



ALL PARTY PARLIAMENTARY GROUP ON
CORPORATE RESPONSIBILITY (CSR)

Vulnerable Customers

Inquiry by All Party Parliamentary Group on Corporate Responsibility

supported by

Business in the

Community





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Foreword



I am delighted to introduce this inquiry report, the first of the All Party Parliamentary Group on Corporate Responsibility (APPG on CSR). In July 2006, the Group agreed to run a parliamentary inquiry looking at how businesses respond to the needs of vulnerable customers and to identify issues and opportunities for businesses in this area. Over the year the team has heard evidence from a wide range of organisations, including businesses, charities and regulators.

We know that companies need to identify the needs of especially vulnerable customers among the broader customer base. The needs of such customers can often go unnoticed, and the way they are treated can sometimes be a matter of life or death. During the inquiry we identified different types of vulnerabilities and heard from a range of companies as to how they have developed strategies to meet specific needs. With the support of Business in the Community we have developed a checklist of action points for business.

For many companies issues within the marketplace can be some of the most difficult and the most prone to miscalculation. We hope that this report goes someway to helping companies navigating their way through the minefield.

I would like to take this opportunity to thank the inquiry team, who gave up their valuable time to help us to make sense of all the information, and of course to everybody who contributed to the inquiry.

Baroness Sally Greengross
Chair, 2006/07

Introduction

There has been a growing interest in issues around vulnerable customers, with attention particularly being given to issues around marketing to children, the impact of 'size zero' models, issues around financial exclusion and addictive behaviours, such as binge drinking or problem gambling.

Vulnerable customers, as defined by the Marketplace Responsibility Principles of Business in the Community¹, are groups of customers who are especially vulnerable to some aspect of a company's product or service - unusually so and potentially therefore able to be overlooked. Treating them well goes beyond a simple duty of care to make sure that under normal circumstances the product does not cause harm.

The APPG on CSR held an inquiry into how companies deal with vulnerable customers. This has involved a number of presentations from companies and campaign groups covering different issues around vulnerable customers. As might be expected, these have covered a diverse range of issues and an equally diverse set of examples of corporate responses to these issues. We are grateful to all that have taken part in this exercise and we have considered all submissions carefully in drawing up this final report.

The aim of the inquiry has been, from these starting points, to identify certain common factors where the best practice in one area might be transferred successfully into other contexts to encourage a stronger focus on vulnerable customers across a range of sectors.

Groups of vulnerabilities

Seeking common factors amongst these groups suggest the following distinct types of vulnerability.

Different types of vulnerabilities

Through the course of the enquiry, the following groups were identified as, under some circumstances, meeting the criteria of vulnerable customers.

- People with gambling tendencies
- People vulnerable to alcohol abuse
- People with eating disorders
- People with physical sensitivities, e.g. allergies
- People without education to manage finance
- People without financial resources to obtain basic requirements or whose special circumstances mean that they require larger amounts of certain resources
- Children, i.e. without experience or maturity to understand processes
- People without English as first language - i.e. barrier to understanding

Vulnerabilities of personality - an inherent factor within someone that makes them vulnerable to falling into consumption patterns that do them harm. e.g. gamblers, alcoholics, people with eating disorders.

Vulnerabilities of experience / understanding - where either lack of worldly experience or barriers to understanding leave people vulnerable to people or processes that may harm them. e.g. children, people without financial education or maturity, people without good language or literacy skills.

Vulnerabilities of physical disorders - where physical reactions to normal circumstances may lead to harm. e.g. people with allergies, immunity deficiency, certain disabilities.

Vulnerabilities of access - where lack of financial resources or other barriers to accessing key basic services exist, leading to harm that goes beyond mere inconvenience.

¹ Visit www.bitc.org.uk/marketplace to view Business in the Community's Marketplace Principles

Conclusions arising from the inquiry

In spite of its ability to make headlines, in terms of companies' approach to corporate responsibility vulnerable customers have often been ignored. And yet the evidence from those companies that have sought to proactively address the issues have demonstrated that the time has come to an end when this is an option.

Few companies currently deal with such issues in their corporate responsibility reporting. Factors around vulnerable customers are not included in many of the frameworks, such as the Global Reporting Initiative used by many companies to structure their reports.

We recommend that all sectors review whether they have vulnerable customers, or in the case of business-to-business firms, whether their customers have vulnerable customers the issues for which could be effectively addressed at their stage of the production process (for example, advertising agencies should share with their corporate clients the interest in identifying vulnerable customers and taking care about how they are affected). These issues should then be reflected in their CSR or sustainability reporting.

Companies and policy makers in taking action in this area, however, should beware unintended consequences of quick responses. For instance, moves by food companies to seek to encourage people to consume fewer calories in the face of problems of obesity could inadvertently stoke the problems with customers whose compulsions went to obsessive dieting. There is a need for solutions - whether through business best practice or public policy - that have been carefully considered rather than being quick fixes. We consider below what this may mean for some of the different vulnerabilities.

We identified a lack of clarity amongst policy makers and commentators on what are the limits of what companies can be expected to do, and there are times when expectations that companies can successfully alter consumer behaviour are unreasonable. As a basic guideline we believe that:

- Where there is a strong business case, where action helps to connect better to customers or to effectively manage risk, the best response is for **individual company action**, with competition to do well providing an upward pressure on best practice.
- Where there is a strong business interest, but the issues can only be addressed on an industry-wide basis, and such collaboration will be legal (i.e. not a cartel) and of benefit to the whole sector, then there is a strong case for **industry collaboration**.
- Where there is no business case because action involves cost with no benefit, or effective action cannot be taken without the support of non-business agents such as government or regulators, then the appropriate response is **government / industry partnership**.

Vulnerabilities of personality

A new brief for market research - Marketing departments of companies can use research on market segmentation and customers preferences to identify triggers for harmful behaviours amongst vulnerable groups in their customer base. They should do this to (a) identify and profile their vulnerable customers (b) establish triggers for harmful behaviour that can be isolated from other effective approaches to marketing (c) build in processes to ensure this knowledge is reflected in how the company approaches marketing in the future. Camelot and Cadbury provide useful examples of this kind of approach.

Market research could also be used to more actively test some of assumptions that feed business behaviour that could impact negatively on vulnerable customers. For

Marketing to kids isn't child's play

instance, the fashion industry currently has a near-consensus that the use of ultra-thin models is the necessary norm, with any model at a size of 12 or over being available only through specialist agencies. The assumption that this is because of consumer demand could be more rigorously challenged, as the success of the Dove brand has shown.

Vulnerabilities of experience / understanding

This group can be particularly at risk of being targeted for abuse. Companies should follow existing best practice in terms of innovation to make abuse harder (e.g. adapting products to make them harder to steal).

In some areas, there is a real interest in sector collaborations to promote greater capacity amongst these groups, e.g. coalitions promoting media literacy, and financial literacy. In others, there should be practical collaborations to tackle issues that are currently not under control, such as providing easier ways for customers to clear up identity theft.

Companies should seek partnerships with trusted organisations that may have greater degrees of trust with some of the target vulnerable customers, e.g. as Barclays has sought to do with Citizens Advice Bureaus and credit unions.

Where companies are not in charge of the actual retail process of their product and there are issues around the supply of the product to vulnerable customers, they may choose to develop training for those retailers to enable them to manage the key issues, e.g. Camelot and Diageo provide good examples of such training.

A key group within this definition relates to children. There is a debate within society about the overall validity of marketing to children, and this is a debate which is outside the scope of this review. However, we believe that a key

principle that will service businesses well is that where they wish to market to children, they should aim to do so with the support and consent of parents.

Vulnerabilities of physical disorders

These tend to be well covered by legislation, e.g. labelling for allergies on food products etc. There is scope, however, for other types of outlets such as restaurants to do more to identify the potential vulnerabilities and have policies to manage these. For instance, people with diabetes may need accurate forecasts of service times in restaurants so they know when to take their insulin injection, and allergy labelling on menus could aim to achieve similar information to the supermarket labelling.

Vulnerabilities of access

The key challenge in this area is that products or services often cost vulnerable customers comparatively more, therefore reducing access potential. Each business should review where this is the case within their customer base, and seek to provide appropriately priced products where this is the best response, and / or to act as an advocate on behalf of vulnerable customers where there are public policy or other constraints out of the control of the company.

In addition, the use of market research techniques again can be used to identify barriers to uptake of certain benefits or services, particularly of basic bank account services by people resistant to dealing with financial institutions. However, although many of the financial institutions currently offer basic banking services it is unreasonable to expect them to take upon themselves the mission of reaching all of the 2m people that do not currently have bank accounts - especially if these may be loss making customers. They should, however, be able to focus on better support around issues such as debt, and building education and capacity around financial management.

Summary of APPG inquiry presentations

January 2007

Corporate presentations of best practice with regard to vulnerable customers

Barclays Bank

In 2005 ANZ Bank research found that Barclays was “the bank that has done the most to advance both thinking and action on financial inclusion in the UK, and its efforts put it ahead of other banks assessed worldwide”.

In 2000 Barclays, in common with all high street banks, developed a basic bank account (the Cash Card Account) - to keep money safe, to secure discounts on utility company direct debits and to enable the receipt of benefits or salaries.

In 2006 the bank consulted in a ‘roundtable’ format with three leading consumer groups: Citizens Advice, the National Consumer Council and Toynbee Hall to ensure that the account meets consumer need.

In addition to basic bank accounts (BBA's) Barclays has implemented specific measures for vulnerable customers:

- a buffer zone of £15 for standing orders and direct debits - (recommendation of the ‘consumer roundtable’) which enables a modest leeway for customers, rather than being faced with unpaid fees and missed payments (even if there is insufficient money in the account)
- better communications with BBA customers - BBA leaflets on display in all branches; monthly statements to BBA customers to help keep track of finances; and not seeking to close BBA accounts if the customer is having difficulty with regular payments.
- Barclay’s cash card does not offer overdrafts -to help people avoid unwanted debt.
- improved training - financial inclusion is included in the induction for all new staff.

Action points for business

- Carry out a review to identify potential vulnerable customers within your customer base, or within the customer base of your corporate customers
- Include vulnerable customer issues in your reporting
- Take a considered approach towards understanding the vulnerabilities and what is the most effective business solution
- Identify whether action is best taken as an individual corporate initiative, a sector collaboration, or in partnership with government
- Use your market research to be able to better understand the issues for your vulnerable customers, and build this understanding into your approach to marketing
- Be prepared to challenge standard industry assumptions that may be unhelpful in supporting vulnerable customers
- Seek partnerships with trusted organisations that know the problems of these vulnerable customers best
- If you market to children, make a virtue out of marketing with the knowledge and support of parents
- Use market research or other appropriate methods to identify the real barriers that keep some people excluded from essential services

Access can be a particular problem for companies which provide essential utilities in a near-monopoly situation (water, energy companies). However, there are features in common for basic financial services, although there is much less clarity over how individual companies step up to the bar in a much more competitive environment.

Size zero models inquiry begins

Diageo

Diageo is committed to internal self-regulation, as mandated by their own internal Diageo Marketing Code. This code applies in addition to industry codes and government regulations, and sets the minimum global standards of practice for all Diageo marketing activities around the world including advertising, promotions, brand innovation activities, consumer PR and the development and content of websites. Diageo has taken the following steps to address the needs of vulnerable customers:

- In some countries, the Diageo Marketing Code may be the only guidance available. The Code covers all issues which would be expected to protect the needs of vulnerable customers: compliance with local laws; underage provisions; responsible drinking; abstinence; offensive advertising; alcohol content; medicinal or therapeutic value; social and sexual success; anti-social activities; drinking and driving and promotional activities.
- A personal on-line sign-off is required for all brand communication materials. In order to ensure the Code is embedded in the culture of marketing teams, adherence to the Code is part of the performance assessment of managers.
- Influence at point of sale -by providing training for retailers in more than 20 countries. Diageo also provides extensive information about all its brands (for example, alcohol content and nutritional values) on a dedicated website, www.knowyourdiageodrink.com.
- Runs specific programmes e.g. the Strengthening Families Programme, 10-14" in the USA which seeks to change behaviour over time and is being piloted in the UK by the Home Office Drug Strategy Directorate.

O2

In 2000 the Stewart Report recommended that the Mobile Telephone Operators, (MTOs) should not promote mobile phone use to children which is now accepted by the industry. Despite the highly competitive relationships between mobile phone operators child protection is an issue that they have come together to work on and have all signed up to the industry's Code of Practice - before any intervention by Government or the regulator.

O2 was the first to join the Home Secretary's task force, the first to join the Internet Watch Foundation, and the first operator to provide leaflets about it in-store.

Specific measures O2 are taking to address the needs of vulnerable customers:

- O2 only advertises in magazines or between television programmes where more than 50% of the audience is over 16.
- In 2003 O2 and other operators worked with the Home Office and children's charities to draw up a Code of Practice to regulate the provision of content on mobile phones. e.g. any commercial content rated "18" has to be behind content controls which can only be accessed by someone verified to be over 18. In line with the Code O2 has implemented controls which parents can use to restrict their children's internet browsing facilities.
- O2 has established a 24/7 Nuisance Call Bureau (NCB) providing advice to customers if they are suffering from nuisance or threatening messages. The NCB can link customers to the police and O2 has provided evidence to support prosecutions. O2 will also offer to help customers by providing them with an alternative telephone number or by tracing the individual who is sending the threatening/nuisance calls and sending them a warning message. NCB staff visit schools every year to explain to children that sending offensive messages is

unacceptable behaviour and advises children who are receiving such messages.

- All O2 chatrooms are moderated and O2 works with the Child Online Exploitation Centre to protect its customers. The company has been working with ChildNet to help create 100 “Child Protection Champions” who work throughout the company to champion child protection.

Camelot Group

Camelot focuses on the needs of vulnerable customers through risk prevention rather than education or treatment. They provide support through the Responsibility in Gambling Trust for organisations providing treatment for problem gamblers, ie GamCare and Gordon House.

Camelot has identified four vulnerable groups: people on low incomes; people unaware of the risks; people already addicted to gaming products; and people under the age of 16. A proprietary research tool developed by Camelot enables it to look at the appeal of potential products to vulnerable customers and exclude features which are likely to make them attractive.

- Camelot seeks to prevent tickets being sold to people under 16 by making refusal of such sales a condition of its agreement with retailers. All retailers are trained to refuse such sales.
- This policy is enforced by unannounced visits by Camelot’s Operation Child teams.
- Camelot changed its strategy in 2007 to prevent excessive losses by introducing “wallet load limits”. Players are able to spend what they have immediately available, including any winnings up to a certain level, but they are not able to bring more money to the table. Camelot will also prevent people from setting up multiple accounts and it will introduce limits on the number of instant games a person can play on any one day.

January 2007

New technology

Ofcom

Ofcom has a regulatory responsibility for the content delivered over broadcasting services. Its Broadcasting Code sets out the standards required of licensed service providers. The Code has a special section devoted to the protection of young people.

Ofcom believes industry and consumer self-regulation both have an important part to play in setting standards for consumer protection. With content being increasingly delivered by new technology the organisation is looking at new measures to protect vulnerable customers.

Ofcom gave examples of how the media industry is addressing the need to protect children;

- The Broadband Stakeholders Group, includes the BBC, Channel 4, ITV, BT, AOL, Google and Yahoo! Ofcom has challenged them to provide more information to viewers about the nature of content so that they can judge whether it is suitable.
- The Mobile Broadband Group includes all major mobile operators who have come together to establish Codes of Practice, setting age-related content controls and guidelines. Ofcom regards this as a good example of self-regulation.
- The Home Office Task Force on the Internet has provided guidance on key issues such as chat-rooms, safe search and the moderation of children’s services. Ofcom believes the UK is leading the world in this respect. Ofcom has also been working with the Home Office to establish a kite-mark for internet protection software and hopes that most suppliers will meet the standard by summer 2007.

Off-trade's not responsible for binge drinking

National Consumer Council

The National Consumer Council has three key proposals for supporting vulnerable customers:

- The European data protection regime should classify personal data from children as sensitive data, requiring explicit parental consent.
- The UK needs a national ID Theft Support Centre.
- Ofcom needs to act faster to tackle rogue practices.

UK Children's Charities Coalition on Internet Safety

The UK Children's Charities Coalition on Internet Safety (CHIS) represents all the large children's charities in the UK, including: Barnado's, Childline, and the NSPCC.

The CHIS believes there are three main categories of risk online:

- Content - including illegal content (child pornography) and legal adult content (adult pornography and gambling).
- Contact - inappropriate people, for example paedophiles, being in direct contact with children.
- Commerce - marketing to children.

The CHIS believes a self-regulatory environment is well entrenched stating that a good example is how BT uses its own resources to develop clean feed technology and shares this with all other operators. It is now used throughout the world.

BT

In protecting vulnerable customers BT says that it "is often balancing itself in a triangle of forces: human rights and freedom of expression; protection of personal privacy; and

state or personal security matters including protection of minors."

BT provides a number of different services for vulnerable customers:

- A "BT Light user scheme". Customers pay standard rental and call charges, and receive a rebate if their bill is below a certain level. Some 2 million customers benefit from the scheme, which costs BT about £70 million a year. "BT In-Contact Plus" is a basic telephone service that offers normal incoming call facilities, but restricts outgoing calls to only 999, 112, 150, 151 and 12822.
- BT supports people who are hard of hearing by providing BT TextDirect- a way of making and receiving calls between voice and textphone users. Another service, Typetalk enables people who are deaf or hearing impaired to make and receive calls to and from hearing people. It is run by the Royal National Institute for Deaf People and funded by BT. BT has also designed an extensive range of telephones to meet the needs of vulnerable customers, for example, the big button range and the BT Relate 3000. All existing payphones have technology to assist people wearing compatible hearing aids.
- BT has been working closely with the industry to resolve the problem of software diallers e.g. "BT Modem Protection" is a free software download to stop computers dialling premium rate or international numbers.
- BT has developed its own child online safety guide for children, parents and teachers called "The Internet Green X Code", which can be accessed at www.bt.com/education/funstuff. "Project Cleanfeed" blocks all known child pornographic websites. Some 35,000 instances of illegal abuse images of children are being blocked daily by this child protection technology, which BT made freely available to all operators.

Vodafone UK

Vodafone recognises the need to respond to the challenges of the introduction of 3G technology in terms of what content could potentially be accessed by children, e.g. pornography, violent games or gambling sites.

Vodafone's commitment to meeting the needs of vulnerable customers focussed on two groups: children and people with disabilities:

- Vodafone mobiles have automatic bars on adult content, which can only be removed after age verification e.g by means of a credit card.
- The chat-rooms available on Vodafone's own are all subject to human moderators.
- Vodafone also has a range of services which offer support to people with disabilities, for example, they can access the regular Vodafone customer services or contact a dedicated special needs customer services team, which has received additional training. Vodafone has produced a portfolio of products and services that are particularly appropriate for disabled customers, and has also sought to make its mainstream products and services as inclusive as possible.

February 2007

Body image and health

BEAT

This presentation focussed on eating disorders in the UK and made suggestions as to how the fashion, retail and media industries could reduce their impact on the lives of their own vulnerable customers because although these industries do not cause eating disorders they play a large role in influencing those who may be vulnerable.

- Addressing the fact that shop window mannequins are unrealistically tall and thin, whilst the average size of a woman in the UK is size 16.
- There is a role for voluntary advertising standards to apply - just as there are voluntary restrictions on the way in which alcohol is promoted to children.
- There is a concern as to why 15 and 16 year old girls are being used to sell clothes to mature women.

BEAT is working in partnership with DOVE on a programme for year 9 pupils (aged 13-14) entitled "Body Talk". Over 100,000 pupils participated in the programme over the last year, the materials for which are distributed free of charge through schools.

Food Standards Agency (FSA)

The FSA is active across a broad range of areas, but for the purpose of this inquiry they focussed on their work to encourage people to eat a better diet. This work has three strands:

- Changing products to reduce unhealthy ingredients.
- Influencing people to make different, healthier, food choices.
- Influencing the environment in which people make their food choices.

The food industry is voluntarily working to reduce the amount of added salt in processed food. As a result people will eat more healthily without having to change their behaviour. Companies such as Heinz, are putting a "check my salt" label on their cans to support the campaign.

In 2006 the Hastings Report found there was evidence to show food promotion affects children's food preferences, purchase behaviour and food consumption.

Disabled daughter's agony as power cut lasts 11 hours

Cadbury Schweppes

Cadbury Schweppes has a 12 point action plan for responding to consumer concerns about health. This includes a Global Marketing Code of Practice, with special reference to children.

- Three years ago they issued a new guidance code for marketing to children, this includes: no use of fantasy characters, celebrities or placement/scheduling in a way that confuses or encourages inappropriate or over consumption; respecting the role of parents and not collecting personal details or contacts.
- The UK confectionary industry has launched a new global labelling standard - Be Treatwise - a consumer education campaign designed to educate consumers about the role of treats in the diet.
- The company aims to offer alternative product choices including reduced fat, sugar and salt, for core brands and have increased the low calorie and low fat choices in their portfolio by 50% through innovation and acquisition.

March 2007

Financial inclusion

Key points about vulnerable customers arising from the House of Commons Treasury Select Committee's inquiry:

- The poor are paying more for their credit than others, so it is vital to tackle illegal money lending.
- The financial services industry needs better data-sharing. In some of the worst cases where individuals have fallen into debt, they have as many as 40-50 credit cards. By paying the minimum amount each month, they are not identified by the banks as vulnerable until they crashed under the weight of their debt.

- There is a need for a more effective system than that provided by the Social Fund. One in four of the people refused a loan by the Social Fund turn to loan sharks or high cost credit providers as an alternative. There needs to be a debate on the future of the Social Fund and how it can be better linked to the work of Credit Unions and Local Authorities.

Royal Bank of Scotland

8 out of 10 Royal Bank of Scotland (RBS) customers bank with the company for free. 450,000 children have benefited from the RBS Face2Face with Finance education programme in 2006 and by the end of March 2007, RBS had provided financial education to more than 1 million people in the UK. RBS is the largest provider of Basic Bank Accounts accessible through Post Offices.

Specific measures taken by RBS to consider the needs of vulnerable customers:

- In 2006 RBS undertook to provide 300 more free ATMs in rural and deprived communities and they have offered to provide a further 200 in 2007.
- RBS operates Mobile Banks in remote areas of the UK, serving 300 communities each week that would otherwise be cut off from traditional branch facilities.
- RBS is also working through TRANSACT which helps organisations such as housing associations, local authorities, advice agencies and credit unions promote financial inclusion to vulnerable groups.
- RBS is the largest corporate supporter of the Money Advice Trust which provides free, independent, money advice in the UK. RBS has given the Trust just short of £6m in 8 years.

Nationwide Building Society

Nationwide is the only provider to allow any customer to open any account with £1. It does not charge for making bill payments over the counter at its branches. Access to internet banking is available in many of its branches and the company is committed to providing basic bank accounts. Nationwide finds that many of its customers move on from basic bank accounts to full current accounts over time.

Nationwide has undertaken four major campaigns in the broad context of financial inclusion:

- They have campaigned about the need for wider access to free ATMs since 1979. Nationwide continues to argue for clear signage on ATMs so people can easily see whether charges will be made when withdrawing cash. Nationwide believes ATMs must be provided in deprived areas, but they should be located in busy areas - where they are needed and where people will feel safe using them.
- Nationwide is concerned about the “missing millions” - some 9 million children who are too old to take advantage of Child Trust Funds and too young to have an ISA. It believes this group of children will have little or no savings in comparison with their younger siblings.
- Nationwide has the largest investment of any lender in the affordable housing sector in the UK, - commitment to housing associations of over £8 billion.
- Nationwide has long campaigned to highlight the complex issue of the order of payments on credit cards.

Summary of written evidence

AOL

In terms of protecting vulnerable customers (children) AOL offers the following parental controls:

- Ability to set up screen names that have age-appropriate levels of access for each family member.
- Control as to how much time a child spends online with their online timer.
- Prevent children bypassing parental controls by controlling access to other browsers.
- Get a report card showing which sites a child has visited.

GlaxoSmithKline

GlaxoSmithKline Nutritional Healthcare (maker of Ribena, Lucozade and Horlicks) has had responsible marketing guidelines in place for three years to ensure that it protects children. The company no longer markets to children - because it does not believe this is acceptable behaviour. While Ofcom restrictions only apply to broadcast advertising, GSK's guidelines cover all channels. This includes online marketing campaigns, direct mail, brand experience marketing and sponsorship.

HBOS

HBOS has invested more than £8 million in Community Development Finance initiatives. It also runs the following programmes to support people who could be considered vulnerable:

- HBOS has the largest share of the UK's social banking market. The Group has 3.6 million social banking accounts, considerably more than any of its competitors.

UK banking "slow to respond" to hacking

- HBOS has upgraded 191,000 social banking customers to full current accounts since 2001. 31% of the Group's social banking customers in deprived areas also have a savings account with the bank.
- HBOS is the only banking institution to have piloted the Savings Gateway on behalf of the Treasury. Over 23,000 accounts have been opened.
- Over £10bn of their mortgage lending in 2006 was to customers living in the 5% most deprived areas of the UK. The Group is installing 100 new free ATMs in deprived areas in Scotland and the north of England.

Scottish Power

Scottish Power has a number of programmes in place to assist those facing fuel poverty including:

- Working in partnership with Government, housing providers and charities to alleviate fuel poverty through the Customer Energy Efficiency programme and through the independent charity, the ScottishPower Energy People Trust.
- Working with Citizens' Advice Bureau on energy debt prevention as well as the national fuel poverty charities - National Energy Action and Energy Action Scotland and contributing to industry driven initiatives, such as the Home Heat Helpline.
- Maintaining and promoting the Carefree Priority Services Register for customers with special circumstances. In 2006 customers on Carefree who also paid by pre payment meter or weekly card received a payment of up to £80 credit towards their fuel bills.
- Maintaining a team of experienced Community Liaison Officers who undertake home and community visits.

Unilever (Dove)

Dove has made a feature of marketing its campaign for real beauty - an approach which challenges some of today's stereotypes of how women look. They have also developed the Dove Self-Esteem Fund - in the UK this works alongside the Eating Disorders Association to improve body-related self-esteem. The goal and the commitment of the Dove Self-Esteem Fund is to touch the lives of 1 million young people by the end of 2008.

United Utilities

United Utilities offer services, free of charge to range of vulnerable customers including:

- The Vulnerable Customer Scheme for high water users helps customers if they receive certain benefits, have a large family or because they have a medical condition which results in the use of significant amounts of water.
- ExtraCare provides services for customers with extra needs. ExtraCare services are for customers who have a disability, a serious illness, sight, hearing or learning difficulties or older customers who need a little extra help.

Department for Culture, Media and Sport

DCMS, which has the policy lead on fashion, met with the British Fashion Council (BFC) (who organise London Fashion Week) and the London Development Agency (LDA), and with leading eating disorder groups, to gain a full picture of the issues. BFC, with the support of LDA, are setting up a taskforce to make recommendations on how London's designer fashion industry promotes health and well-being on the catwalk. The taskforce will also make recommendations setting out what else needs to be considered to tackle the problem.

Members of the inquiry team

Baroness Greengross (crossbench)

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Mallen Baker, Development Director, Business in the Community, special adviser to the inquiry.

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Thanks to the following people for taking the time to present evidence to the inquiry team:

Peter Kelly, Head of Financial Inclusion, Barclays

Geoffrey Bush, Director of Corporate Citizenship, and Gaye Pedlow, Director of Alcohol Policy, Diageo

Charlotte Wolff, Corporate Responsibility Manager, O2 and Steve Bartholomew, Head of UK Public Affairs, O2

Phil Smith, Commercial & Operations Director, and Lynette Huntley, Head of Policy & Public Affairs, Camelot

Robin Blake, Manager, Media Literacy, Ofcom

Ed Mayo, Chief Executive, National Consumer Council

John Carr, Spokesman for the UK Children's Charities Coalition on Internet Safety

Chris Tuppen, Head of Sustainable Development, BT

Nicola Woodhead, Senior Corporate Responsibility Manager, Vodafone UK

Susan Ringwood, Chief Executive of BEAT

Rosemary Hignett, Head of Nutrition, Food Standards Agency

Alex Cole, Director of Corporate Responsibility, Cadbury Schweppes

John McFall MP, Chairman of the Treasury Select Committee

Joanna Davidson, Head of Corporate Responsibility, Royal Bank of Scotland

Alan Oliver, Head of External Affairs, Nationwide Building Society

All Party Parliamentary Group on Corporate Responsibility

The All Party Parliamentary Group on Corporate Responsibility (APPG on CSR), an officially registered all-party group in Parliament was set up in 2001 by a group of backbench MPs and Peers after a 2001 survey (undertaken by Business in the Community and PricewaterhouseCoopers) revealed a lack of awareness and understanding about responsible business in parliament. The Group's main aim is to promote debate and understanding of CR among parliamentarians.

The Group is chaired by Baroness Greengross (cross-bench) with officers drawn from all major political parties. It currently has 135 members, of whom 68 are MPs and 67 are Peers. The group's secretariat is provided by Business in the Community, with the support of Camelot.

For further information about the group visit www.bitc.org.uk/parliament.



Many people who are financially excluded fall into the vulnerable customer category. This report flags up issues that need to be addressed in this regard and makes helpful suggestions on the requirement for greater corporate responsibility. For example, it states that banks and others companies should seek partnerships with trusted organisations such as Citizens Advice and Credit Unions that may have greater degrees of trust with some of the target vulnerable customers. People on low incomes or welfare benefits should have the same access to financial services and advice as those who are better off and they should not have to pay a premium for them. The findings that the advertising and marketing of goods and services to vulnerable people requires to be handled in a responsible and sensitive way, are very welcome.

John McFall MP, chairman of the Treasury Select Committee

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