



Citizens Advice Scotland's response to Ofcom's consultation on treating vulnerable consumers fairly, A proposed guide for phone, broadband and pay-TV providers

November 2019

Citizens Advice Scotland (CAS)¹ welcome Ofcom's proposed guidelines for providers to treat vulnerable consumers fairly. With the growth of a "digital by default" culture, we believe that measures should now be taken to support vulnerable consumers within the telecommunications industry.

Key issues:

CAS considers that:

- **An inclusive approach to vulnerability should be adopted by providers**
- **The nature of vulnerability should be understood as transient**
- **Telecommunications issues facing remote and rural areas such as in the Highlands and Islands of Scotland should be taken into consideration in terms of vulnerability**
- **Digital access, skills and barriers require to be considered as part of an approach to vulnerability**
- **Protection and support for vulnerable consumers should continue to be at the forefront of providers minds.**

¹ Citizens Advice Scotland (CAS), our 59 member Citizen Advice Bureaux (CAB) and the Extra Help Unit, form Scotland's largest independent advice network. Advice provided by our service is free, independent, confidential, impartial, and available to everyone.

Background

The day-to-day activities of consumers are becoming highly dependent on the usage of telecommunications services, whether that be through mobile phones, broadband or landlines.

This increased necessity for telecommunications in everyday activities places consumers in a dependent relationship with their provider and there should be measures in place to protect vulnerable consumers from harm. As such consumers may have little choice in how they interact with services and may be pushed to become telecommunications consumers. This will result in some consumers having limited understanding of their digital needs or limited technological knowledge, and as such these consumers may be vulnerable and should be recognised as such by providers. We therefore believe that it is essential that telecommunications providers are aware of the challenges that consumers face when accessing digital services. This also has a significant impact on consumers defined as vulnerable within Ofcom's General Conditions under section C5.3. The issue of digital accessibility and the increasingly online nature of everyday activities and services could compound their vulnerabilities and it is imperative that providers recognise this.

An inclusive approach to vulnerability

Vulnerability is a difficult concept to define and we welcome Ofcom's approach to vulnerability, which recognises that it can be both transient and permanent and is a matter of circumstance, or combination thereof that gives rise to consumers being in circumstances of vulnerability. The Citizens Advice Network in Scotland provides advice to people every day and in 2018 – 2019 we advised over 272,500 clients resident in Scotland²; therefore we understand that anyone can be made vulnerable by a change of circumstances and that this is not limited to a set of pre-defined characteristics. We therefore also welcome Ofcom's recognition that vulnerability is a circumstance, or a variety of circumstances, rather than a

² <https://www.cas.org.uk/about-us/scottish-citizens-advice-network-statistics>

label that is used to describe individuals or groups of people. This understanding can be seen within the work of other regulators, such as Ofgem and Ofwat, whose own publications on vulnerability share the same understandings.

Telecommunications for remote and rural areas such as the Highlands and Islands

While CAS welcomes Ofcom's approach to vulnerability and recognition that consumers can face a multitude of vulnerabilities, we would urge this guidance to recognise the unique circumstances faced by particular Scottish consumers. We believe that it is essential that providers are aware of the distinct issues that Scottish consumers can face, particularly for those living in the Highlands and Islands and other rural areas. CAS research concerning Small and Medium Enterprises (SMEs) experience of broadband connectivity found that a third of respondents had broadband which was of poor or variable quality³. This can have a detrimental impact on both SMEs and consumers, as well as local economies.

Research conducted by Ofcom highlights the prevalence of "not spots" or "dead zones", areas in which there is no/limited mobile or broadband connection in the Highlands and Islands of Scotland. Consumers in this area may face inconsistent delivery of telecommunication services and as such, become isolated from using broadband/mobile data to access essential and every day online services. For instance for consumers with healthcare issues, consistent online and telephone access is required for them to contact their local health services and unreliable connectivity may cause them significant harm. As such providers should be aware that this issue of accessibility more generally in terms of connectivity may make consumers in rural areas of Scotland vulnerable by virtue of their geography. As such CAS considers that those in remote and rural areas of Scotland may also be required to be considered as vulnerable consumers.

³ *Disconnected, Citizens Advice Scotland, 2018*
https://www.cas.org.uk/system/files/publications/cas_disconnected_report.pdf

Digital access, skills and barriers

The use of telecommunication services in the everyday activities of consumers is increasing and dependency on telecommunications to access vital public services is also increasing. In 2017, Citizens Advice Scotland undertook a paper-based survey with over 1200 people investigating digital accessibility. Respondents were asked about using computers, what devices they used, where they get online, and their abilities to perform basic tasks such as completing electronic forms. The research found that one third of respondents either had difficulty using a computer (18%) or simply could not use one at all (16%)⁴. Providers should be aware of this digital barrier and should offer consumers a choice of communication channels to engage with them. This emphasises the fact that there should be channel choice for consumers not an assumption of digital only as this is unlikely to be suitable for all.

Our research highlighted that smartphone usage was higher in the most relatively deprived areas of Scotland and that smartphone consumers were more likely to face financial barriers with regards to data and phone costs. Furthermore, it found that smartphone users were less able to undertake basic internet tasks, such as downloading and completing forms.

Ensuring inclusive and consistent support for vulnerable consumers

- **Establishing and publishing policies**

CAS welcomes the guidance for providers to improve inclusivity towards vulnerable consumers within their organization, and we agree that senior level accountability is essential for this culture to permeate throughout the organization as a whole.

Front line staff as well as senior staff should be fully aware of guidance and procedures aimed to assist vulnerable consumers. While the guidance suggests using specialist staff for

⁴ *Ibid.*

queries related to vulnerable consumers, all staff should be aware of the issues and procedures. An example would be if a consumer was to contact a provider, and the consumer was previously not classified as being vulnerable and has become vulnerable, non-specialist staff should still have the knowledge required to assist the consumer or should be aware of the procedures in place to pass them on to a specialist.

We welcome the notion that vulnerability is transient and consumers may experience a variety of circumstances over time. We welcome the acknowledgement that consumers can move in and out of vulnerable states. At CAS we believe that vulnerability is a “state not a trait” and it is essential for providers to understand the transient nature of vulnerability.

While the list is not exhaustive and this is acknowledged, we feel that providers serving consumers in rural and remote areas of Scotland should also consider this as a state of vulnerability. Consumers in these areas can face problems accessing telecommunications services and may have limited or delayed access to communications via post. Providers should be aware of this and respond accordingly by ensuring that digital communications are not the only option available to consumers and that a choice of communications channels is maintained and consumers should not be penalised for utilising non digital options.

- **Treating vulnerable consumers fairly**

At Citizens Advice Scotland we believe that vulnerable consumers should receive the highest standard of support throughout their consumer journey. When identifying vulnerable consumers, providers should proceed with care and ensure the steps that they are taking are inclusive. This would benefit consumers who may openly disclose a vulnerability in their initial engagement with the provider.

Furthermore, given the understanding that consumers can be vulnerable at any point in life, an inclusive culture by providers will enable existing consumers to update the provider when circumstances have caused them to become vulnerable. It is essential for providers to

adequately train frontline staff and provide guidance so as to ensure consumers are treated fairly and with respect.

We welcome this guideline and would encourage providers to consider vulnerability as a “state, not a trait”. Consumers may move in and out of states of vulnerability while others may be fixed. It is therefore essential that staff are consistently mindful of the varying needs of consumers. Again it must be reiterated that the treatment and support of vulnerable consumers should not be a box ticking exercise but should be a genuine attempt to assist vulnerable consumers.

In the event that consumers are not willing or able to disclose vulnerabilities, we would urge providers to train their staff to be attentive and aware of the potential behaviours and characteristics that can be a sign of vulnerability. We agree with Ofcom’s guidance in this regard, however we would urge providers to develop a positive relationship with their consumers which allows vulnerable consumers to notify the provider of their circumstances if they feel that this is appropriate rather than the provider determining and labelling a consumer as vulnerable themselves.

With regards to the specific needs of Scottish consumers, CAS would urge that the guidance also recognise that consumers in the Highlands and Islands may be subject to particular issues which can lead to or exacerbate vulnerabilities.

We agree with the guidance with regards to providers offering a wide range of communication channels to consumers. At Citizens Advice Scotland, we believe in channel choice rather than channel shift and the benefits this brings in terms of consumers having access to a communications channel that they are comfortable with. Providers should make the required adjustments to ensure that consumers are comfortable with the communications channels they are offered and can use the one most appropriate to their needs.

This is particularly crucial when highlighting the additional or support services that a provider may offer vulnerable consumers. CAS has recently had it reported from a West of Scotland Bureau that a client faced difficulty when trying to access their broadband provider’s support

service for vulnerable consumers. No policy or service was publically available and staff were not aware if one existed.

In order for vulnerable consumers to be treated fairly, it is essential that providers promote the extra help and support services that are available. We agree with the guidance in this regard and would urge providers to ensure that all policies that are designed to support vulnerable consumers are public facing. We agree wholly with the guidance that providers should supply consumers with a statement that sets out the support services available to them. We commend the guidance for recognising the various methods through which this statement could be communicated to consumers.

We welcome the guidance in terms of provider's use of specialist staff. It is essential that vulnerable consumers have access to specialist staff when contacting their provider and specialist staff should be trained to understand and assist with a variety of issues that vulnerable consumers may face and are allowed sufficient time to undertake this work. This is particularly important with regards to consumers facing extreme vulnerability.

In cases in which the provider cannot sufficiently support vulnerable consumers, we agree that they should be signposted to third party organisations. This should only be done in circumstances in which the provider is not equipped to assist with the needs of vulnerable consumers in extreme circumstances. We welcome this guidance and would urge providers to establish clear protocols for when consumers are advised to use a third party organisation. Furthermore, staff should seek to provide third party organisations with the details of the problems that consumers are facing when they make this referral. It can be distressing for consumers to explain their situation again to a third party organisation and it would be hugely beneficial for all parties if proper procedures were in place.

In relation to vulnerable consumers in the energy and post sectors, CAS already provides support via our Extra Help Unit (EHU) and given this experience we would be well placed to provide similar functions for telecommunications consumers. Likewise in response to the recent UK Government consultation on reforming consumer advocacy on telecoms CAS highlighted the unique issues and circumstances particularly related to geography which are

faced by telecoms consumers in Scotland. This would also require specific advocacy to be undertaken in Scottish context and CAS would also be well placed to undertake such work.

Within the energy industry, providers must ensure that all consumers are provided with such information in a form that consumers can easily understand. For telecommunications, we would urge that all providers include an information pack to new and existing consumers that features guidance regarding switching providers and information regarding financial health and debt prevention/management. Also, providers should ensure that websites are user friendly and accessible across all digital platforms.

Likewise providers must ensure consumers can access their financial statements/information easily to prevent debt accruing. For instance CAS have had it reported from an east of Scotland Bureau that a client faced difficulties in navigating their telephone provider's telephone system and was unable to access their financial statements. The client sought assistance from a Bureau advisor who communicated with the provider on behalf of the client.

Debt recovery policies should not cause consumer detriment and providers should act responsibly when carrying out debt collection. This process can exacerbate vulnerabilities within consumers, particularly those who are facing mental health problems. Reasonable adjustments should be made in circumstances of debt recovery if the consumer is already identified as a vulnerable consumer, however providers should be aware that consumers may become vulnerable as a result of accruing debt.

- **Staff training**

To create a culture of inclusivity towards vulnerable consumers, we would urge providers to implement a comprehensive training program, seeking collaboration with consumer interests groups and charities. We agree with the guidance to providers in that all staff should receive training to ensure that providers develop a culture of inclusion within their organisation. Members of staff at all levels of the organisation should have an understanding of the issues

that vulnerable consumers may face, and this should be taken into account when delivering and designing services.

In order to ensure that vulnerable consumers are treated fairly, it is paramount that frontline staff receive comprehensive training. For this purpose, we agree with this guidance and the scope of the training sessions. We would urge that providers support their staff to the fullest extent, providing them not only with the knowledge required to support vulnerable consumers but also the time.

We recognise that not all providers will have the organisational capacity to hire/train specialist staff to assist with vulnerable consumers and we welcome the guidance's recommendation that additional training may be required. Furthermore, we agree with the guideline's suggestion that providers operate an intranet page or centralised hub which contain materials that would assist staff when they are speaking with vulnerable consumers.

- **Collaborating with consumer interest groups and charities**

CAS recognises that the guidance urges providers to work with third party groups, such as charities and consumer interest groups. CAS believes that providers should seek to establish strong and positive relationships with third party groups for multiple reasons and CAS itself would be happy to engage with providers in relation to this work and this already happens in the energy sector.

Firstly, provider engagement with third party organisations should be encouraged as a means for providers to obtain a deeper understanding of consumer vulnerability. Third party organisations often have direct and working relationships with vulnerable consumers, across a wide range of circumstances, and this engagement could equip providers with a deeper understanding as to treating vulnerable consumers fairly. This could be useful for providers in developing their support services, ensuring that the services are wholly inclusive of vulnerable consumers.

Secondly, a strong relationship with third party organisations would be beneficial to providers during the training process. Again, this would provide frontline staff with direct knowledge of the experiences of vulnerable consumers as well as ingraining an inclusive culture within the organisation.

Thirdly, providers should establish relationships with debt advice organisations so that in the event that a vulnerable consumer falls into debt, they can be referred/signposted to debt advice agencies seamlessly. It should be recognised that when a customer incurs debt, that they may become vulnerable as a result.