
Executive Planning and Environment

4th February 2003

Report of the Director of Environment and Development Services

Consumer Direct

Purpose of Report

1. To inform members of the Department of Trade and Industry's (DTI) proposal to introduce a national consumer helpline called Consumer Direct.
2. To seek approval to take part in a regional bid to create a telephone helpline centre in the Yorkshire and Humber region.

Background

3. The proposed establishment of Consumer Direct follows on from the Government White Paper 'Modern Markets, Confident Consumers'. This stated that a void existed in consumer knowledge as to how to obtain access to consumer advice. The existing standard of service provision by local authorities was likened to a postcode lottery.
4. The DTI commissioned and funded three pilot studies, including one in West Yorkshire, to trial consistent consumer advice delivery methods. As a result of the trails, a telephone helpline based on call centre technology, with co-terminus government office boundaries is the preferred choice. The centres will be operated by trading standards advisors.
5. This approach, which has similarities to NHS Direct, has a number of advantages:-
 - (a) it enables the promotion of a national helpline number;
 - (b) extended opening hours (8 – 8 weekdays, 9 – 5 Saturdays);
 - (c) consistently applied national service standards.
6. All calls whether from consumers or traders, would be routed to the regional centre and given "first line" advice. This would include the explanation of consumers' rights and initial steps in resolving problems.

7. Matters requiring enforcement intervention or complaints of a more serious or complicated nature would be referred to their local trading standards service. Similarly in situations where the client was unable, or lacked the ability to pursue matters themselves, referral would occur. The local service would then mediate or assist in obtaining redress.
8. The impact on existing services within City of York Council is considered to be minimal. Currently the majority of advisor time is spent dealing with complex issues, which take a long time to resolve. Consumer Direct will, if anything, stimulate further demand for the local service. The DTI consider that national investment in Consumer Direct should add value to and not supplant current local investment in consumer advisory and education services. Also the DTI envisage that if any time is freed up it will be used on proactive initiatives for consumers and businesses such as social inclusion and supporting the vulnerable consumer, community safety, lifelong learning and tackling "rogue traders.
9. Over the next three years the DTI are investing £30 million into this initiative and invitations to bid to provide Consumer Direct will be issued in February 2003. Pathfinder regions will be announced in July 2003, with the first services starting to operate in January/February 2004. Indications from the DTI suggest they would welcome a bid from this region. A generally positive reaction has been received from most of the trading standards services in the region, however, there are a number of issues which need addressing, including the technical issue of the transfer of information to and from complaint databases, between the various authorities' I.T. systems.
10. It is apparent that the DTI see local authorities, in the form of trading standards services, as being at the heart of their vision for delivery of Consumer Direct and state:-

"Evidence from the pilots suggest a devolved regional approach to the implementation of a national helpline is the right one. A single national number will link either to

- (a) regional contact centres, similar to the successful West Yorkshire pilot, or if feasible to
- (b) more local services operating as a regional service in virtual form."

11. It is also clear that the DTI would prefer for their proposals to be based on existing Government Offices for the Region's boundaries. In this area that region would be Yorkshire and the Humber. The DTI would like to see all authorities within a region work together in partnership to develop proposals, but make it clear they would only contract with one body, who would be responsible for delivering the service across the region to minimum quality and service standards.
12. In a different forum the DTI have confirmed that if one or more authorities in a region did not wish to participate in the partnership, they would not see that as a reason for not introducing Consumer Direct in that region.

Yorkshire and Humber Region

13. Discussions are already under way with officers from the other ten authorities in the region. The principal of a partnership approach is recognised by all. In addition, all recognise the regional contact centre option as being the appropriate one and note West Yorkshire Trading Standards Services' experience in relation to the West Yorkshire Helpline and the ongoing support to it from the DTI making them the most appropriate authority to contract with the DTI.
14. It is emphasised, however, that Consumer Direct will not be a roll out of the West Yorkshire model across the region. It will be a partnership approach to the specification laid down by the DTI but managed by West Yorkshire on behalf of the DTI and the Regional Pathfinder Project Board. This Board will comprise of representatives from each local authority and will ensure each authority's interests are being met.

Consultation

15. The D.T.I. have evaluated the initial pilots by using MORI. This involved an advice line survey and a mystery shopping exercise. In relation to the West Yorkshire Helpline their findings were:-

Satisfied with service	85%
Staff polite	97%
Information/advice easy to understand	97%
Advisor listened carefully	94%
Call answered quickly	92%
Easy to get in touch with	91%

Advice given useful	83%
Staff able to answer query	81%
Advice helped in resolving problem	78%

Options

16. Members are asked to consider two options:
- (a) To approve the council's participation in a Yorkshire and Humber bid to attract DTI funding to Introduce a regional consumer help line.
 - (b) Not to approve participation in a bid.

Analysis

17. Consumer Direct represents a major financial investment by the DTI in local authority trading standards consumer advice services. If option 16a) is chosen and the path finder bid is successful then York residents will benefit from better access to consumer advice and more support to resolve difficult consumer problems.
- 18 The DTI has indicated that Consumer Direct is going to be implemented and their preferred partners to do this are local authority trading standards services. However, they also said that if trading standards do not wish to deliver Consumer Direct then they will support delivery of this service by the private or voluntary sector. If option 16b) is chosen then it is likely that when Consumer Direct is implemented City of York

Council will be unlikely to sustain a viable trading standards consumer advice service in its current form.

Financial Implications

19. There are no financial implications associated with this report.

Legal/Human Resources (HR) and other implications

20. There are no legal or human resource implications associated with this report.

Recommendations

21. That members:
- (a) note this report and

(b) adopt the option set out in paragraph 16a) and approve the council's participation in preparing a bid to attract DTI funding to implement a Consumer Direct telephone help line in the Yorkshire and Humber region.

Legal	✓
Financial	✓
Human Resources	✓
Crime and Disorder	X
Sustainability	X
Equalities	X
Other	X

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Background Papers:

The White Paper "Modern Markets, Confident Consumers"
DTI Consultation Paper "Implementing Consumer Direct"