

Hard copies of documents supplied by Citizens Advice in support of this application can be obtained from Marie Cawley, Consumer and Competition Policy, DTI. Tel: 020 7215 6771 or e-mail marie.cawley@dti.gsi.gov.uk

Marie Cawley
Consumer and Competition Policy Directorate
1 Victoria Street
London SW1H 0ET

October 2003

Dear Ms Cawley

Application for designation as a Super-complainant under the Enterprise Act 2002

I write to apply for Citizens Advice to be designated as a super-complainant under section 11 (6) (a) of the Enterprise Act 2002. We have included an introduction to Citizens Advice and responses to the designation criteria, as published under section 11 (6) (b) of the Enterprise Act. Appendices are attached where more detailed information is enclosed on:

1. annual reports and accounts
2. our legal constitution;
3. details concerning trustees and directors (not for publication);
4. policy publications – as a list; and
5. evidence of our trading arm.

About Citizens Advice

Citizens Advice has a charitable purpose to represent the interests of individuals and families who seek advice from Citizens Advice Bureaux (CAB) by exercising a responsible influence on social policies. Our clients seek advice about a wide range of issues that affect their everyday lives, including in their capacity as consumers. I enclose a copy of our Annual Report for 2002/3, which includes information about the service, its funding and the enquiries CAB receive.

The National Association of Citizens Advice Bureaux (also known as Citizens Advice) is the umbrella organisation that all Citizens Advice Bureaux (CAB) in England, Wales and Northern Ireland are members of. CAB provide free, confidential and impartial advice, open to everybody regardless of race, sex, disability, sexuality or nationality. Advice is delivered on over five and a half million problems a year, through over 2,800 outlets, on a range of problems about benefits, debt, consumer, employment, housing, legal, immigration and asylum issues. A Mori survey in 2001 found the CAB Service was the best known organisation in the UK, 41% of the public had used CAB and we are the largest provider of money advice in the UK.

Citizens Advice sets standards for advice and equal opportunities and supports CAB with an information system, training and a range of other services. Citizens Advice also co-ordinates social policy, media, publicity and parliamentary work.

In addition to the face to face, telephone and e-mail advice available through the network of CAB, Citizens Advice runs a public access web site for the provision of advice in English, Welsh, Bengali, Punjabi, Gujarati, Urdu and Chinese, www.adviceguide.org.uk.

Criterion (1)

The body is so constituted, managed and controlled as to be expected to act independently, impartially and with complete integrity.

The Citizens Advice Bureau Service has its origins in 1939 as an emergency service during World War 2 and has evolved into a professional national agency.

The principal activity of Citizens Advice is the promotion of any charitable purpose for the benefit of the community in England, Wales and Northern Ireland and in particular to encourage the provision of Citizens Advice Bureaux which will provide free, confidential, independent and impartial advice, information and counsel for members of the public, and to assist the implementation of such advice, information and counsel; to ensure that adequate standards are maintained by all member bureaux; to foster and undertake research into any aspect of Citizens Advice's work and to disseminate the results of any such work.

Constitution and legal status

Citizens Advice is a registered charity (no.279057) and a company limited by guarantee (no1436945). Citizens Advice is governed by its Memorandum and Articles of Association as amended in October 2000, a copy of which is attached as Appendix 2. Citizens Advice commenced operations on 1 October 1979.

- Citizens Advice has a Trustee Board, working under the Chair.
- Trustees are elected by either the Annual General Meeting where all member CAB have voting rights, or at regional level by CAB of that region, or by the Northern Ireland Association of Citizens Advice Bureaux (NIACAB) or the equal opportunities committee.
- There are seven English regions and Wales. NIACAB is a separate organisation with Trustee Board representation.
- The Directors of Citizens Advice are part of an Executive Board, working under the Chief Executive.

Details of the Trustees and Directors are attached at Appendix 3.

It has a trading subsidiary called Citizens Advice Limited – which is currently dormant. We deal with trading by Citizens Advice under criterion 5.

Citizens Advice has sister organisations, Citizens Advice Scotland and Northern Ireland Association of Citizens Advice Bureaux. We understand that Citizens Advice Scotland will apply separately for super-complainant status.

Copies of our annual report and accounts for 2001/2 and 2002/3 are attached as Appendix 1 and include details of how Citizens Advice is funded.

Criterion 2

The body can demonstrate considerable experience and competence in representing the interests of consumers of any description

The Citizens Advice Bureaux Service has twin aims, to ensure that people do not suffer through a lack of knowledge of their rights and responsibilities and to exercise a responsible influence on the development of social policies and services, both locally and nationally. These aims are fulfilled through advice on over five and a half million problems a year, which is provided through over 2,800 CAB outlets, on a range of problems about benefits, debt, consumer, employment, housing, legal, immigration and asylum issues and through social policy work co-ordinated through the social policy department of Citizens Advice.

The Social Policy work of Citizens Advice relies for its evidence on the experiences of CAB clients. CAB report cases where their advice work illustrates problems that cannot be adequately resolved and there is a need for change. These cases are used to illustrate the arguments raised in responses to consultations, briefings to MPs and MEPs and a range of publications which include major evidence reports. Attached at Appendix 4 is a full list of all our policy publications and consultation responses for 2002/03. The Citizens Advice web site is at www.citizensadvice.org.uk and includes many of our responses to consultations and published social policy evidence reports.

We believe that the social policy work carried out by Citizens Advice illustrates our competence in acting in the interests of consumers. In the quinquennial review of Citizens Advice in 2001, our social policy work attracted the following comments relevant to this application:

“NACAB’s social policy work is held in high esteem by policy makers. The independence of the CAB Service, the national network and the evidence available through CABx about their clients all give the work credibility. The contributions are often particularly valued because they focus on the experiences of people whose voices are not often heard by policy makers. NACAB adds value to the evidence base through its analysis.”

“A number of people referred to the quality of the policy analysis and argument being presented, and to the importance of the evidence base. For example, a spokesperson for an important social policy body

in government noted that ‘NACAB have normally been amongst those responding to our consultations on specific proposals, and their responses have usually been well argued, drawing on anecdotal material from local bureaux’.”

“A number of policy makers in government explained that regular contact with NACAB is very important for their work. One senior civil servant commented that his job would be ‘bloody difficult’ without NACAB. Another said ‘I would always want to know what NACAB thinks about an issue, I would be worried about proceeding without knowing their view, which is a big credit to them.’ And a third described NACAB as ‘part of the inner circle of 4 or 5 trusted voluntary sector people. They worked with us at the policy development stage and now that the rules and legislation are established, they are helping us to work out how to make it happen.’”

Also attached at Appendix 4 are copies of Social Policy Success Stories briefings, which illustrate examples of how Citizens Advice has used evidence to influence policy.

Criterion 3

The body has the capacity to put together reasoned super-complaints on a range of issues

Citizens Advice has already submitted a report, which was treated as if it was a super-complaint to the OFT in September 2002, on doorstep selling, which was accepted for investigation.

Citizens Advice has an established mechanism for CAB to regularly report cases that illustrate market features that are harming consumers. This bank of case reports was used in the doorstep selling super-complaint and would be a primary source of evidence for any future super-complaint.

Citizens Advice has referred to OFT guidelines on how to make a super-complaint and can confirm we are able to comply fully.

We also confirm that we would consult specialist lawyers and/or economists, as and when necessary, in order to deal with competition and economic issues raised in a super-complaint.

Policy management

The CAB Service has a long tradition of compiling evidence reports that rely on reasoned argument extrapolated from case evidence reported by CAB (see publications list at Appendix 4 for details of previous reports). These reports have been used as a mechanism for arguing the need for change and have been published in all the areas on which CAB provide individuals with advice. The scope for the subject matter of super-complaints will include issues raised by CAB evidence in markets that may include, for example, health, housing, legal services, credit and debt. Citizens Advice currently has a team of seven social policy officers engaged in work across these, and

other, subject areas. For example, in 2002/03 we produced eight major evidence reports covering:

- Problems with fuel suppliers
- Standards of benefits administration
- Doorstep selling
- The service which asylum seekers receive from NASS
- The Social Fund
- The impact of our benefit take up work
- Possession action by social landlords
- CAB clients' experience of debt

Criterion 4

The body is ready and willing to co-operate with the Office of Fair Trading and/or with any other authority, body or person having responsibility for responding to a super-complaint.

Subject to constraints relating to individual client confidentiality and resources at any one time, we are ready and willing to co-operate with OFT and with any other authority, body or person having responsibility for responding to a super-complaint, including taking account of guidance issued by the OFT.

Criterion 5

The fact that a body has a trading arm will not disqualify it from being designated provided that the trading arm does not control the body, and any profits of the trading arm are only used to further the stated objectives of the body and the body has established procedures to ensure that any potential conflicts of interest are properly dealt with.

The certificate of incorporation of the trading arm of Citizens Advice Ltd is attached at Appendix 5. This company is currently dormant.

We understand that trading is seen as any commercial activity designed to produce revenue for the potential super-complainant and that we would not be precluded from submitting a super-complaint about any of the range of issues about which we provide our free advice service.

Citizens Advice undertakes to notify the Secretary of State of any material changes to the information we have supplied, which could be relevant to the criteria for super-complainants, as laid down in the guidance document.

Yours sincerely

David Harker
Chief Executive