

Fighting for your rights?

How is the government handling big consumer issues such as rogue estate agents? We ask the Consumer Minister, Ian McCartney MP



Ian McCartney MP: 'There need to be sensible and appropriate lending policies'

Q How would you define your role as the Consumer Minister?

A On one hand, it's to be an advocate for a balanced approach between rights and responsibilities and an open-access marketplace for goods and services. But also, it's for people to have the certain knowledge that they've got somebody on their side when things go wrong – whether it's Farepak, illegal money lending, or dangerous foam furniture. I have spent most of my political career in consumer issues, so I'm pleased about this portfolio. Every day you can make a difference, like the magazine *Which?*. It's an easy read, in the sense anyone can pick it up, and there's practical help and advice but it also does another thing – it campaigns, it gets things changed, it keeps people like me on their toes.

Q How much do consumers know about their rights?

A I think it depends on the issue. I think most people trust above and beyond the call of

duty and that's why it's so important that their general trust is underpinned with rights and redresses when things go wrong. There are some parts of the market where there are very vulnerable people and, as a consequence of that, they get damaged. There are also good companies, which get damaged and undermined in selling their goods by dodgy companies.

Q Are you concerned about unauthorised overdraft charges causing financial difficulties for people?

A That's why we've asked the Office of Fair Trading (OFT) to look at the situation. Part of the review of the Banking Code is to ensure that the industry operates in a fair and responsive way to its customer base. And that's why there should be more transparency in terms of information on lending – both to the consumer and between lenders. There is, to be fair, a growing awareness in certain parts of the banking sector that there have to be more effective ways to

ensure customer satisfaction. There need to be more sensible and appropriate lending policies. I welcome the OFT investigation and, I suspect, at the end of it there will be recommendations that will have to be implemented.

Q With the rise in non-package holidays, how are you making consumers aware they may not have the same financial protection as those on package holidays?

A We recognise that consumers want choice on holidays, but this can mean the holiday falls outside the protections for 'package' holidays. It's important that the industry tells consumers if they are not covered by the Package Travel Regulations, so consumers can arrange their own coverage. The Department of Trade and Industry is working with others to agree new guidance for the industry and we intend that this will include what consumers should be told about coverage.

Q Both Which? and the Halifax Bank have called for estate agents to be subject to compulsory licensing. Why isn't the government pushing for this?

A Because I think we've done something better. Once the Consumers, Estate Agents and Redress Bill is passed, nobody will be able to operate in the housing market unless they are registered with the ombudsman and part of an effective redress scheme. And that's what people want – to be able to walk through the door of any estate agent and know they are covered. We've also given additional powers to trading standards. I think we've done what everyone wants us to do. Now I understand why people like yourselves have campaigned for regulation.

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