

A BETTER DEAL FOR CONSUMERS

**DELIVERING REAL HELP NOW AND
CHANGE FOR THE FUTURE**

Equality Impact Assessment

JULY 2009

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Introduction

1. The White Paper (*A Better Deal for Consumers: Delivering Real Help Now and Change for the Future*) announces the Government's strategic approach to consumer credit and other consumer markets. It sets out the Government's new, more active and strategic approach to financial and other consumer markets. The proposals explain how we will extend this approach to the major challenges that the global financial crisis and economic downturn has created for consumers. It also explains how we will reshape consumer regulation to reflect the new ways we shop, so our regime remains one of the best in the world. The White Paper can be found at www.bis.gov.uk/whatwedo/consumers/consumer-white-paper.
2. **This Equality Impact Assessment accompanies the White Paper and takes an initial summary view of the equality impact of the major policies set out in that Paper on minority groups. It is by no means a full equality impact assessment and should not be regarded as such. Where appropriate, detailed equality impact assessments of the specific policy proposals mentioned in the White Paper will follow in due course.** This equality impact assessment is available online for download in word or pdf. Where possible we will make other versions of the document in Braille, other languages or audio-cassette available on request.

Context for the Equality Impact Assessment

3. The Department for Business, Innovation and Skills (BIS) is subject to the public sector duties for disability, race and gender equality. In addition, we recognise the benefits of ensuring that all Government policies are formed so as to minimise the adverse impact on particular groups and therefore we aim to go beyond our statutory obligation and show, where possible, the same commitment for sexual orientation, religion and / or belief and age equality. Throughout this document, these groups are defined as "minority groups".
4. Equality Impact Assessments are an important mechanism for ensuring that we gather data to enable us to identify the positive and negative impacts that proposals may have on certain diversity groups¹; to

¹ Race, gender, disability, sexual orientation, religion or belief, and age.

estimate whether such impacts disproportionately affect such groups, and if so, whether mitigating actions are needed to ameliorate the disparities.

5. In light of the fact that many of the proposals in the White Paper are indicative at this stage and subject to further consideration within Government and with stakeholders, including in some cases formal consultation and legislative exercises, this Equality Impact Assessment does not go into any detail on specific policy proposals. Instead it aims to provide a summary view of where there may be an impact on diversity groups.
6. Where appropriate, a full assessment of the specific policies and a more detailed analysis of the equality impact will be undertaken on the specific policy proposals in the White Paper at the point at which there is consultation and / or legislation on these policy proposals (see Chapter 5 of the White Paper for details).

Context and drivers for the White Paper

7. The White Paper (*A Better Deal for Consumers: Delivering Real Help Now and Change for the Future*) was announced by the Prime Minister in March 2009 and was published on 2 July 2009. It outlines the real help we are providing now for people in financial difficulties together with longer term measures we are planning to bolster confidence and help consumers exercise greater personal responsibility, while protecting consumers from unfair practices, and ensuring effective and proportionate enforcement.
8. The White Paper was developed by the Department for Business, Innovation and Skills in consultation with a wide range of government departments and with the devolved administrations. In those policy areas where Government's responsibilities extend, the proposals outlined will apply across the UK. However, other aspects of policy highlighted in the document are devolved, in differing settlements, to the administrations in Scotland, Wales and Northern Ireland.
9. The White Paper has the following structure:
 - Chapter One sets out the **real help we are providing now for vulnerable consumers**. It describes practical actions to help consumers facing challenging economic circumstances, including measures to help keep people in their homes and help people in difficulty with debt.
 - Chapter Two describes **a new approach to consumer credit**, setting out how we intend to make the consumer credit market work better for consumers.

- Chapter Three sets out **measures to empower consumers through better enforcement and information**. Consumers need clearer information and better enforcement in order to take advantage of – and not be taken advantage by – new and rapidly developing markets.
 - Building on evidence gathered in the Consumer Law Review, Chapter Four sets out our plans for **modernising consumer law** to enhance and protect consumer rights in a changing world.
10. The White Paper is accompanied by an Economic Narrative which sets out the evidence and economic analysis behind the main policy proposals in the White Paper. There will be Impact Assessments on the specific policy proposals in the White Paper at the point at which there is consultation and / or legislation on these policy proposals (see Chapter 5 of the White Paper for details). These Impact Assessments will contain “Specific Impact Tests” to screen and assess their effect on minority groups in greater depth.

Equality Impact Assessment of the Proposals

11. This section takes an initial view on the likely equality impact of the main proposals in the White Paper. It follows the structure of the White Paper. It is by no means a comprehensive equality assessment of the new proposals in the White Paper, which will follow in due course (see Chapter 5 of the White Paper for details). Instead it provides an initial indication of where there may be an equality impact on minority groups and whether that impact is likely to be positive or negative.

Chapter One: Real Help for Vulnerable Consumers

12. This section of the White Paper sets out what the Government is doing to support those who find themselves in financial difficulty during the recession.

Keeping people in their homes

13. One of the Government’s top priorities during the recession is to deliver real help and better legal protection for homeowners and tenants in financial difficulty. To this effect, we are looking at a series of measures to improve legal protections for owner occupiers, including amending the law to ensure that their homes cannot be sold by mortgage lenders without taking court proceedings. We have also introduced measures to help tenants falling behind with their rent and acted to protect those at risk of eviction because their landlord has defaulted on mortgage payments. In particular, we are running a pilot to help social housing tenants in rent arrears by inviting them to meet their social landlord together with a local advice provider to explore the reasons behind the arrears and to reach agreement on a sustainable repayment plan to try to keep them in their home.

14. *Initial screening on the potential equality impact in providing help to keep people in their homes shows that it will have a positive impact on all consumers, and this is likely to be particularly true of minority groups.* The measures we are planning aim to assist consumers to stay in their homes and avoid repossession or eviction where possible. A number of these measures (e.g. the rent arrears pilot) are specifically targeted at more vulnerable consumers. There is anecdotal evidence to show that some minority groups, such as the elderly, people with disabilities and ethnic minorities tend to be more at risk of falling into rent arrears. Indeed data shows that nearly 50% of people from ethnic minorities live in the 50 most deprived districts in England². Ensuring people can stay in their homes (whether these be owned, rented or social housing) where possible is important for all consumers, but particularly so for the elderly or for those people with disabilities whose housing may have been adapted for their specific needs, and where a move could have a significant impact on their quality of life.

Helping people in difficulty with debt

15. The Government recognises that the number of consumers experiencing difficulty with debt is increasing and that it is often those people in greatest need of debt advice who can least afford to pay for it. We have been working closely with a range of lenders and other creditors to help offer consumers in difficulty a “breathing space” to repay debt or work out a repayment plan. We have also introduced a Debt Relief Order to assist those who will never be able to pay their debts and who have minimum assets. The Government has also invested significant funds to strengthen the provision of debt advice. This includes funding to support free face-to-face debt advice targeted at financially excluded people, a new Debtors’ Guide and a new self-help debt advice toolkit. We fully support recent best practice initiatives by industry, the advice community and other parties to help those in financial difficulty, such as the developments to the Common Financial Statement, which will help consumers work out a realistic repayment schedule; and the work to improve the operation of the Mental Health Awareness Guidelines, which provide advice for those people with debt and mental health problems.

16. *Initial screening on the potential equality impact of providing help for people in difficulty with debt shows that it will have a positive impact on all consumers, and this is likely to be particularly true of minority groups.* There is evidence to show that vulnerable consumers are more likely to experience difficulty with debt and to need advice and support. According to Citizens Advice Financial Inclusion Fund data, 19% of all clients seeking advice in 2008 reported having a disability. Moreover, YouGov Debt Tracker survey data from October 2008 indicates that low-income households (with an annual income of less than £13,500) are more prone to experience high levels of arrears – 23% of low-

² ODPM, IMD 2004 and ONS 2001 Census

income households reported being behind with at least one payment, compared to 14% of all households. As for rent arrears, low-income households are three times as likely to be in rent arrears than the average: 2% of all households are in rent arrears, compared to 6% of low-income households.

17. Initiatives which give consumers “breathing space” to repay their debts, as well as specific schemes that some creditors have in place targeted at vulnerable consumers (such as the elderly) will do much to help minority groups struggling with debt. The measures to improve access to debt advice will also provide a proportionally greater benefit to minority groups by increasing the options available to them to seek advice. This is particularly true of the greater investment in face-to-face advice and the new toolkit. The latter will benefit those minority groups, such as the elderly and those with physical disabilities who may find it harder to leave their home to obtain advice. It is also true of the new Mental Health Awareness Guidelines which have been targeted at a specific minority group.

Tackling poor business practice

18. There are always some businesses who will exploit more vulnerable consumers. We are committed to tougher enforcement against these businesses. For example, we are tackling “debt management” scams by taking action against firms who advertise their services in a misleading way. We are also taking action to protect consumers misled into thinking that they can avoid repaying debts by using powers on unenforceable loan agreements in consumer credit legislation. We also recognise that there is a need for better practice by the debt collection sector. For this reason, we will introduce minimum training requirements for bailiffs and an online certificated bailiff register and we will consult on a wider package of measures to address concerns about the bailiff industry.
19. *Initial screening on the potential equality impact of tackling poor business practice shows that it will have a positive impact on all consumers, and this is likely to be particularly true of minority groups.* We have already identified that some minority groups are more vulnerable to experiencing difficulty with debt. It is important, therefore, that we do what we can to ensure that these groups are not targeted by unscrupulous and rogue businesses. It is also key that, where it proves necessary to intervene, the debt collection sector operates in a fair and transparent way, minimising the distress caused to those affected.

Help for vulnerable consumers to cope with essential bills

20. The Government is dedicated to ensuring help for vulnerable families as they continue to cope with their utility and other essential bills. The big six energy suppliers now offer programmes of assistance to their

most vulnerable customers and in 2009/2010, will be spending £125 million on social assistance. Ofgem and Consumer Focus are also currently undertaking two reviews: the first to examine how effectively suppliers protect vulnerable consumers from gas or electricity disconnections and the second looking at how energy suppliers are helping their customers to avoid and manage debt during recession. The Government is also looking closely at an independent review of household charging for water and sewerage services to explore whether new actions are needed to ensure a fair system of charging. In addition, we are exploring the impact of food price rises and the economic downturn on the poorest and most vulnerable households.

21. *Initial screening on the potential equality impact of providing help for vulnerable consumers to cope with essential bills shows that it will have a positive impact on all consumers, and this is likely to be particularly true of minority groups.* The number of vulnerable households facing fuel poverty in 2008 was approximately 3m, up from 1m in 2004. Any measures that the Government puts in place to help these vulnerable consumers will be beneficial. Some minority groups, particularly the elderly and disabled, fall within the definition of vulnerable customers and so are likely to be direct beneficiaries to the schemes and programmes in place or planned. Indeed, during winter, gas and electricity companies are not allowed to disconnect pensioner households knowingly and have to take all reasonable steps to avoid disconnecting households where someone is sick or disabled. The social assistance provided by the big six energy suppliers will include a number of initiatives available to their most vulnerable customers such as social and discounted tariffs, rebates and debt relief programmes.

Chapter Two: A new approach to consumer credit

22. This chapter sets out how the Government intends to make the personal finance market work better for consumers.

The future for credit cards

23. The White Paper announces a review of the regulation of credit and store cards considering, in particular, where indebted consumers may be most at risk of incurring increased costs as they try to repay their debts. We also intend to legislate to ban unsolicited credit card cheques. In addition, subject to consultation and feasibility, an impartial comparison tool for credit cards will be included on the MoneyMadedeclear website.

24. *Initial screening on the potential equality impact of the proposals on credit cards show that these will have a positive impact on all consumers, including minority groups.* A recent survey by Mind³, which surveyed people with problem debt and mental health issues, found

³ 'In the red: debt and mental health', Mind (2008)

that in the preceding 12 months, 87% of respondents with problem debt had to borrow money or use a credit card to pay for food or other everyday spending. According to this report, people who lose their jobs through mental health issues are in a particularly vulnerable situation. These consumers who had financial commitments prior to their dismissal from work often resort to credit cards to pay for utility bills and even mortgage payments.

The future for high cost credit

25. The White Paper states that the Government is committed to providing a safety net for people in need who are struggling to find affordable credit. This is why we have made a commitment to allocate additional investment to the Social Fund and the Growth Fund both of which provide affordable loans to those who are most in need.
26. *Initial screening on the potential equality impact of the proposals on addressing high cost credit show that these will have a positive impact on all consumers, including minority groups.*
27. At-risk households, such as those on very low incomes, are particularly susceptible to any small change in income or small increase in expenditure, such as an increase in energy prices or the need to replace a white good. They typically display low levels of financial literacy, little or poor credit histories and so are susceptible to aggressive marketing by sub-prime lenders, who offer easily accessible finance at high interest rates.
28. Typically, the level of credit that such low-income consumers require is short-term, low-value borrowing, in line with the types of products they use such as home credit. Nevertheless, an adverse change in circumstances, such as a fall in income or failure of a durable good, can expose the consumer to repayment difficulties or overuse of credit and lead to spiralling debt.
29. According to Joseph Rowntree Foundation research conducted in 2005⁴, it is estimated that at least 3.3 million people have a need and are willing to borrow but do not have ready access to credit from mainstream lenders. The great majority of them (85% or 2.8 million) live in households where there is either no earned income at all or their only earnings are from occasional or part-time employment. About a third of them (1.1 million) are also credit-impaired and would almost certainly find it difficult to access credit and arguably ought not to be borrowing commercially at all.
30. This last group includes people with a history of bad debt, who have a county court judgement, have set up an Individual Voluntary

⁴ 'Affordable Credit. The way forward' Sharon Collard and Elaine Kempson, report for the Joseph Rowntree Foundation, 2005

Arrangement with their creditors, have been made bankrupt or had a home repossessed or say that they have a serious adverse credit rating with the credit reference agencies. Almost all of the people who are credit impaired (around 1 million) do not have an income from full-time employment coming into their home.

31. Moreover, the use of different credit products varies across different income groups. Recent survey results⁵ suggest that low-income households make use of different credit products than the average consumer. Evidence from survey responses suggests that 31% of low income households do not hold any kind of unsecured credit commitment, compared to the average of 28%⁶ Moreover, low-income households make less use of mainstream products, such as personal loans, overdrafts or student loans, which are used by 48% of low-income households, compared to 57% for the average household; credit and store cards are used relatively less in low-income households (35%) when compared to the average (41%).
32. By contrast, high cost credit products, such as home credit, payday loans and pawnbrokers, are more popular amongst low-income households (7%) than the average (3%). Furthermore, 8% of low-income households benefit from using products such as the Growth Fund or Social Fund which are mainly targeted to those groups.
33. Consumers could be in a position to be exploited by lenders in relation to so-called high cost credit lenders. As a result of particularly difficult financial circumstances, consumers may be extremely limited in their choice of lender. This could give certain types of lender a very strong negotiating position, analogous to some sort of 'market power', in respect of these consumers, which they could then exploit to their advantage.
34. We anticipate that these proposals will particularly benefit a number of minority groups. In 2007/8, the Social Fund provided 2.8 million such grants and loans, for an average amount of £433; around 80% of these loans were granted to the disabled or lone parents. These groups are more likely to be on benefits and low income and therefore more susceptible to unscrupulous lenders and in need of Government assistance via the Social Fund and the Growth Fund. For example, disabled adults are twice as likely to live in low income households as non-disabled adults and recent research from the Office of Fair Trading (OFT) shows that the DE social groups were particularly affected by loan scams⁷.

⁵ YouGov Debt Tracker

⁶ Although there is not a significant difference in these percentages across different income groups, it is possible that a lower holding of credit products among low-income households reflects a lack of credit offered, rather than a choice to not to hold them.

⁷ Research on the impact of mass marketed scams, A summary of research into the impact of scams on UK consumers, OFT, December 2006.

Helping everyone make better borrowing decisions

35. The White Paper announces a number of proposals to ensure that the products and services lenders offer are transparent and fair and that lenders take a stronger role in helping people stay in control of their finances. These include, amongst others, new requirements on consumer credit providers to adequately explain their products to consumers and new requirements on providers to check consumers' creditworthiness. The OFT also plans to issue new guidance on what constitutes irresponsible lending practices.
36. *Initial screening on the potential equality impact of the proposals to help everyone make better borrowing decisions show that these will have a positive impact on all consumers, including minority groups.* Indeed, we anticipate that these proposals are likely to benefit some minority groups more than the average consumer. Many financial products are becoming increasingly complex, which makes them more difficult for consumers to understand. This difficulty is compounded by low levels of financial capability in some cases, which can make it even harder for certain consumers to choose products that best suit their needs. In 2006, the FSA identified low levels of financial capability amongst a significant part of the UK population, particularly young people.
37. This is particularly the case in respect to proposals that lenders should provide adequate explanations about the credit on offer. Standardisation, through the introduction of a Standard European Consumer Credit Information (SECCI) sheet is likely to particularly help those ethnic minority groups for whom English is a second language. A recent survey by the European Commission found that 87% of UK consumers would find a standardised information sheet useful in comparing prices and offers⁸. It is also true of proposals for new guidance on irresponsible lending, which should help those groups who are at more at risk of being targeted by irresponsible lenders, again likely to be more vulnerable consumers, including those who have restricted access (such as the elderly and those with physical disabilities who may find it harder to leave their homes) and those for whom English is a second language.

Making the credit regime work more effectively for consumers and lenders

38. The White Paper sets out how the Government will ensure that the credit regulatory regime is fair to borrowers and minimises burdens on industry. In particular, the Government proposes to consult on banning the use of Bills of Sale (used to secure personal loans against

⁸ 'Flash Eurobarometer 298 – Consumer protection in the internal market', European Commission (2008)

consumers' assets) for consumer lending. We will also address systematic unfairness to borrowers so that the victims of unfair treatment get proper redress and we will work across Government to curb excessive fees and charges, which often particularly hit the more vulnerable consumers. We will also continue to raise awareness of the impact of illegal money lending.

39. *Initial screening on the potential equality impact of the proposals to improve the effectiveness of the credit regime show that these will have a positive impact on all consumers, most particularly minority groups.* Vulnerable consumers, which include some minority groups, are more likely to fall victim to credit schemes that are not best suited to them. If consultation supports the proposal to ban the use of Bills of Sale, this may particularly help some minority groups, for example those for whom English is a second language who may not understand the complex legalistic language in these Bills of Sale. The Government has already done much to warn against the dangers of illegal lending and loan sharks who often prey on our most vulnerable consumers, but it is important that more cases continue to be prosecuted in England and Wales.

Chapter Three: Empowering consumers through better enforcement and information

40. This chapter of the White Paper sets out how the Government will ensure consumers have access to the skills and knowledge they need to make informed decisions as well as helping consumers that lose out because of the provision of poor quality consumer goods and services or because they are targeted by businesses that set out to mislead or “rip people off”.

A new approach to enforcement

41. In this section of the White Paper, the Government proposes to take significant steps to implement new enforcement powers. In particular, the Government wants to see that businesses who have infringed consumer rights have the opportunity to put things right before any formal public enforcement takes place. Under this system, criminal powers would be reserved for real rogue traders, with consumers compensated directly by business in other cases. We will test this approach through a number of pilots across the UK. The pilots will deliver consumer redress via voluntary compensation offers by business when breaches of consumer law are discovered enabling them to resolve consumer disputes fairly and bilaterally.
42. *Initial screening on the potential equality impact of this new approach shows that it is likely to a positive impact on all consumers, including minority groups.* We anticipate that allowing businesses that have violated consumer law to voluntarily make amends will, in the vast

majority of cases, enable early and fair compensation for consumers. However, there are challenges that we need to monitor carefully, and some of these challenges may disproportionately affect minority groups. In particular, we will need to ensure that real rogue traders do not slip through the net, and that those businesses that do compensate do so in a fair and just way. This is particularly important for more vulnerable minority groups, such as the elderly and ethnic minorities who may be more at risk of being taken advantage of by business. For example, the OFT in their Doorstep Selling report⁹ analysed evidence of complaints about doorstep selling for 2001 and 2002. This showed that a substantial proportion of complaints were made by minority groups such as the disabled (23%) or older people (49%).

Enforcement for the 21st Century

43. The White Paper announces how the Government will improve internet enforcement of consumer rights. Proposals include a new single complaints register for any citizen encountering an online scam or breach of consumer laws and the creation of a specialist e-consumer protection internet enforcement team to tackle rogues who operate on the internet. We will also bring forward legislation to give the courts the power to prohibit persistent rogue traders from carrying on business with consumers and we will encourage, through new investment in a Fighting Fund, Trading Standards Services and local authorities to share resources to strengthen local enforcement. In addition, we have committed to providing a package of support for targeting product safety sampling and testing of imported goods at ports of entry to reduce the risk of unsafe products entering the UK market place. The Government will also consult on possible regulations to increase the maximum fine for silent calls.

44. *Initial screening on the potential equality impact of proposals to bring enforcement into the 21st Century shows that it will have a positive impact on all consumers, including minority groups.* The OFT estimates that UK consumers lose about £3.5 billion to internet scams each year. All consumers who use the internet, including minority groups, have an interest in ensuring that they have the information available to protect themselves when undertaking online transactions and that the enforcement mechanisms in place are the most effective possible. Research¹⁰ carried out in summer 2008 for BIS showed that consumers were less confident about making a complaint, returning goods or raising a problem when buying on the internet, compared to when buying from a high street or independent store. This is, perhaps, particularly important for those minority groups who rely on the internet for the purchase of goods because their specific needs make it more

⁹ Doorstep selling, A report on the market study, OFT, May 2004

¹⁰ Research by TNS on the behalf of BERR (BIS predecessor), interviews with 2012 consumers in July 2008

difficult for them to make use of more traditional retail premises (e.g. because of physical constraints or because of the difficulty of locating goods and products in their local high street). OFT research¹¹ shows that older consumers are more likely to be targeted by an online scam (over 55s accounted for almost half the people claiming to have been targeted), and are likely to lose more than the average victim, although there is no evidence to suggest that they are more likely to be victims.

45. The proposal for a high profile single complaints register will make it easier for consumers, including minority groups, to report breaches in consumer law. Whilst not specifically targeted at minority groups, bringing together expertise from a number of enforcement agencies and focusing resources into a specialist internet enforcement team will help ensure that all consumers are more effectively protected from online rogues and scams. This can only be of benefit to those minority groups who use the internet for retail purchases.
46. The more wide ranging proposals on enforcement will also benefit minority groups. In particular, the proposal to ban persistent rogue traders from carrying out business with consumers will help those minority groups who are particularly vulnerable to rogue traders. In addition, greater product testing at ports of entry will also help those minority groups who are less able to determine and take action when faced with unsafe products, particularly those for whom English is a second language and those groups who have reduced mobility. Finally, proposals to review the regulation of silent calls will be of particular benefit to vulnerable consumers, such as the elderly who may be caused distress by such calls.

Appointing a Consumer Advocate

47. The White Paper announces the appointment of a Consumer Advocate who will be a public figure to improve the coordination of education and information campaigns. The Advocate will provide a strategic overview of consumer education activities and seek to deliver real benefits by identifying synergies and sharing best practice. The Consumer Advocate will have a particular responsibility to look after the vulnerable and will work to deliver messages to the least confident consumers about how to protect their interests. He will also monitor and champion the new approach to consumer focused enforcement to deliver appropriate compensation to consumers where breaches of consumer law are discovered. Where a significant number of consumers have suffered a similar loss at the hands of the same business, and where the business is not prepared to provide voluntary compensation, the Government will consult on equipping the Consumer Advocate with a power to take collective actions on behalf of

¹¹ Research on the impact of mass marketed scams, A summary of research into the impact of scams on UK consumers, OFT, December 2006.

a group of consumers. Finally, the Government will consult on giving the Consumer Advocate the power to receive, hold and distribute compensation for UK consumers which has been secured by overseas enforcement bodies.

48. *Initial screening on the potential equality impact of the Consumer Advocate shows that it will have a positive impact on all consumers, including minority groups.* Responses to the Consumer Law Review showed that some consumers, particularly vulnerable consumers, do not have sufficient understanding of their rights to know when they should receive compensation. This is particularly true of the elderly and those for whom English is not a first language. The Consumer Advocate will have a primary responsibility to vulnerable consumers and will engage directly with consumers through the media, making it easier for all consumers, including minority groups to be aware of consumer issues, such as scams, and how to respond to them. Even if consumers know that they should receive compensation, they may not have the confidence, resource or ability to take an action forward. Here again, the Consumer Advocate will have a positive impact on all consumers, including minority groups as he / she will have a role to champion consumer compensation, and following a consultation, may also have the power to take collective actions on the behalf of consumers.

Better Information for Consumers

49. The White Paper states that we will launch a new consumer rights publicity campaign to raise awareness of key rights and the availability of advice provided by Consumer Direct. We will also create a new consumer area on the DirectGov website which will present in one place guidance, self-help tools and templates and clear signposting to where to find further support. We will also be working with consumer advice providers to enable closer integration of digital, phone and face to face channels to simplify messages to consumers and ensure that they can be directed first time to the service they need. Finally, we have highlighted a range of proposals to help provide better information for consumers in specific situations, including for those attending court about repossessions, for those seeking information about rights regarding flights and holidays, for those wanting to reduce the impact of their lifestyle on the environment, and specific advice services for older people.

50. *Initial screening on the potential equality impact of providing better information for consumers shows that it will have a positive impact on all consumers, including minority groups.* Research carried out in summer 2008 showed that nearly a third of a representative sample of adults aged 16+ throughout the UK said they were not well informed about their rights¹². A publicity campaign during September 2009 will

¹² Research by TNS on the behalf of BERR (BIS predecessor), interviews with 2012 consumers in July

improve awareness of consumer rights for all consumers, including minority groups, and will direct them to the appropriate source of online and telephone advice. The campaign will particularly target consumers from poorer social backgrounds, and 16 to 24-year-olds within that group. This is because the summer 2008 research showed people from these backgrounds were the least confident and least knowledgeable about their consumer rights. We will ensure that our online and phone offerings (DirectGov and Consumer Direct) meet, and where possible, exceed government accessibility requirements.

51. We recognise that some minority groups (e.g. those aged over 50) may prefer to receive advice over the phone or in writing rather than on the internet. The Government's free, independent national information and advice service for older people (FirstStop) aims to meet some of the specific needs of this specific minority group. In addition, in the case of the Directgov walkthroughs on civil disputes, we will complement the web based information with new civil justice leaflets in autumn 2009. We acknowledge that more can be done to ensure that consumers can get access to the right information and support first time in the way that they prefer to receive it and that this is particularly important for minority groups who may have specific needs.

Chapter Four: Modernising Consumer Law

52. The White Paper makes a number of commitments to modernise consumer law. In particular, there will be a new Consumer Rights Bill which will implement in due course the EU Consumer Rights Directive and which will modernise and simplify UK consumer sales law. There will also be a new set of powers for Trading Standards to help them deal more effectively with modern trading conditions. In addition, we will look at how the law could be strengthened to give consumers greater rights when they have been harmed by aggressive commercial practices in breach of the Consumer Protection Regulations.

53. *Initial screening on the potential equality impact of modernising consumer law shows that it will have a positive impact on all consumers, including minority groups.* The intention to streamline and update the current consumer law framework will help ensure the rights of all consumers, including minority groups, are clearer and fit for purpose in the age of the internet and other new technologies. This will make it easier for consumers to understand their rights and to get the best outcome when something goes wrong. This is particularly important for a number of minority groups, the elderly, people with poor literacy and those with different learning needs, and those for whom English is a second language who may have difficulty navigating complex consumer law requirements.

