part of Trust Alliance Group, formerly Ombudsman Services) produces various publications on complaints, with the most recent publication available relating to Q2 2024.

- POSTRS (the Postal Redress Service) publishes an annual report which contains limited data on the type of complaints received with no country-specific breakdowns.
- Royal Mail produces annual and quarterly publications on complaint numbers.

1.6 The main limitation of all the published data is that it does not include Scottish specific breakdowns.

Response from other consumer advocacy organisations

1.7 Consumer Scotland considered in detail the responses of other consumer advocacy organisations to the duty. These organisations have very different approaches to fulfilling the duty, ranging from ad hoc reviews on specific issues to publishing regular “star ratings” and “league tables” for energy suppliers and postal operators. These “star ratings” and “league tables”, published by Citizens Advice, include at least some assessment of complaint numbers, albeit not complaint handling performance. Scottish data is represented in the overall figures for both, although not presented separately. Production of this data involves significant dedicated staff resource.

Consumer Scotland’s response to the duty

1.8 Following detailed consideration of the research outlined above, we identified three potential options for Consumer Scotland’s response to the duty. Two options were not recommended, for the reasons outlined below.

No response

1.9 Consumer Scotland is a statutory Non-Ministerial Office and as such is required to comply with its statutory duties. While the duty only requires the organisation to publish such information **as it considers appropriate**, this implies that it must consider what information would be appropriate for it to publish. Consumer Scotland should therefore demonstrate that it has considered this issue and set out its public response to the duty with reasons explaining this response.

Commit to producing a regular publication(s)

1.10 Consumer Scotland could produce a regular publication (or separate publications for different sectors). This could take various forms, such as:

- A statistical publication, for example complaint numbers obtained from Scottish advice providers or results from polling.
- A league table that ranks providers based on the types of statistical data described above, but without publishing the specific figures.
- An explanatory piece, interpreting the already published data described above.

1.11 This approach was not recommended because:

- There is already published data on complaints and complaint handling in the relevant sectors at UK level. While there is a gap in terms of Scotland specific publications, Scottish data informs the current publications, which allow consumers to compare the overall performance of regulated providers and parcel operators. We therefore concluded that a Scotland specific publication would not add significant value to the current offerings and would likely not be widely used by consumers.
- Consumer Scotland does not have its own dataset that it could use to publish statistical information on compliance with complaint handling standards. Any publication on numbers or rankings would require Consumer Scotland to obtain data, either from bespoke research or from stakeholders. This would require additional effort for what has been assessed to be minimal benefit.
- The organisations with the most relevant data on compliance with complaint handling standards are the regulatory bodies. There would be limited value in Consumer Scotland producing its own data. We concluded that it would be more beneficial to focus effort on improving the publications produced by regulators/providers than on creating any additional publications.

The agreed way forward: a programme of work to improve awareness and quality of the available data.

1.12 The duty on Consumer Scotland to publish statistical information on complaints handling in the energy and post sectors is qualified by the words “as they consider appropriate”. Having considered all the issues identified above, and having regard to Consumer Scotland’s current resource levels, the project team concluded that the most appropriate response to the duty would be to pursue the third option identified. It therefore recommended to the Consumer Scotland board that Consumer Scotland should carry out a programme of work to improve awareness and quality of the available data. It was agreed by the board in March 2024 that this was the most appropriate way forward to demonstrate compliance with the duty.

1.13 The agreed way forward encompasses a range of different actions which are intended to enhance access to quality information. These are:

- Signposting to the existing publications via a specific section on the Consumer Scotland website. This should include links to all publications, bringing all the information together in a single place.
- Advocacy with regulators and organisations to highlight and address weaknesses identified in publications:
 - Encouraging Ofgem to collect complaint location to facilitate the publication of Scottish specific analysis.
 - Engaging with Ofcom on opportunities to surface more Scottish specific complaints analysis in their publications.

- Engaging with Royal Mail on signposting to its complaints information via the Royal Mail website.
- Publication of a short report on the Consumer Scotland website explaining the rationale behind our response to demonstrate compliance with the statutory duty.
- Keep our response to the duty, as outlined above, under review.
- Conduct internal awareness raising which will allow colleagues to consider opportunities to interrogate complaint handling as part of future work programmes.

1.14 We believe that these actions respond to the likely intention of the duty to improve the transparency of information available to consumers, but in a context where it is regulators, rather than consumer advocacy bodies, that hold the most relevant information.

1.15 Many of these actions are short-term actions deliverable in the first quarter of 2024-25. This report fulfils action 3 above. Actions 1 and 5 will also be delivered at an early date.

1.16 In relation to action 4, we undertake to keep our response under review on an annual basis, considering it as part of our work planning process.⁴ Circumstances may change, and it is possible that Consumer Scotland may wish to take a different course of action in the future. We have a specific information function under the Consumer Scotland Act 2020,⁵ and there may be future opportunities to work with stakeholders to further improve the information available which would make a different response appropriate.

1.17 Action 2 will form part of our ongoing advocacy work with the relevant organisations. We are pleased to report an early success as our advocacy work has resulted in Royal Mail including a link to its quarterly report on quality of service and complaints numbers from the complaints page on royalmail.com

¹ As amended by the [Consumer Scotland Act \(Consequential Provisions and Modifications\) Order 2022](#)

² Section 45(2). Note: the prescribed complaints handling standards are: 1) standards set out by Ofgem under section 43 of the CEAR Act for energy providers ([The Gas and Electricity \(Consumer Complaints Handling Standards\) Regulations 2008 \(legislation.gov.uk\)](#)) and 2) standards for the handling of complaints made about postal operators by users of their services which are contained in consumer protection conditions imposed by Ofcom under Part 3 of the Postal Services Act 2011 ([Conditions imposed on postal operators - Ofcom](#))

³ The duty also applies to Citizens Advice and Citizens Advice Scotland. The Consumer Council for Northern Ireland has a similar duty in relation to postal operators only under section 45 (2a) of the CEAR Act.

⁴ Section 14 of the Consumer Scotland Act 2020 requires Consumer Scotland to publish a “forward work programme” before the start of each programme year, which commences on 1 April.

⁵ Section 5 Consumer Scotland Act 2020