CONSUMERS, ESTATE AGENTS AND REDRESS ACT 2007

EXPLANATORY NOTES

BACKGROUND AND OVERVIEW

Parts 1 and 2

Redress Schemes and Complaint Handling

- 10. The Act enables the Secretary of State to require regulated providers in the gas and electricity sector (in Great Britain), the postal services sector (in the United Kingdom) and the water sector (in England and Wales) to belong to redress schemes, providing resolution and redress for their consumers. Redress schemes already exist in the financial services and telecommunications sectors and the power in the Act does not relate to those sectors. There is also an existing redress scheme in respect of billing and transfer disputes in the gas and electricity sectors.
- 11. The Act imposes a duty on the energy and postal services regulators (the Gas and Electricity Markets Authority and the Postal Services Commission respectively) to make regulations to prescribe standards for complaints handling by regulated service providers in the gas, electricity and postal services sectors.
- 12. The Act does not extend these powers to the water sector because the Secretary of State already has a power to prescribe complaint handling standards in relation to water undertakers and sewerage undertakers in England and Wales under the Water Industry Act 1991 (c. 56).