

Consumer Scotland Data Working Group

Background

A Bill to establish a national consumer body was introduced to the Scottish Parliament in June 2019. The Bill sets out three key objectives for Consumer Scotland:

- to reduce harm to consumers in Scotland,
- to increase confidence among consumers in Scotland in dealing with businesses that supply goods and services to consumers,
- to increase the extent to which consumer matters are taken into account by public authorities in Scotland.

To fulfil its objectives, Consumer Scotland must take a comprehensive, evidence-led approach to identifying and understanding consumer harm and inequality in Scotland. To this end, it will be tasked with understanding both national and local trends of consumer detriment, and will seek to identify emerging harm at the earliest stage possible.

It will also be tasked with helping to drive more effective and efficient coordination across the landscape, so that resources can be matched where they can have the greatest impact.

Achieving this will only be possible if Consumer Scotland is able to build a full picture of consumer harm across Scotland.

Key definitions

The Bill defines a consumer as an individual who purchases, uses or receives, in Scotland, goods or services which are supplied in the course of a business carried on by the person supplying them, and who is not purchasing, using or receiving the goods or services wholly or mainly in the course of a business carried on by the individual. The bill also sets out that this definition includes both existing and potential consumers.

The wide scope of this definition consequently provides a wide range of consumer harm that Consumer Scotland must seek to understand. The Bill does not define harm, though the explanatory notes provide examples such as consumers paying more for goods or services because of unfair marketing practices, or being denied equal access to goods or services without justification on the basis of where they live or other characteristics, such as disability or age.

A few boundaries may therefore be useful to qualify the areas of harm Consumer Scotland may be interested in, and therefore that a consumer information system should seek to capture:

- it includes harm in both public and private sectors;
- it covers harm that impacts individuals as a direct or indirect result of the actions of a service provider, or as a result of a systemic market failing;
- it does not encompass unforeseeable or unavoidable disruption or harm to consumers, though it may consider the longer term impacts of such events; and
- it does not cover areas that are more properly concerned with citizens' issues, such as welfare payments, immigration, and taxation.

A stronger information sharing system

Developing a comprehensive understanding of harm requires a consumer data system that enables and promotes better intelligence sharing between organisations with consumer

data. In developing the system, the Scottish Government (SG) recognises that, while the objective is a coherent solution, there may be several elements that make up the system, ranging from automated data hubs, formal partnerships for individuals to share information, and infrequent and informal agreements as the need arises.

Regardless of the mechanisms used to improve information sharing, the system must be subject to the highest safeguards and levels of scrutiny. While there are a number of challenges and barriers to overcome before a joined-up system can be fully developed, there is also an opportunity to make a real difference to consumers and the organisations that work to protect them.

Although SG envisages that Consumer Scotland will oversee and maintain the system, particularly any IT element, designing and developing it cannot and should not be a task for only one organisation. In preparation for the body's establishment, SG is therefore forming a Consumer Scotland Data Working Group [the WG] to help oversee its development.

The WG is being established to ensure a collaborative process, driven by those with expertise in both data aggregation and consumer harm.

Name: Consumer Scotland Data Working Group (CS-DWG)

Remit

Aim: To support the work to develop Consumer Scotland as an effective advocacy body by **supporting the development and boundaries of a more coordinated system for identifying trends of consumer harm, and sharing data where required.****

**** One that will –**

- *enable better information sharing between organisations with consumer data;*
- *build on and link with current or emerging projects that already aim to facilitate information sharing*
- *recognise and incorporate the spectrum of needs, constraints and priorities of organisations across the landscape;*
- *provide collaborative and proportionate approaches to sharing different data sources or insights;*
- *be managed by those with expertise in both data aggregation and consumer harm;*
- *allow aggregated data and insights to be used to identify trends of harm or provide intelligence as necessary;*
- *be subject to the highest safeguards and levels of scrutiny.*

Objectives: the group will seek to deliver the aim by –

- 1) agreeing key definitions and parameters, including the distinction between data, insights, information and intelligence, and the degree to which Consumer Scotland needs access to each category;
- 2) identifying the key sources of public, private and third sector consumer and markets data and considering if there are significant gaps that require to be addressed;
- 3) developing a clear strategy to engage consumers in the project, particularly to gain an understanding of their priorities and concerns around data use;
- 4) identifying the practical aspects of how organisations will share information with Consumer Scotland, including identifying and addressing technical and logistical challenges and ensuring safeguards are in place to prevent detriment to consumers;
- 5) identifying how multiple data sources can be aggregated effectively, and which should be focused on as a priority;
- 6) identifying how the system can support other organisations working to tackle consumer harm while maintaining security; and
- 7) agreeing next steps needed to progress the system, including considering where further investment is required.

Terms of Reference (ToR)

Members:-

- Advice Direct Scotland (ADS) – Andrew Bartlett
- Advice UK – Chilli Reid
- Citizens Advice Scotland (CAS) – Polly Tolley
- Communications & Internet Services Adjudication Scheme – John Munton
- *Doteveryone* – Jacob Ohrvik-Stott
- Financial Services Ombudsman – Debbie Enever; and David Bainbridge
- Food Standards Scotland – Caroline Thomson
- Ombudsman Services – David Pilling; Daniel Murray; and Robert Fawcett
- Property Ombudsman – Katrine Sporle
- *Resolver* – James Walker
- SCOTSS – Sandra Harkness
- Scottish Government – Neil Ritchie; Laura McGlynn; Jeremy Vincent; Peter Irving
- *StepChange* – Sharon Bell
- Trading Standards Scotland (TSS) – Julie McCarron
- *Which?* – Thomas Docherty

Roles and responsibilities

Chair: Neil Ritchie, Consumer, Competition and Energy Services Unit (or a substitute appointed by him)

Membership: members of the WG have been drawn from a wide range of relevant interests, including consumer groups, regulators, third and private sector organisations. The Scottish Government (SG) recognises the WG's remit is a challenging one, but is confident that, with the right people, it will be capable of identifying data solutions for Consumer Scotland. There will be a time commitment, but the WG will have a direct role in shaping its schedule of meetings and outputs.

Outputs: any final determination on outputs will be subject to the WG's remit and these ToR, yet to be agreed by it, but SG envisaged these will include –

- a determination on any sub groups the WG feels it may need to fulfil its objectives;
- a paper articulating the purpose and rationale of an integrated intelligence system, including clear definitions and parameters;
- a blueprint for how –
 - ❖ organisations will share intelligence or data with Consumer Scotland;
 - ❖ multiple data sources can be aggregated effectively; and
 - ❖ the system can support other organisations working to tackle consumer harm while maintaining security.
- a set of Data Principles;
- the development of recommendations on next steps to SG.

Governance

The SG's Consumer, Competition and Energy Services Unit (CCESU) will provide secretariat support to the WG. Any sub-group(s) will report back to the WG, the Chair of which shall in turn inform the Scottish Ministers of the WG's conclusions and recommendations.

Frequency and lifespan

It is envisaged that the WG will meet approximately four or five times with the first meeting taking place in early October 2019. The WG's objectives should be delivered by mid-2020, at which point the Shadow Board for Consumer Scotland is expected to be in place.

CCPU – Dec 2019