

# Driving down the extra costs disabled people face

**Final report**



**Extra Costs  
Commission**  
Investigating costs faced  
by disabled people

The Extra Costs Commission is generously supported by the Barrow Cadbury Trust.

The Barrow Cadbury Trust is an independent charitable foundation, committed to bringing about socially just change.





This is the final report of the Extra Costs Commission. The Commission is an independent inquiry exploring the extra costs faced by disabled people and families with disabled children in England and Wales. It was set up in July 2014, in response to disability charity Scope's 2014 report *Priced Out: Ending the Financial Penalty of Disability by 2020*, which highlighted a lack of evidence or ideas about how to drive down the cost of products and services for which disabled people pay more.

The Commission is chaired by Robin Hindle Fisher. Its membership combines expertise across private, public, regulatory and consumer sectors. Seven of the 15 Commissioners are disabled themselves

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## Acknowledgements

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We would like to send our appreciation to all the individuals and organisations that have contributed to the Commission's evidence and thinking on extra costs.

Lastly, we would like to thank Anna Bird, David Owen, Minesh Patel and Elliot Dunster of Scope who were the secretariat to the Commission, and Dr Eilidh Cage for her research support. The Commission's work would not have been possible without their dedication and outstanding contributions.

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# Foreword

by Robin Hindle Fisher



This report marks the end of a year-long independent inquiry into the extra costs faced by disabled people and their families.

The group of 15 Commissioners, seven of whom, including myself, are disabled themselves, has considered extensive evidence from a variety of sources on the financial penalty of disability and how this impacts upon the lives of disabled people.

Previous research by the disability charity Scope estimated that disabled people spend on average, £550 a month on disability-related expenditure.<sup>1</sup> Welfare payments aimed at alleviating these costs – Disability Living Allowance (DLA), Personal Independence Payment (PIP) and Attendance Allowance (AA) – fall far short of meeting them. In 2015/16, the average award of DLA or PIP will be around £360 a month.<sup>2</sup>

Understanding the drivers of extra costs and finding ways of reducing them has been the principal focus of the Commission's work. We are making 16 recommendations that are targeted at four specific groups – **disabled people and their families, disability organisations,<sup>3</sup> businesses, and regulators and government.**

One of our strongest messages is to disabled people themselves. There are over 12 million disabled people in the UK<sup>4</sup> – that is almost 1 in 5 of the population – and our households' expenditure, the so-called 'purple pound', totals £212 billion a year.<sup>5</sup> Our collective spending power is potentially significant, but to capitalise on it we need to behave as a collective consumer group.

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1 Brawn, E: *Priced Out*, Scope, April 2014

2 Ibid

3 By disability organisations, we refer to organisations of disabled people (disabled people's and user-led organisations) and organisations for disabled people (disability charities such as Scope).

4 ONS: *Family Resources Survey 2012/13, July 2014*

5 DWP press release on 'purple pound' figures, 27 August 2014: <https://www.gov.uk/government/news/high-street-could-be-boosted-by-212-billion-purple-pound-by-attracting-disabled-people-and-their-families>

The Commission is calling on **disabled people to be 'bold and loud' and to build consumer power behind the 'purple pound'**. Only by sharing information about our needs and expectations as shoppers, by complaining and speaking up when dissatisfied and by being more demanding as consumers, will companies have the market data to serve us better and to help reduce the cost of essential goods and services. The benefits of presenting a collective voice have been seen with the gay community and amongst older people. It is our view that it is time for disabled people to take similar action.

The Commission has seen positive examples of businesses taking steps to improve their offer to disabled people. But much more must be done – a shocking three quarters of disabled people have left a shop or deserted a business because of poor disability awareness or understanding.<sup>6</sup> By allowing this to happen, businesses could be missing out on their share of £420 million of revenue a week.<sup>7</sup> It is essential therefore, that **businesses and trade bodies improve the customer experience of disabled people and recognise the power of the 'purple pound'**.

There are instances where disabled people will need access to advice and essential resources to be empowered as consumers. Likewise, businesses will require support to understand and meet the requirements of disabled consumers. Improved market information should lead to greater competition and thus, lower prices. With their trusted brand profile on disability issues, **disability organisations should improve information and services to disabled people and businesses to allow them to drive down the extra costs of disability.**

Where action by disability organisations cannot fully tackle this issue, there is a need for **regulators and government to intervene where features of markets result in unfair extra costs for disabled people.**

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<sup>6</sup> Extra Costs Commission: *Interim technical report*, March 2015. The Commission conducted a survey of over 2,500 disabled people and their families, mainly online.

<sup>7</sup> Ibid

We are pleased that a number of organisations have committed to take several of our recommendations forward – the Extra Costs Commission will reconvene in June 2016 to review progress that has been made. We hope that other organisations will join this movement and support the important work of implementing the Commission’s recommendations to reduce the cost of living for disabled people.

I have found the work of the Commission enlightening and moving. The stigmatisation of disability that I remember from my childhood in the 1960s and 70s, although now significantly less pervasive, is still having hidden effects. Many disabled people are reluctant to accept the title ‘disabled’ for fear of being labelled by society as being inferior. This is entirely understandable and is a feeling I recognise all too clearly. But I now believe that our reticence to be identified as ‘disabled’ is hampering us and perpetuating the stigma that disability cannot be equated with success. It also means that our collective buying power is not fully recognised – consequently reducing competition for our spending and therefore contributing to higher costs.

I am determined that one of the legacies of the Extra Costs Commission should be that more of the 12 million disabled people in the UK are prepared to adopt the identity of disability and to be **‘bold and loud’** as consumers. By doing this, we will counter the stigmatisation of disability and be able to contribute to driving down the extra costs that we face.

*Robi Hindle Fisher*



The Commission calls upon the following groups to take action to drive down extra costs:

**Disabled people and their families** should be 'bold and loud' and build consumer power behind the 'purple pound'.

**Disability organisations** should improve information and services to disabled people and businesses to allow them to drive down the extra costs of disability.

**Businesses and trade bodies** should improve the customer experience of disabled people and recognise the power of the 'purple pound'.

**Regulators and government** should intervene where features of markets result in unfair extra costs for disabled people.



# 1. Summary



# 1. Summary

## 1.1 The problem of extra costs

Life costs more if you're disabled.

The extra costs that disabled people face depend on a range of factors. Some of these are due to an individual's impairment. As detailed in the interim report of this Commission, someone with a neurological condition will spend on average almost £200 a week on costs related to their disability, while someone with a physical impairment will spend almost £300.<sup>8</sup>

However, not all of these extra costs are specific to an individual's impairment or condition. The same types of costs affect a diverse cross section of disabled people. Almost all disabled people report high extra transport costs, most report difficulties affording insurance and many pay more for housing, fuel and energy.<sup>9</sup>

The impact of extra costs is profound. The financial penalty an individual faces impacts on their standard of living and can limit their family life, opportunities to learn, work and participate in society. Disabled people are less likely to be able to cope with financial shocks<sup>10</sup> and more likely to have to turn to payday loans to help with everyday living.<sup>11</sup>

### **Lesley lives in South Wales with her husband and two-year-old daughter, who has cerebral palsy.**

When my daughter's new specially-adapted buggy arrived, I assumed it would have a shade and rain cover included, but no – and the cheapest I could find was £200. A rain cover for a non-adapted buggy is less than £20! It is an extra cost we hadn't budgeted for.

We also have extra petrol costs getting to appointments – physiotherapy twice a week, orthotics every six weeks, paediatrician every three months, splint clinic every three months.

We are paying for adaptations to the house to make it wheelchair-friendly – £600 so far, and more to go. We paid £3,500 for a larger car too so we can fit all the extra equipment we need.

We are responsible for maintenance of her lift and shower room, which means taking out insurance – another cost.

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<sup>8</sup> Extra Costs Commission: *Interim report*, March 2015

<sup>9</sup> Ibid

<sup>10</sup> Brawn, E: *Priced Out*, Scope, April 2014

<sup>11</sup> Ibid

This financial penalty also has a significant impact on all of us and on our economy. There are over 12 million disabled people in the UK and that number is growing.<sup>12</sup> We can't afford for such a significant number of people to struggle to afford the basics, to have lower financial resilience and to be unable to plan and save for the future.

There is clearly a compelling social and economic case to act to drive down the costs disabled people face.

**Cath, 45, from Driffield in East Yorkshire, has a progressive motor neurone disorder and uses a wheelchair most of the time.**

I've had to have a wheelchair made-to-measure, and due to the loss of muscle in my arms I have to have powered wheels. The wheelchair I have now costs over £7,600 and I had to cover £1,600 of that.

Being disabled has more than doubled my clothing costs. Over the past couple of years I've gone down from a size 10 to a size 6, so I usually need to buy more expensive brands as the cheaper brands don't go small enough. And the sleeves and bottoms of jackets and coats still tend to rub and wear out.

I spend more on fuel as I need to have the heating on as soon as it gets cold. I also use extra electricity for charging my wheelchair wheels and extra lighting when I can't sleep. This comes to about £10 extra a week.

I haven't been able to drive for the past three years so every hospital appointment means my husband has to take time off work or I have to pay for a wheelchair-accessible taxi. Over time he will have to cut back on work more and more to support me.

Fortunately, there is also a huge opportunity to act to drive down costs. Disabled people have the potential to be a hugely powerful consumer force. Households with a disabled person spend £212 billion a year,<sup>13</sup> the so-called ‘purple pound’.

This colossal amount of spending is split across multiple market segments and a range of goods and services. For example the specialised equipment market is estimated to be worth over £720 million a year.<sup>14</sup> There are at least 833,000 fuel poor households in England with a disabled person<sup>15</sup> – that’s a significant and identifiable section of the energy market. More evidence is needed across other sectors, but it is clear that the commercial opportunity for suppliers marketing to and meeting the needs of disabled people is substantial.

## 1.2 The methodology of the Extra Costs Commission

The Commission has based its conclusions on a range of evidence, including:

- a literature review on the problem of extra costs;
- two calls for evidence;
- focus groups with disabled people and families with disabled children about their experiences of extra costs;
- a survey of over 2,500 disabled people about their consumer experiences;
- a survey of over 80 businesses;
- two externally commissioned research projects, one on the benefits to business of engaging with the disability market and the other on business incentives that could be catalysts for change.

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13 DWP press release on ‘purple pound’ figures, 27 August 2014: <https://www.gov.uk/government/news/high-street-could-be-boosted-by-212-billion-purple-pound-by-attracting-disabled-people-and-their-families>.

14 Consumer Focus: *Equipment for older and disabled people: an analysis of the market*, November 2010

15 Department of Energy and Climate Change: *Fuel poverty detailed tables: 2013*, May 2015, <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2013>

Note that the official statistics are likely to underestimate the number of fuel poor households with a disabled person, because DLA and AA are counted as income although they are not income replacers, but provided to support disabled people with the extra costs they face. This could lead to the income of too few disabled people registering as impoverished.

Our interim report, published in March 2015, set out in detail the evidence we had collated about the problem of extra costs. We tested a number of proposed recommendations with stakeholders during consultation on this report.<sup>16</sup>

It is important to note that the level and nature of welfare payments is outside of the Commission's remit. However, until there is clear evidence that extra costs for disabled people have begun to fall, we believe that extra costs payments (DLA and PIP) should be fully protected and the purpose of these payments – to help cover the extra costs disabled people face – should not be altered.

In this final report, we set out our conclusions as to how the challenge of the additional costs disabled people face, and the commercial opportunity offered by the 'purple pound', can be addressed together in the interests of disabled people and businesses alike.<sup>17</sup>

### 1.3 Making change happen

Our recommendations focus on five areas of extra cost, informed by evidence gathered by the Commission. These costs were those most frequently mentioned by disabled people, those that have the greatest financial impact, and those areas where we believe change to be possible.

These five areas are:

- **energy;**
- **clothing and bedding;**
- **specialised disability equipment;**
- **taxis and private hire vehicles (PHVs);**
- **insurance.**

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<sup>16</sup> Respondents to our consultation: Aspire, Association of British Insurers, Association of Train Operating Companies, Citizens Advice, Communications Consumer Panel, Co-operatives UK, Disability Rights UK, Energy UK, Inclusion London, Into Independence, Lloyds Banking Group, Local Government Association, Macmillan Cancer Support, Ofcom, Parkinson's UK, Rica, Scope, Sense, The Money Advice Service

<sup>17</sup> An in-depth analysis of the problem of extra costs and the experiences of disabled people can be found in our interim report, published in March 2015

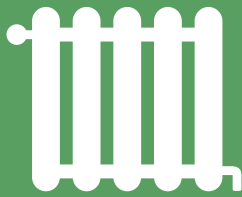




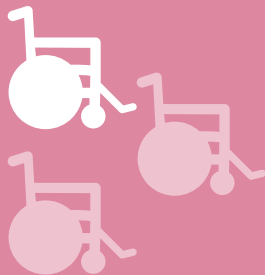
**2 in 3** wheelchair users say they have been overcharged for a taxi or private hire vehicle because of their wheelchair<sup>i</sup>



**Over a third** of disabled people spend additional money on clothing and bedding as a result of their impairment<sup>ii</sup>



There are at least **833,000** fuel poor households in England with a disabled person<sup>iii</sup>



**1 in 3** disabled people spend money on specialised equipment<sup>iv</sup>



At least **half a million** disabled people have been turned down for insurance<sup>v</sup>

Sources:

- i) Unpublished Department for Transport survey, 2014; ii) Extra Costs Commission call for evidence from disabled people and their families, 2014; iii) Department of Energy and Climate Change: *Fuel poverty detailed tables: 2013*, May 2015, <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2013>; iv) Extra Costs Commission call for evidence from disabled people and their families, 2014; v) Ipsos MORI: *Disabled people and Financial Wellbeing*, August 2013

We believe this is where the change should begin.

In developing our final report, we have identified four distinct groups, all of whom we believe should take action to drive down these extra costs:

- **disabled people and their families** should be ‘bold and loud’ and build consumer power behind the ‘purple pound’;
- **disability organisations** should improve information and services to disabled people and businesses to allow them to drive down the extra costs of disability;
- **businesses and trade bodies** should improve the customer experience of disabled people and recognise the power of the ‘purple pound’;
- **regulators** and **government** should intervene where features of markets result in unfair extra costs for disabled people.

In almost every case, action will be most effective when delivered in partnership – disability organisations coming together and working with consumer bodies and businesses; trade bodies engaging with disability organisations and groups of disabled consumers, etc.

A summary of the recommendations is set out overleaf. These recommendations are developed in more depth in the report that follows.

## 1.4 Next steps

This final report marks the end of the Commission’s work. But we will have achieved nothing unless we can be assured that there are organisations and individuals ready to take up our recommendations and make change happen.

Our interim report sought expressions of interest from organisations ready to sign up, to join a coalition of the willing, and to deliver on the Commission’s recommendations.

We are pleased that a range of organisations have already come forward to the Commission to take responsibility for developing the recommendations we are making. We have identified these organisations throughout the report under each relevant recommendation.

We are confident that the launch of this report will prompt more organisations to become part of this coalition of the willing and that over time, more and more organisations and individuals will work together to build the consumer power of disabled people, fulfil the potential of the ‘purple pound’ and drive down the extra costs disabled people face.

# Recommendations

**Disabled people** should be ‘bold and loud’ and build consumer power behind the ‘purple pound’.

1. Disabled people should adopt the identity of disability positively to attract the interest of businesses (page 25).
2. Disabled people should share information about good deals and ways to reduce costs with other disabled people through online disability communities and forums (page 26).
3. Disabled people should demand more as consumers and speak out when companies or disability organisations do not fully meet their needs (page 28).

**Disability organisations** should improve information and services to disabled people and businesses to allow them to drive down the extra costs of disability.

4. Disability organisations should develop information resources and peer-to-peer platforms that have a greater focus on disabled people’s needs as consumers (page 35).
5. A disability organisation should set up an affiliate scheme for disabled people to attract discounts and deals (page 37).
6. Disability organisations should develop and promote collective switching and group purchasing schemes for energy and insurance, and explore creating bulk purchasing schemes for clothing, bedding and specialised equipment (page 41).
7. Disability and consumer organisations should coordinate to strengthen the consumer voice of disabled people (page 43).
8. Disability organisations should support businesses to develop intelligence on the consumer needs and expectations of disabled people (page 46).

**Businesses** should improve the customer experience of disabled people and recognise the power of the ‘purple pound’.

9. Businesses should use data capture techniques and relationships with disability organisations to reach disabled people and learn more about their needs as consumers (page 53).
10. Businesses should improve website accessibility and use customer feedback from disabled people to improve service and address unmet need (page 56).
11. The insurance industry should make efforts to understand how the market is working for disabled people and take practical steps to support individuals who are unable to obtain affordable insurance (page 57).
12. Organisations representing businesses should develop incentives to influence businesses to reduce extra costs for disabled people (page 60).

**Regulators and government** should intervene where features of markets result in unfair extra costs for disabled people.

13. The UK Regulators Network, with disability organisations and the Competition and Markets Authority, should capture and act upon disabled people’s experiences across different regulated markets (page 65).
14. The Financial Conduct Authority should investigate whether disabled people and similar potentially under-served groups have access to insurance that fairly reflects risk (page 67).
15. The Government should review the impact of the Equality Act in improving web accessibility and take action when service providers fail to meet their obligations (page 69).
16. The Government should adopt the Law Commission proposals on taxis and private hire vehicles that support disabled people in obtaining a more equal and fairly-priced service (page 72).

## **2. What disabled people and their families can do**



## 2. What disabled people and their families can do

Disabled people's households' spend totals £212 billion a year.<sup>18</sup> Disabled people are shoppers, consumers and contributors to the overall economy. They are valuable customers who provide revenue to businesses up and down the country.

But structural changes need to take place to ensure that disabled consumers get a better deal. Disabled people and their families have an important role to play in driving down the extra costs they face. As a collective of 12 million people,<sup>19</sup> this group has considerable consumer power. Now is the time to capitalise on this.

Despite the vast diversity amongst disabled people, the additional costs of disability touch almost all disabled people's lives. Evidence received by the Commission also indicates that their experiences as consumers are often similar. This provides an opportunity for disabled people to come together and make themselves more visible as a consumer group.

With strength in numbers, disabled people have the potential to exert influence over the way businesses act. By coming together, disabled people could create a sizeable market that businesses will want to serve and be fearful of losing. If disabled people are willing to be 'bold and loud' about their identity as disabled consumers, businesses will be better able to identify what motivates these individuals when making purchases and be more likely to target this group with discounts and deals that drive down costs.

Not all disabled people want to identify as disabled. Disability still carries stigma for some and should not define an individual all day, every day. Furthermore, many impairment groups, e.g. Deaf communities, feel strongly about their own, distinct identity. The choice will always be a personal one.

However, as a result of our inquiries, we believe strongly that creating an identifiable community of disabled people is an integral part of stimulating change within markets.

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<sup>18</sup> DWP press release on 'purple pound' figures, 27 August 2014: <https://www.gov.uk/government/news/high-street-could-be-boosted-by-212-billion-purple-pound-by-attracting-disabled-people-and-their-families>

<sup>19</sup> ONS: *Family Resources Survey 2012/13*, July 2014

The Commission considered in detail how the gay community had come to be seen as a strongly identifiable market segment. Businesses have woken up to the spending power of this group, the 'pink pound', estimated to be worth £70-81 billion.<sup>20</sup>

Organisations have set out to capitalise on this market. For example, The Co-operative Funeralcare established a partnership with Pink Partings in 2005, to create a service that supports the gay community in arranging funerals for a partner or themselves without fear of judgement.<sup>21</sup>

The Commission also considered the experience of another consumer group – that of older people. B&Q provides an example of an organisation that has successfully tapped into the spending power of this specific demographic group.

### Case study: B&Q

The so-called 'grey pound' – the spending power of older consumers – is estimated to be worth £320 billion.<sup>22</sup> The UK home improvement and garden living retailer, B&Q, is taking various steps to tap into this market.

The store offers its Diamond Card to over-60s, allowing individuals to earn personalised, money-off vouchers as well as a 10 per cent discount in-store on Wednesdays. Around 25 per cent of B&Q's customers are over 60 and hundreds of thousands access this discount every Wednesday.

In addition, B&Q has a strong track record of employing older workers; it removed the compulsory retirement age in the mid-1990s and more than 30 per cent of current employees are over 50. Through its drive to employ over 50s, B&Q has been able to create a visible older workforce that older customers can relate to, which has been important in supporting customer retention.

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<sup>20</sup> Stonewall: *How to market to gay consumers*, 2012

<sup>21</sup> Ibid

<sup>22</sup> Centre for Economic and Business Research: *Consumer spending key trends among the over 50s*, February 2014



Businesses already see the commercial advantage of developing and targeting products and services at different sections of their markets. The scale of opportunity, which has become apparent with the clear identification of the gay community and older people, also exists with disabled people. In order to make the ‘purple pound’ as powerful, individuals within this group need to come together and present themselves as a collective force.

There are some examples of where this is already happening. The power of collectivisation can be seen with Motability’s vehicle rental scheme, which allows disabled people to use the mobility component of their DLA or PIP to lease a new car, scooter or powered wheelchair. Motability has over 600,000 people leasing cars from it;<sup>23</sup> it buys and sells approximately 200,000 cars a year,<sup>24</sup> which enables it to negotiate significant reductions that it can then pass onto customers.

We are therefore asking disabled people to willingly adopt the identity of disability. An often rejected identity, we know this will be a difficult task for many disabled people. But if disabled people share more information about their requirements as disabled consumers, complain and speak up when they are dissatisfied and demand more from companies, highlighting their needs and expectations as shoppers, markets will be motivated and have the data required to get the right goods and services to this group – which will drive down their extra costs as a result.

An example of where disabled people have been willing to make their needs known and adopt the identity of disability is the blue badge parking permit. Another example is the Access Card, a membership scheme that makes it easier for disabled people to arrange reasonable adjustments at live music and entertainment venues (section 3.2).

The Commission urges disabled people, where requested, to share with businesses the fact that they are disabled and information about their needs relating to their disability. The more businesses understand disabled people’s consumer habits and accessibility requirements, the more the consumer needs of this group will be met.

**Recommendation 1: Disabled people should adopt the identity of disability positively to attract the interest of businesses.**

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23 Evidence gathered as part of an Extra Costs Commission roundtable

24 Ibid

Our research has found that disabled people are already active and discerning consumers – 37 per cent told us they had switched energy suppliers<sup>25</sup> and 24 per cent say they have negotiated prices for goods,<sup>26</sup> whilst many shop around.<sup>27</sup> This gives us a clear opportunity to turn up the volume on this savvy consumer approach further so that the voice of disabled consumers is heard even more loudly in the market place, getting better deals for more disabled people.

In section 3, we discuss some of the things that might support disabled people, for example better signposting to the best value shopping websites for disability-related equipment, accessible market comparison tools for insurance and other financial products, or targeted collective switching schemes for energy. We encourage individuals to take full advantage of these tools to guarantee they are securing the best deal wherever possible.

Disabled people can also do more to assist one another to bring down the cost of living. In research we carried out with over 2,500 disabled people, respondents told us that when seeking advice, the most important factors were that it is independent and comes from someone with similar experiences to themselves.<sup>28</sup> Disabled adults and parents may have the best tips and recommendations for one another – but to benefit, they will have to seek out their peers.

We want to see the online communities and web forums that are used by disabled people include more of an emphasis on exchanging useful insights on markets, products and ways to reduce extra costs. Communities only exist if individuals join them. A Mumsnet for disability will not emerge unless disabled people sign up, get involved and share their experiences as consumers.

**Recommendation 2: Disabled people should share information about good deals and ways to reduce costs with other disabled people through online disability communities and forums.**

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25 Extra Costs Commission: *Interim technical report*, March 2015

26 Ibid

27 Ibid

28 Ibid

If business and consumer champions are to address issues that are common to disabled people, they need to know who they are. To improve the situation for everyone, disabled people should speak up more when dissatisfied and where relevant, share the fact that they are disabled.

### **Robert's story**

Robert is an electric wheelchair user. He wanted to purchase a mobile phone so that his children could contact him easily and went to a retailer to do so.

A flight of steps at the shop entrance prevented him from entering, but there was an accessible back door. Robert was with his daughter at the time, who was told by a shop assistant that this entrance was for staff only. Having complained at being refused entry, he was offered no help by the shop manager and so he and his daughter subsequently left without making a purchase.

Robert complained to Vodafone's head office about the poor service he had received. This led to an apology in person from a sales manager, a free phone of his choice with £100 free credit and an iPad.

Disabled people should also put pressure on disability organisations to ensure enough is being done to promote their interests as consumers.

An example of where disabled people could be more forthcoming in complaining is where taxis and PHVs overcharge. Evidence suggests almost two in three wheelchair users have reported being charged more when using taxis or PHVs due to being a wheelchair user.<sup>29</sup> Local authorities can withdraw licences from taxi drivers who are reported to have overcharged disabled people. However, the Local Government Association (LGA) has informed us that such experiences are not usually reported to the licensing authority.

### **Case study: Taxi and PHV services in Middlesbrough improved through customer complaints**

In 2013, an investigation by Middlesbrough Council revealed that taxis and PHVs had sometimes been overcharging wheelchair users. In some cases, passengers were being charged double the price set for non-disabled passengers.<sup>30</sup>

The council became aware of this practice following complaints they received from disabled people, both about Hackney Carriage operators and private hire firms.

Following a decision that this was in breach of discrimination laws, the council wrote to drivers and firms warning about overcharging, warning that any future evidence it was happening could lead to action to review licences.

**Recommendation 3: Disabled people should demand more as consumers and speak out when companies or disability organisations do not fully meet their needs.**

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<sup>30</sup> BBC: *Middlesbrough Council warns taxi firms over disabled fares*, <http://www.bbc.co.uk/news/uk-england-tees-25562157>, December 2013





# 3. What disability organisations can do

If the full potential of disabled people's consumer power – the 'purple pound' – is to be realised, disability organisations have an important role to play in changing attitudes and refocusing attention on that consumer potential.

Campaigns around the extra costs disabled people face have to date primarily focused on the role of government in meeting these costs through extra cost payments. The Commission emphasises the need for these payments – DLA and PIP – to be fully protected. Yet a sole focus on the role of the state in offsetting extra costs risks pigeon-holing disabled people as dependent and disempowered. Campaigns that portray disabled people as active consumers can have an important effect on discourse and ultimately the extent to which businesses value this group.

Disabled people are an extremely heterogeneous group with different needs, experiences and aspirations in life. Yet they may have similar experiences as consumers. Using their profile as trusted and knowledgeable sources on disability, disability organisations can and should take on a more prominent role as consumer advocates for disabled people. They should:

- equip disabled people with the necessary support and advice to engage effectively in the market, including information about consumer rights and how to complain;
- use their brand awareness to develop new consumer tools to support disabled people to make best use of their spending power;
- coordinate more strongly with other disability and consumer organisations to create a unified and amplified voice for disabled consumers;
- build partnerships with the corporate sector and support businesses to reach disabled people and understand their consumer needs.

Here we argue in favour of several specific recommendations for developing information and services for disabled people and businesses to help reduce extra costs.

### 3.1 Information and support

As with all consumers, disabled people need adequate and comprehensive information to understand and navigate markets and make effective purchasing decisions.

The support and advice currently available to disabled people includes generic market comparison tools such as [moneysupermarket.com](http://moneysupermarket.com), and disability-specific resources, often tailored to meet the needs of specific groups of disabled people. Examples of the latter include [www.livingmadeeasy.org.uk](http://www.livingmadeeasy.org.uk) (independent living equipment) and [www.inclusive.co.uk](http://www.inclusive.co.uk) (assistive technology).

However, our research shows that 49 per cent of disabled people feel they only have some of the information they need or want when buying things online or in-store.<sup>31</sup>



**49%** of disabled people feel that they only have some of the information they need or want when buying things online or in-store

There are two concerns. First, that generic websites are not accessible or do not provide specific enough search and comparison options to meet the needs of disabled consumers. For example, there are multiple energy switching websites, but not all have accessible websites or offer a telephone or postal option, which may be important considerations for many disabled people. With additional information, disabled people will be better placed to select a switching provider that will best meet their requirements.



Second, the dispersed nature of consumer tools for disability-specific products, coupled with the fact that they are not household names, can mean many disabled people don't know about them or don't access them. Take the example of someone who acquires a disability through an accident – there's no reason for him to have heard of the range of independent living aid websites he could buy equipment from, or which ones offer best value. At the same time, we have spoken to small business owners running disability-specific websites who say it is a struggle to reach large numbers of disabled people with their small marketing budgets.

Better awareness of the best consumer choice tools that currently exist is paramount to supporting disabled people to drive down their extra costs. The Commission believes disability organisations have brands that together have significant reach amongst disabled people, and whose existing information offer demonstrates them to be seen as trustworthy. These organisations therefore have a role to play by providing consumer information alongside their existing information offer.

Disability organisations should provide consumer information, which includes signposting to:

- online marketplaces for disability-related goods and services;
- the best switching websites for essential services such as energy and insurance;
- how to obtain discounts, e.g. Warm Homes Discount for energy bills;
- guidance and easy-to-use tools on making complaints and exercising consumer rights.

Disability organisations can also play a role in filtering and quality assuring these online businesses, highlighting the extent to which the websites are relevant to their particular constituent group of disabled people and whether they are accessible.

Another recurring theme of our investigation has been the need to bring disabled people together to create a community that collectively has greater consumer power.

When we asked disabled people what additional tools would support them in making informed consumer choices, over 90 per cent favoured the idea of an online community website where disabled people could share reviews and other information on products they had bought or wanted to buy.<sup>32</sup>

Peer-to-peer information sharing already exists in several forms. Mumsnet, for example invites parents to post reviews of baby and child-related products and exchange parenting tips and advice, and it is a platform that has huge reach with 1.5 million registered users.<sup>33</sup>

Digital communities for disabled people and their families include Scope's online community and Disability Sanctuary, and more targeted forums such as Enabled by Design, a website where users can discuss independent living products and how these can be adapted to meet the needs of disabled adults and children.

### **Case study: Enabled by Design**

Enabled by Design is a social business whose focus is on product design to support disabled people to live as independently as possible.

The website contains blogs on this topic as well as information on how things can be modified to make them more accessible and easier to use. A community platform allows individuals to share knowledge with one another about existing goods and services they like and dislike in this market.

Users are invited to discuss innovative ideas for new products, as well as to ask the community questions about where to find specific items that would support them to live more independently.

Enabled by Design is also using the insight of its community members to help inform designers about mainstreaming accessibility.

The power of peer-to-peer recommendation could allow disabled people to help each other make the best value purchases. Bringing people together online could allow people with similar requirements to learn from and share with each other.

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32 Ibid

33 The Telegraph: *Heartbleed hackers target Mumsnet users*, <http://www.telegraph.co.uk/technology/internet-security/10766872/Heartbleed-hackers-hit-Mumsnet-website.html>, April 2014

A peer-to-peer website might invite disabled people to rate products, respond to queries from others and share where to get value-for-money for deals, with a specific focus on disability-related goods and services. Particularly for markets covering more specialised disability equipment, this could be a useful way for people to get a sharper sense of the range and quality of what's on offer.

Bringing individuals together more cohesively as part of a community would also create a powerful mechanism to impact business behaviour. Signposting organisations to these platforms could make organisations wake up to the size of the disabled consumer base, with a ready-made avenue through which to market products. Additionally, a review website that allows users to make their comments public would put pressure on businesses to improve their approach to disability.

**Recommendation 4: Disability organisations should develop information resources and peer-to-peer platforms that have a greater focus on disabled people's needs as consumers.**

### **Organisational commitment: Scope**

The disability charity Scope already provides a comprehensive information service to disabled people as well as an online forum that allows disabled people and families with disabled children to offer each other advice and support.

Scope will develop these resources to include a greater focus on disabled people as consumers.

## 3.2 Affiliate scheme

In our interim report, we recommended the development of an affiliate scheme – like a Sainsbury’s Nectar card – that would attract targeted deals and discounts for disabled people, driving down the cost of everyday products such as clothing and bedding that can mount up for this group.

A membership scheme of this type would allow businesses to access the ‘purple pound’ by bringing disabled people together in a collective market, with a clear incentive of winning return business from a large consumer base.



**Over a third** of disabled people spend additional money on clothing and bedding as a result of their impairment

Research carried out by the Commission indicates that this was a hugely popular idea amongst disabled people.<sup>34</sup> The popularity of such a scheme would give businesses reassurance that an affiliate scheme initiative would have the necessary scale to help them secure growth.

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<sup>34</sup> Extra Costs Commission, *Interim technical report*, March 2015. Over 90 per cent supported this idea.

Through our consultation, stakeholders identified a range of issues that would need to be considered with such a scheme. For example, defining the eligibility criteria is an important consideration. However the more stringent the criteria for membership, the more of a burden managing such a scheme would be on the provider. The scheme would also need to put in place safeguards around data sharing and around encouraging unnecessary or unaffordable spending, particularly for those with mental health conditions or learning disabilities, who may be more vulnerable to financial abuse.

Disability organisations are in a position to use their understanding of disability and engagement with disabled people to set up, coordinate and promote such a scheme, acting as a channel to market it to businesses as well.

**Recommendation 5: A disability organisation should set up an affiliate scheme for disabled people to attract discounts and deals.**

### **Organisational commitment: Nimbus**

The disability organisation Nimbus has developed the Access Card.<sup>35</sup> This captures the needs of an individual as a result of their impairment, which are then translated into a series of easily understood symbols. This simplifies the process for disabled people to access concessionary ticket prices and reasonable adjustments from live music and entertainment venues.

As a result of the Commission's recommendations, Nimbus plans to extend the ability for organisations to promote discounts, offers and incentives to cardholders. It also plans to increase the number of service providers and retailers participating in the scheme.

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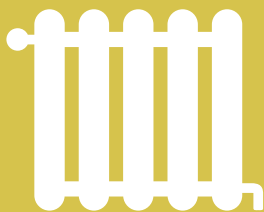
<sup>35</sup> The Access Card allows users to communicate this information quickly and discretely to a series of providers that are part of Nimbus' CredAbility scheme, which provides quality marks to businesses that demonstrate good practice with regards to disabled employees or consumers

### 3.3 Switching, collective purchasing, group buying and bulk purchasing

We think there is great potential for more disabled people to reduce their costs through switching suppliers regularly, potentially becoming involved in a collective or group purchasing or buying group. There is also potential in some areas for initiatives by disability organisations to undertake bulk purchasing. All of these approaches are different and there is more potential for them to work well for disabled consumers in some markets rather than others.

One of the key drivers of extra costs for disabled people is the cost of essential services that they need to buy more of than other groups. Our interim report set this out in more detail, and this was one of the reasons that the Commission identified energy costs as a specific area to explore.

Despite home insulation and energy-efficiency measures, disabled people will often consume more energy as a result of their impairment. For example, this can be the result of limited mobility or muscular conditions that lead to higher bills. This makes it particularly important that disabled people are the savviest energy consumers in the market and that they can work together to get the most competitive prices for the energy they use.



There are at least **833,000** fuel poor households in England with a disabled person

The Commission's research established that many disabled people are already smart consumers of energy – 54 per cent of disabled people have either changed suppliers or changed tariff with their current supplier.<sup>36</sup>

However, the data implies that there is potential to build upon this interest amongst disabled people – just under half have never changed suppliers or tariffs.<sup>37</sup> Forty one per cent of disabled people said they hadn't checked if they were getting a good energy deal because it was too much hassle or trouble.<sup>38</sup>

There are a number of mainstream switching services that assist consumers to compare and switch energy suppliers, and also insurance and other services. There are also a number of collective switching services operating in the energy market, for example iChoosr claims to have helped save customers more than £6.5 million on their energy bills since 2012.<sup>39</sup> Consumer organisations such as Which? also provide a switching service. To the best of our knowledge, no disability organisations currently provide any services to assist disabled consumers to compare tariffs, switch supplier or become involved in a collective purchasing scheme.

Ofgem and Energy UK (the regulator and trade association for the energy industry respectively), both view the low level of trust that disabled people have in the energy market as a challenge. Whilst 33 per cent of disabled people said that they would definitely be interested in a switching scheme for energy, an additional 32 per cent were unsure. Disability organisations could help to overcome this by either setting up their own comparison and switching schemes, or even by establishing partnerships with existing service providers and promoting these services to their service users and supporters.

Disabled people have told us that the top three factors that would make them return to a business are friendly and helpful staff, good accessibility and the opportunity to get value for money on purchases.<sup>40</sup> Respondents to our interim report consultation said that individuals need reassurance about the improvements any collective switching scheme would provide as a way to encourage participation.

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36 Extra Costs Commission: *Interim technical report*, March 2015

37 Ibid

38 Ibid

39 Data taken from iChoosr website, <http://ichoosr.co.uk/who-is-ichoosr/>

40 Extra Costs Commission: *Interim technical report*, March 2015

The Commission believes therefore, that disability organisations should ensure the following if they set up an energy comparison and switching service:

- good customer service;
- accessible website and provision of offline support;
- competitively priced product;
- the opportunity to trial the scheme first.

Alternatively, disability organisations could provide a quality assurance function, identifying and signposting to the switching schemes that provide an impartial and accessible service and are disability smart in all the ways set out above.

Another of the areas of extra cost that the Commission focused on specifically was insurance. A significant proportion of disabled people told us they feel they are charged too much for insurance, whilst a number said that they cannot obtain cover at all.

We are pleased thus, to see the development of buying groups being applied to the insurance market through Bought By Many, a platform that allows people with similar insurance needs to join up and purchase insurance products at a lower price.<sup>41</sup> The Commission sees great potential for buying groups in supporting disabled consumers to identify products that may not be placed on a mainstream comparison website. As with energy, there is a role for disability organisations to more actively signpost disabled people to schemes such as Bought By Many.

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41 More information about Bought By Many can be found at <https://boughtbymany.com/>



The Commission was also keen to explore whether similar concepts, particularly bulk purchasing, could work for other areas of extra cost that were highlighted in our interim report, namely clothing and bedding and specialised equipment. Unlike energy though, these are markets that include significant variety and where the consumer will have individual needs and preferences. This presents a challenge in being able to achieve the necessary purchasing volume to secure price reductions.



**1 in 3** disabled people spend money on specialised equipment

However, the Commission believes that there would be potential in a scheme that initially concentrates on items that require less tailoring to the individual, e.g. hoists and walking sticks, and once supplier relationships are built and a consumer market established, it may be possible to expand the range of products.

**Recommendation 6: Disability organisations should develop and promote collective switching and group purchasing schemes for energy and insurance, and explore creating bulk purchasing schemes for clothing, bedding and specialised equipment.**

## Organisational commitment: Family Fund

Family Fund<sup>42</sup> is one of the largest grant-making organisations in the UK, supporting over 70,000 low-income families raising a disabled or seriously ill child or young person.

Family Fund, in conjunction with its trading subsidiary, Family Fund Trading, will explore how it can build a partnership with a disability organisation to extend negotiated rates on essential products to disabled people, such as specialised equipment, to help drive down extra costs for this group.

### 3.4 Strengthening the consumer voice

The Commission's interim report identified the need for a stronger voice for disabled consumers where their concerns are not adequately met. The feedback received, including from the Communications Consumer Panel,<sup>43</sup> reinforces its view that a stronger complaints system is needed for disabled people.

Responses to the recommendations made in the interim report drew attention to the risk that a new body charged with amplifying the voice of the disabled consumer could complicate the picture, lead to duplication and make it harder for consumers to know where to go. The Commission accepts that these are real risks. Only if they are managed and if there is a clear additional benefit should any new organisation be set up. Much can be achieved by strengthening and promoting what currently exists.

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42 Family Fund helps families to buy essential items such as clothing, furniture and white goods and also make grants for items that improve everyday life for families such as sensory toys, computers and family breaks. Family Fund Trading is its trading subsidiary which uses supplier relationships to negotiate product rates. The scale of its operation allows it to purchase in volume from suppliers and negotiate reduced prices and good terms for the items it sources.

43 The Communications Consumer Panel carries out research, provides advice and encourages Ofcom, Government, the EU, industry and others to look at issues through the eyes of consumers, citizens and small businesses. Disabled people are one of the specific groups to whom the Panel pays particular attention.

For many consumer complaints, an obvious route for disabled people to get their voices heard will be via Citizens Advice, which is the publicly funded advocate for all general consumer issues that has statutory functions to represent consumers of the regulated gas, electricity and postal sectors. Its services are designed to be accessible to disabled consumers, who represent about one in five of those who make use of its advice services. Raising issues with Citizens Advice should therefore lead to action resulting in measurable reductions to extra costs.

However, some consumer issues will apply specifically to disabled people, particularly in the five extra cost areas the Commission identified – for example, overcharging by taxis and PHVs – and as already outlined in the Commission’s interim report.

Although support is available for disabled consumers in these situations, our conversations with disabled people have revealed that they are either unaware of it or are not convinced that it can help. Part of strengthening the system is to take every opportunity to point disabled people with concerns to the best source of assistance. Any online information source for disabled consumers, along with community platforms that have a greater focus on consumer issues, also offer a chance to capture and make use of data on common concerns among disabled consumers (recommendation 4).

Finally, where there are trends emerging either from the complaints and concerns raised by disabled people with Citizens Advice or indeed on disability community websites, there is an opportunity for disability organisations and consumer organisations to campaign together to highlight where problems lie and to advocate for improved business practice. Disability organisations can also promote increased awareness of trends by encouraging regulators to review complaints from disabled consumers as a separate cohort.

**Recommendation 7: Disability and consumer organisations should coordinate to strengthen the consumer voice of disabled people.**

### 3.5 Engaging with businesses to improve the goods and services they provide to disabled people

Businesses should take responsibility for improving their services to disabled people – we cover this in more detail in the next chapter of this report. But disability organisations should be ready to respond when businesses seek support and partnership. Working in partnership provides a great opportunity to have a large and direct impact on disabled people’s lives.

Disability organisations can support the Commission’s recommendations to businesses by:

- **Gathering and presenting market intelligence:** gathering a greater understanding of the experience of disabled people as consumers and sharing these insights with corporate partners;
- **Supporting customer service:** using their understanding of disabled people’s needs and expectations as consumers, and the standards that disability organisations themselves set, to provide guidance to businesses about what is valuable to disabled people;
- **Setting the right incentives:** showcasing good practice and taking the time to provide feedback where businesses go the extra mile, and developing proposals for incentives schemes for trade bodies.

## Case study: The Royal Bank of Scotland and RNIB

The Royal Bank of Scotland (RBS) is a large international banking and financial services company, whose stated purpose is 'to serve customers well.' RBS established its Customers in Vulnerable Situations Programme in April 2014 to improve the overall proposition, experience and outcomes for customers who either have differing accessibility requirements or who may be permanently or situationally vulnerable.

RBS recognise the value of working with charity sector organisations to apply its expert knowledge to business solutions. Working with the sight loss charity RNIB for example, it recently introduced accessible bank cards. These cards retain the same overall design but with additional raised dots to identify whether it is a debit or savings card; a notch on one side to identify the way to insert it into card readers and ATMs; and an increased telephone number font size on the reverse.

Customer feedback has been extremely positive, with one 80-year-old customer stating this innovation has enabled him to independently manage his finances for the first time. Additional benefits include improved employee pride from offering the product and an enhanced reputation, with positive conventional media coverage to approximately 5 million people, and social media coverage of around 400,000 messaging views. Internal learning from the development process will also be applied to future innovation.

Feedback following the Commission's interim report indicates that businesses would find a range of information useful to them in considering how to improve the consumer experience for disabled people, including:

- 'purple pound' analysis, in particular disaggregated by consumer sector;
- quantifying the costs of inadequate service;
- quantifying the benefits of customer loyalty.

Disability organisations are in a strong position to provide this information to businesses and speak up for their service users and members.

**Recommendation 8: Disability organisations should support businesses to develop intelligence on the consumer needs and expectations of disabled people.**

**This support should be provided in particular by:**

- supporting provision of information that will help the case for investment, taking the lead on the development of evidence on the ‘purple pound’, broken down by market sector;
- providing guidance on effective customer service;
- backing, and where gaps exist, developing incentive schemes that encourage businesses to focus on meeting demand from disabled consumers;
- developing collaborative relationships with individual businesses and representative bodies.

**Organisational commitment: Rica**

Rica is a consumer research organisation that specialises in work with older and disabled people. As part of its user-centred research, it has a consumer panel of over 400 older and disabled people.

Rica will use this panel to help further inform businesses about the needs of disabled consumers, building on the consumer-research services that it currently provides to existing clients.

## 4. What businesses can do





## 4. What businesses can do

Disabled people and their families represent a significant customer base for all businesses in England and Wales. Disabled people's households' spend totals £212 billion a year<sup>44</sup> – any business aiming to grow should therefore have a strong interest in knowing more about this market.

The Commission's interim report found that businesses that do not meet the needs of disabled consumers could be turning away a share of £420 million in business each week.<sup>45</sup> From the thousands of disabled people that contacted the Commission, we know that too many disabled people are not getting even a minimum acceptable service.<sup>46</sup>



Businesses could be missing out on a share of **£420 million** a week by failing to meet the needs of disabled people

Failing to notice and anticipate the requirements of disabled consumers' risks criticism that could hit an organisation's reputation and ultimately, profitability – the Commission believes that this is a clear business case for action.

We have sought to understand how far businesses are identifying demand from disabled people, assessing the business case and serving this group, as well as what could stimulate more businesses, big and small, to do so. To enhance our understanding, the Commission undertook a survey of businesses. The full results of this have been published alongside this final report.

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44 DWP press release on 'purple pound' figures, 27 August 2014: <https://www.gov.uk/government/news/high-street-could-be-boosted-by-212-billion-purple-pound-by-attracting-disabled-people-and-their-families>

45 Extra Costs Commission: *Interim technical report*, March 2015

46 Ibid

A third of the businesses surveyed said that disabled people were not a large enough segment for them to target.<sup>47</sup> However, while the nature and scale of the business opportunity varies from sector to sector, there is untapped demand in each of the cost areas that the Commission has reviewed. For example, the Commission has already established that:

- disabled people have a common interest in good value clothing and bedding (because many disabled people buy these items more frequently than non-disabled people);<sup>48</sup>
- Disabled people consume more energy than non-disabled people and are on the lookout for energy providers that can provide the best deal for them;<sup>49</sup>
- there are a significant number of disabled people who do not currently buy insurance but would do so if premiums were more affordable.<sup>50</sup>

Generally, the businesses we surveyed see the potential in doing more: over half recognised that there were valuable benefits to doing so beyond the direct one of immediate profit.<sup>51</sup>

Businesses were asked for their views on four possible barriers raised in the Commission's interim report:

- demand from disabled people is not large enough to justify targeting them as a group;
- it is easier to serve groups with less diversity among members;
- it is hard to find out enough about disabled people as consumers, making it difficult to identify ways of satisfying demand from them;
- rules and regulations, for example with regard to personal data, impose costs or risks that get in the way of meeting demand from disabled consumers.

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47 Extra Costs Commission: *Business survey*, June 2015

48 Extra Costs Commission: *Interim report*, March 2015

49 Ibid

50 Ibid

51 Extra Costs Commission: *Business survey*, June 2015

The proportion of businesses finding each of these barriers to be a problem was broadly similar, ranging from 21 per cent who agreed or strongly agreed that rules and regulations impose costs or risks that get in the way of meeting demand from disabled people; to 31 per cent who agreed or strongly agreed that demand from disabled consumers is not large enough to justify targeting them as a group.<sup>52</sup>

The diverse nature of businesses themselves means that addressing these factors will need to happen in a focused way. Whilst the next chapter in this report highlights where government and regulators should act to address some of these issues, the Commission believes that most businesses need not wait for such action.

The Commission recommends a number of actions that can be tailored to the circumstances of each individual business that will enable them to meet demand from disabled consumers better. These include:

- gathering the right information;
- improving service to disabled consumers.

We also believe that representative organisations can take a sector or economy-wide view, setting incentives to trigger improvement amongst their members.

## 4.1 Gaining market intelligence

The businesses we spoke to reported that more information about disabled people as consumers would help them to see how to meet demand from this group.<sup>53</sup> This includes the size of market in the relevant sector and ways of reducing costs of supply. With this in mind, the Commission encourages businesses to consider whether their own market research is designed to capture information about the spending power, consumer behaviour and preferences of disabled people as a group. Six in 10 businesses we surveyed said that such information would be useful.<sup>54</sup>

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52 Ibid. 31 per cent agreed or strongly agreed that demand from disabled people is not large enough to justify targeting them as a group; 29 per cent agreed or strongly agreed that it is easier to target groups with less diversity among members; 23 per cent agreed or strongly agreed that it is hard to find out enough about disabled people, making it difficult to identify ways of satisfying demand from them; 21 per cent agreed or strongly agreed that rules and regulations, for example with regard to personal data, impose costs or risks that get in the way of meeting demand from disabled consumers.

53 Extra Costs Commission: *Business survey*, June 2015

54 Ibid

Regulators, such as the Financial Conduct Authority (FCA)<sup>55</sup> and Ofgem, set out clear expectations of financial services and energy providers to build a better understanding of the circumstances and situations of their customers to target services more effectively to them, particularly those that may be in vulnerable situations. Businesses should adopt this proactive and dynamic approach, which can bring benefits to consumers who are disabled but who might not always identify themselves as such, and whose needs may change over time.

Businesses and retailers tailor offers for specific groups of customers with common needs. Services targeting groups which include a relatively large proportion of disabled people – for example, older people or those on low incomes – can help drive down extra costs for the disabled people in such groups. However, we believe that disabled people are a large enough and distinct enough group to be worth considering in their own right.

### **Case study: Ecclesiastical**

Ecclesiastical is a provider of insurance and financial services, whose mission is to be the most trusted and ethical financial services group. The organisation is working with the disability charity Scope to offer a home insurance product tailored to the needs of disabled people. The main crux of this offer is the provision of adequate cover for specialised equipment and home adaptations.

Whilst the product was relevant to Ecclesiastical's organisational values, the investment was a commercial decision designed to secure return on investment for shareholders as well as fit with ethical goals.

The partnership was beneficial, with Ecclesiastical contributing professional expertise and Scope using its customer knowledge and branding to appeal to disabled people.

Ecclesiastical has been able to review its service offer to disabled consumers and has improved its website accessibility for all customers, not just those interested in the Scope-branded product.

The product was launched just prior to the publication of this report. As such, it is too early to assess its impact. However, Ecclesiastical is confident that this product will remain part of its offer for the foreseeable future.

It is becoming easier to reach consumers online. For example, many businesses use 'pop-up' ads to reach consumers online, targeting their marketing based on browsing history. Whilst some consumers find pop-up ads irritating and they can be a blunt instrument, their use by specialist providers of mobility aids appears limited and we would encourage businesses to consider how they could reach more disabled people with online marketing.

Further market intelligence can be generated by working closely with organisations that work with and represent disabled people. They can provide an understanding of the consumer preferences of disabled people, where there are common needs across all or part of the group and where there is variation. These organisations are in a strong position to give insights into how many disabled people may want to buy a particular product or service.

**Recommendation 9: Businesses should use data capture techniques and relationships with disability organisations to reach disabled people and learn more about their needs as consumers.**

This recommendation is relevant to each of the five extra cost areas identified by the Commission. For example:

- better information on disabled people's spending power can enable mainstream retailers to spot opportunities to stock specialised equipment;
- collecting online data associated with disability can be particularly helpful in markets in which demand from disabled people is unusually high, such as energy or clothing and bedding;
- insurance partnerships that provide access to customer information that helps break into new markets, as detailed in the Ecclesiastical example.

## Organisational commitment: Really Useful Stuff

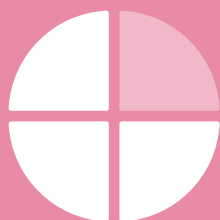
Really Useful Stuff provides an online platform selling a wide range of products to support individuals with a range of impairments to live an independent lifestyle.

It has the ability to create a 'white label' product shop with disability organisations. By building on its existing platform for selling a wide range of products and increasing data capture through strategic partners, Really Useful Stuff hopes to reach and target disabled consumers more effectively.

## 4.2 Better customer service

Too often, service to disabled consumers falls short: three quarters of disabled people have felt so badly treated because of their disability that they have left a shop or business.<sup>56</sup> This increases costs to the consumer, either by reducing their choice of products or because of the additional time or travel associated with making the purchase. In the worst cases, transactions fall through and disabled people often have to start again, choosing from a narrower range of potential suppliers.

Businesses that the Commission spoke to underlined the emphasis they place on good customer service to achieve business success. Furthermore, six in ten respondents to our survey of businesses agreed with the proposition that a duty existed to support disabled people to participate equally in society.<sup>57</sup>



**Three quarters** of disabled people have left a shop or business because of poor disability awareness or understanding

<sup>56</sup> Extra Costs Commission: *Interim technical report*, March 2015

<sup>57</sup> Extra Costs Commission: *Business survey*, June 2015

The British Standard for Inclusive Service Provision<sup>58</sup> is a useful basis for organisations in developing fair and flexible access to services for all consumers, including for disabled people. In addition, essential to meeting the needs of disabled consumers is the ability to provide accessible online services and deal effectively with customer feedback.

The consumer survey carried out by the Commission found that disabled people, much like all consumers, highly valued good online services, pointing particularly to the benefits of convenience and choice.<sup>59</sup> For online retailers to reach disabled consumers online effectively, they need to ensure that their digital platforms are fully accessible – this can improve the potential market for a typical product or service by up to 20 per cent.<sup>60</sup> Getting it right need not be onerous – organisations such as the Shaw Trust and AbilityNet offer support – and can often improve the general usability of an organisation’s online platforms.

### **Case study: Legal & General**

Legal & General is a leading provider of insurance and investment services. In 2005 the company undertook an accessibility audit of its existing website and carried out market research to understand better its customer membership at the time.

A new website was built that conformed to all relevant accessibility standards, which was first tested with disabled internet users before going live.

Legal & General saw a number of improvements following these changes, including a 25 per cent increase in search entry traffic within 24 hours and an increase in customer activity, with the number of website visitors receiving quotations doubling within three months. Furthermore, the organisation reported savings of £200,000 a year in maintenance, with a 100 per cent return on investment within 12 months.

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58 BSI Group: *Fair, flexible services for all*, 2010

59 Extra Costs Commission: *Interim technical report*, March 2015

60 Barton, F. et al: *Digital Accessibility: A brief landscaping*, March 2015

Businesses that are able to successfully capture and respond to information about disabled people's needs as consumers will increase customer satisfaction amongst this group. In doing so, business will be well-placed to tap into the 'purple pound' and gain more custom from disabled people.

Integral to this is ensuring that alternative communication mechanisms are in place for individuals for whom standard means of communication are inaccessible, e.g. those with hearing loss.

### Case Study: EE

EE, the digital communications company, has paid great attention to ensuring that all its UK customers are able to choose how to get in touch in the way that best suits them. This has included providing accessible means of communicating for those customers, including disabled people, for whom traditional methods are difficult or impossible.

For example, EE has developed a video relay service enabling communication through British sign language. This service has proved popular, with an 87 per cent increase in take-up since initial launch. EE has identified the chance to build these services further, piloting their availability in selected retail stores.

This has also helped EE to respond quickly to customer feedback, for example ensuring that the format of bills in Braille for blind customers is adapted appropriately when they change their service plans.

**Recommendation 10: Businesses should improve website accessibility and use customer feedback from disabled people to improve service and address unmet need.**

One of the five extra cost areas that the Commission focused on was insurance, which was the financial service most frequently mentioned in response to the Commission's call for evidence. Many in our focus groups said they found insurance so expensive that it was simply unaffordable. We therefore welcome positive case studies from the insurance industry included in this report, as well as the engagement the Commission has had with the Association of British Insurers, the industry's representative body.



However, it is the Commission's view that the insurance industry can do more to respond to instances where insurance products are prohibitively expensive for disabled people. Whilst the following chapter sets out the importance of regulatory action, we also believe that insurers should address issues on the supply side.

The Commission questions whether insurers who offer services to disabled consumers are up to date and in touch with information about disabled people and the risks they may really represent. We remain unconvinced that the insurance industry has evidence to prove the market is working well for all consumers, especially disabled people and similar potentially underserved groups. In cases where insurance is too expensive, insurers must do more to support individuals – it is not enough to simply suggest that consumers need to be better at searching for products.

**Recommendation 11: The insurance industry should make efforts to understand how the market is working for disabled people and take practical steps to support individuals who are unable to obtain affordable insurance.**

The Commission recommends that this can be done by:

- using mystery shoppers;
- following the consumer journey of disabled people;
- seeking input from disability organisations to help develop and improve customer service and offers for disabled people;
- investigating how signposting between insurers works for disabled people having difficulty finding affordable and appropriate insurance;
- working with disability organisations to help disabled people identify and seek out the best deals (see section 3.5).

## 4.3 Incentives and accolades

Trade bodies recognise the value of building public confidence in businesses they represent and demonstrating the positive contribution their sector makes to society.<sup>61</sup> Where they can do this and at the same time help businesses to spot and address commercial opportunities, there is a strong case to act. The Commission is clear that improving provision to disabled people offers an excellent way to hit both objectives.

The Commission has found examples of businesses that have overcome their initial reservations to meet demand from disabled consumers, and who have benefited from doing so. Businesses are well-placed to find solutions for disabled people, but may sometimes need an extra incentive to take the first step and start looking.

We feel therefore, that there is significant potential for incentive schemes to businesses for activities that benefit disabled people as consumers.

### Case study: The Innovation Technology Prize

Nesta and partners are sponsoring the Innovation Technology Prize, a challenge prize for technologies, products and services that will ‘enable disabled people equal access to life’s opportunities’.

Among shortlisted entries are proposals that would improve access and reduce extra costs. For example, an online ticketing system would help disabled people avoid the need to use premium-cost booking services through which accessible tickets to live events are often sold.

Feedback on the recommendation that organisations collaborate to develop further incentives has been positive. New research<sup>62</sup> we commissioned confirms that there is both a sound theoretical basis for such schemes and examples of their working in practice. Accreditation schemes for example, tend to promote competition and raise standards. Though there is little direct evidence of schemes targeted on benefiting disabled people, the research<sup>63</sup> suggests that the factors that enable different types of schemes to work could be applied to incentives to reduce extra costs.

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61 See for example <http://www.cbi.org.uk/campaigns/great-business-debate/>

62 Sabri, F. and Hancock, K: *Incentives to businesses to help reduce the extra costs faced by disabled people*, Long-Run Economics, April 2015

63 Ibid

The Commission consulted businesses on a number of different types of incentive schemes.<sup>64</sup> At least two thirds saw potential in each of these to help them do more to meet demand from disabled people.<sup>65</sup> Schemes promoting innovation and partnership were the most popular.<sup>66</sup>

Drawing on this evidence:

- (i) for innovation schemes, evaluation of the Innovation Technology Prize will help assessment of their potential;
- (ii) for recognition schemes, immediate action is recommended on:
  - the development of a cross-sector annual award for a product or service that has reduced extra costs for disabled people – as a relatively low overhead option;
  - ways to recognise suppliers that obtain the most positive customer feedback in relation to key extra cost areas such as energy, insurance or taxis and PHVs;
  - the development of accreditation schemes, potentially at two levels: (a) a whole-organisation approach, testing good practice as regards culture and processes that promote consideration of how to drive down the cost of living for disabled people; (b) a scheme more specifically targeted at best practice in terms of customer service for disabled people.

To be successful, these schemes will require:

- adequate resourcing;
- credibility, including the involvement of disabled people in assessment;
- promotion that maximises the benefit to those winning awards or accreditation, ensuring that they gain recognition, including from potential customers.<sup>67</sup>

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64 Extra Costs Commission: *Business survey*, June 2015. The schemes included those that give recognition to good practice, and those that promote efficiency, partnership or innovation.

65 Ibid

66 Ibid

67 Sabri, F. and Hancock, K., *Incentives to businesses to reduce extra costs faced by disabled people*, Long-Run Economics, April 2015

Organisations representing business, including trade bodies, are well-placed to take forward these recommendations and where necessary, collaborate with disability organisations and government. Effective incentive schemes that people can trust are an opportunity to celebrate the success of individual businesses and of the general contribution of business to society. Evidence indicates that relatively little attention has been given to meeting the needs of disabled consumers and that significant improvements are possible. The conditions are in place for high impact for relatively modest investment.

**Recommendation 12: Organisations representing businesses should develop incentives to influence businesses to reduce extra costs for disabled people.**

This recommendation is relevant to each of the five extra cost areas that have been the focus for the Commission. For example:

- recognised accreditation schemes can establish trust and boost custom in sectors where products are seen as difficult to understand, such as insurance and energy;
- innovation prizes have particular benefit where unusual requirements call for creativity, such as developing goods that meet impairment-specific needs.

**Organisational commitment: Business Disability Forum**

The Business Disability Forum (BDF), the UK's national employers' network specifically focused on the topic of disability, offers a series of 'Disability Smart Awards' for businesses that have taken positive steps to improve their approach to disability as it affects customers, employees and candidates.

Expanding their work in this area, BDF will develop a specific award targeted at businesses that have made a concerted effort to drive down extra costs for disabled consumers in 2016.

## **5. What regulators and government can do**



## 5. What regulators and government can do

We have stressed throughout this report the significant spending power of disabled people. Despite this, too often disabled consumers do not feel they have sufficient, or in some cases, any market power. For example, research indicates that as many as three million disabled people feel that they are either charged too much for insurance or denied cover.<sup>68</sup> Disabled people are over-represented among those on standard tariffs who pay more for their energy.<sup>69</sup>

Consumer empowerment and voluntary measures, if effectively followed through, will make a difference for disabled consumers in a number of markets. For example, where disabled consumers can easily find the best deals and where businesses are better informed about the wants and needs of disabled consumers, markets will deliver more efficiently.

However, action by disability organisations alone cannot fully deliver reductions in extra costs. Regulators and government have an important role to play to ensure markets are working effectively for disabled consumers, and that businesses treat disabled consumers fairly. Where markets are failing consumers, there is a case for intervention by regulators or if the legal framework is inadequate, legislators.

Intervention from government or regulators is needed for four reasons. First, market forces alone will not correct the digital exclusion that is a significant barrier to disabled people engaging effectively in some markets. Second, market regulators and consumer representative bodies may not have sufficient knowledge and experience of disabled consumers, preventing them from using their influence to make regulated markets work better for this group. Third, the prospect of regulatory action can result in effective self-regulatory initiatives – indeed regulators and government can play a vital role in getting the right response from businesses simply by backing up the Commission’s calls strongly. Finally, in some areas the supply side is unlikely to respond without intervention or fundamental changes to the legal framework.

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68 Ipsos MORI: *Disabled people and Financial Wellbeing*, August 2013

69 Competition and Markets Authority: *Energy Market Investigation, Updated Issues Statement*, February 2015

Regulators and government should act in four specific areas, directly covering two of the Commission's five extra cost areas:

- market regulators and the Competition and Markets Authority (CMA)<sup>70</sup> should more visibly reassure disabled people that they are in touch with the experiences of disabled consumers and that they are working to make markets work effectively for this group;
- the FCA should consider the specific issue of whether disabled people are able to access affordable insurance, now and in the future;
- the Government should increase the focus of its digital inclusion strategy on website accessibility;
- the Government should reform the law on taxis and PHVs.

## 5.1 Getting regulation right for disabled consumers

Regulation covers key parts of the UK economy. Sector regulators such as Ofgem, Ofcom<sup>71</sup> and the FCA have different duties and functions, but all have in common the purposes of promoting competition and protecting consumers' interests. Each market regulator has obligations to protect, or to have regard to the interests of, specific groups of consumers who have weak market power or are in vulnerable situations. These groups often include consumers on low incomes, consumers who are older or of pensionable age, consumers who are disabled and in some cases consumers who live in rural areas that may be at risk of service exclusion or higher distribution costs. Some regulators, notably the FCA, have obligations to have regard to the inclusion of consumers in the market, or consumer access to goods or services in the market they supervise.

In some industries, regulators enforce obligations on businesses to deliver specific services or to handle consumers in a specified way. For example, there are universal service obligations in the postal and telecommunications industries. Energy, water and financial services firms have obligations on handling consumer debt: those having difficulty making repayments are considered to have limited market power and to need specific rules to ensure that firms treat them fairly.

Additionally, the CMA has wide-ranging powers to conduct market studies and investigations where there may be competition and consumer problems. It also enforces consumer protection legislation to tackle practices and market conditions that make it difficult for consumers to exercise choice.

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<sup>70</sup> Non-ministerial government department that is responsible for strengthening business competition and reducing anti-competitive activities

<sup>71</sup> Regulatory and competition authority for the broadcasting, telecommunications and postal industries in the UK



These regulatory bodies must also consider promptly any ‘supercomplaints’ made to them. ‘Supercomplaints’ can be made by designated consumer bodies (notably Which? and Citizens Advice) where they are satisfied that any market feature appears to be significantly harming the interests of consumers. ‘Supercomplaints’ should indicate whether particular groups of consumers are vulnerable.

Regulated markets all have consumer advocacy and representative arrangements, backed up by statute. The bodies and organisations charged with delivering consumer advocacy are commonly under obligation to have specific regard to consumer vulnerability as part of their work.

Regulators should take action if markets are failing from a competition or consumer protection perspective: that is their job. Their functions equip them well. However, awareness of the problem is a prerequisite. It is important for market regulators and the CMA to demonstrate awareness of the experiences of disabled consumers in the markets for which they are responsible. They should show that they are actively considering how those markets could be made to work more effectively for these consumers. Regulators should monitor, and where appropriate, audit how complaints procedures work for disabled people. They should not wait for a ‘supercomplaint’ from consumer groups to act.

The FCA’s<sup>72</sup> and Ofgem’s<sup>73</sup> publications on consumer vulnerability are welcome. These should help these regulators – and the firms they supervise – to focus on this issue. Also welcome is the UK Regulators Network (UKRN)<sup>74</sup> project looking at effective market participation of vulnerable consumers, and specifically the issue of affordability. This is a key concern of disabled consumers in each sector that the Commission has examined, from energy to clothing and bedding. A first report from the UKRN advocates a more co-ordinated approach on the part of regulators to addressing affordability problems.<sup>75</sup> This co-ordinated approach must fully incorporate evidence of disabled consumers’ experiences.

**Recommendation 13: The UK Regulators Network, with disability organisations and the Competition and Markets Authority, should capture and act upon disabled people’s experiences across different regulated markets.**

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72 Financial Conduct Authority, *Occasional Paper No. 8 – Consumer Vulnerability*, February 2015

73 Ofgem: *Consumer Vulnerability Strategy*, July 2013

74 Comprised of the UK’s economic regulators

75 UK Regulators Network: *Understanding affordability pressures in essential services*, January 2015

## 5.2 Accessible and affordable insurance

The proportion of disabled people expressing concern about access to insurance suggests that as many as two and a half million feel that they are overcharged whilst and at least half a million believe that they have been denied insurance because of their disability.<sup>76</sup>



At least **half a million** disabled people have been turned down for insurance

New consumer choice tools and better support to insurers as discussed in sections 3 and 4 may improve these issues for many disabled people. However, the Commission remains convinced that the insurance industry can do more to resolve the issues that disabled people face in purchasing insurance.

Concerns about the market can only be tested by investigation by a regulator with the powers to obtain evidence that may not be in the public domain. Such an investigation should have high priority, particularly given that campaigning organisations representing other groups have raised similar concerns. For example, Macmillan has highlighted similar concerns for cancer patients and those who have recovered from cancer.<sup>77</sup>

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<sup>76</sup> Ipsos MORI: *Disabled people and Financial Wellbeing*, August 2013

<sup>77</sup> Macmillan: *Cancer's Hidden Price Tag*, April 2013

The FCA's forthcoming market study of 'big data' and access in the insurance market<sup>78</sup> is an opportunity to address these concerns. 'Big data', such as web analytics and behavioural data tools, should be reducing the cost to insurers of pricing risk accurately for customers who do not fit simple traditional profiles. The Commission recommends that this study should fully investigate: first, how the current insurance market is serving disabled people and similar potentially underserved groups; and secondly, whether the expected benefits to consumers of further use of 'big data' will be delivered – not only in terms of marketing but in terms of access to services.

The FCA will need concrete examples and because of the potential impact on the extra costs disabled people face, this group should be selected as a leading case study. If consumers are found not to have access to prices that adequately reflect risk, the study should consider what factors inhibit competitive markets and the remedies required to make the market work better for consumers.

Reducing the cost of determining levels of risk accurately is likely to benefit insurers and customers alike. However, while improved assessment will reduce the prices for some customers, it is likely to increase prices for others. It is right to make sure that the system is pricing according to risk. But attention must also be paid to the solutions for customers who find their insurance costs based on risk, extremely high or unaffordable.

**Recommendation 14: The Financial Conduct Authority should investigate whether disabled people and similar potentially under-served groups have access to insurance that fairly reflects risk.**

### **Organisational Commitment: The Financial Conduct Authority**

The Financial Conduct Authority will be carrying out a market study on big data and accessibility in the insurance market.

The regulator is committed to further engagement with the disability sector during the scoping stage of this study.

## 5.3 Digital inclusion

Access to the internet is a key part of being a savvy shopper. Increasingly, tools to compare different markets, essential consumer information and the best deals and offers are to be found online.

However, the digital divide between disabled people and non-disabled people is shocking – 27 per cent of disabled adults have *never* used the internet compared to 11 per cent of non-disabled adults,<sup>79</sup> which translates to over three million people. Just over half – 55 per cent – of disabled people have internet access compared to 83 per cent of non-disabled people.<sup>80</sup> Ofcom states that factors beyond age and income, possibly related to the individual's disability, contribute to limited access.<sup>81</sup>



**27%** of disabled adults  
have never used the internet

As several of the Commission's recommendations involve improving online accessibility, addressing this gap is of paramount importance.

There are a number of factors that may restrict the digital inclusion of disabled people. Some disabled people lack the training and skills to understand and use the internet. The Commission recognises the necessity of support to enable disabled people to develop digital skills. The Government's Digital Inclusion Strategy<sup>82</sup> has enlisted the voluntary and private sectors to play a part in this process and encourage disability organisations to refer disabled people where necessary to appropriate services, e.g. AbilityNet, Barclay's Digital Eagles.

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79 ONS: *Internet Users, 2015*, May 2015

80 Ofcom, *Disabled consumers' ownership of communication services*, September 2013

81 Ibid

82 More information about the Government's Digital Inclusion Strategy can be found at <https://www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy>

For others, the barrier is the cost of equipment and getting online. While this is an important consideration, basic internet packages already exist, so the solution lies with broader action to improve financial inclusion and tackle poverty.

A third barrier is the accessibility of online content. Responses to the interim report, the bulk of which have advised that the focus should be more on improving the accessibility of websites and technology, suggest that this is the least well-addressed issue of the three. The ten actions in the Government's Digital Inclusion Strategy do not address accessibility directly, nor does the strategy identify clear accountability for improving digital accessibility.

The Equality Act 2010 covers digital accessibility. It places a requirement on public and private providers of goods and services to anticipate barriers faced by disabled people and remove these barriers, putting in place reasonable adjustments and alternative means of communication where it is not possible for disabled consumers to overcome access barriers. However, the law leaves a degree of interpretation for service providers about how far they are required to go to increase digital accessibility and there is as yet no UK case law precedent on web accessibility to clarify the position.<sup>83</sup>

The Commission believes that this is an issue for Government. It should monitor and analyse progress to be clear on why this digital divide exists and what needs to be done – whether it is consumer education, clearer guidance, strengthening enforcement or even further legislation.

**Recommendation 15: The Government should review the impact of the Equality Act in improving web accessibility and take action when service providers fail to meet their obligations.**

## 5.4 Improving access to taxis and private hire vehicles

The Government has estimated that there are between 650,000 and 700,000 households with a wheelchair user in the UK.<sup>84</sup> In a 2014 survey, three quarters of wheelchair users reported negative experiences using taxis and PHVs.<sup>85</sup> Although some legal protection does exist, it does not always achieve its purpose – almost two in three wheelchair users report being charged more due to being a wheelchair user.<sup>86</sup> The extra costs disabled people face in using taxis and PHVs are not limited to wheelchair users – the problems faced by wheelchair users are symptomatic of wider problems affecting disabled passengers.



**2 in 3** wheelchair users  
say they have been overcharged  
for a taxi or private hire vehicle  
because of their wheelchair

The Law Commission has completed extensive evidence gathering and made recommendations about how laws relating to taxis and PHVs could be changed. These recommendations cover every aspect of regulation, but some are particularly relevant to extra costs, for example because directly or indirectly, they increase supply of services.

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84 Department for Communities and Local Government: *Housing Standards Review Consultation*, August 2013

85 Unpublished survey by the Department for Transport, February 2014

86 Ibid

We support the relevant recommendations set out by the Law Commission, including new legislation. This can help in two ways: requiring minimum service standards and providing effective enforcement when requirements are not met.

With regard to service standards, currently there is no obligation on taxis to stop when hailed. A recent survey reported concern that the effect of this in practice was for drivers who would normally stop to pick up business refusing to do so for disabled passengers.<sup>87</sup> The law must prevent this.

Outside big cities, the proportion of taxis and particularly PHVs that are accessible is low. Licensing authorities should have the option to require a minimum proportion of accessible vehicles for those operators large enough that the requirement is reasonable.

Additionally, licensing authorities may require disability awareness training as a condition of licensing, but most do not do so. The LGA is right to express the view that this should be compulsory – a view that our inquiry supports. Such training should cover the legal obligation not to charge disabled passengers extra.

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<sup>87</sup> Ibid

We have placed great emphasis on the importance of disabled people speaking up as consumers. In this instance, it is crucial that disabled people know how and where to complain about poor service or being overcharged. Information about how to make complaints must therefore be displayed prominently in vehicles, and licences must be able to be withdrawn from operators who are found to have discriminated against disabled passengers.

Therefore, consistent with Law Commission proposals, we recommend that:

- legislation be enacted that has the effect of requiring taxi drivers to stop when hailed by visibly disabled people (whether or not the obligation is imposed to stop for everyone);
- Government should permit – and licensing authorities impose – quotas for accessible vehicles available to large operator/dispatchers;
- licensing authorities should be obliged to make disability awareness training a condition of licensing;
- it be a legal requirement for information about how to make complaints to be displayed in vehicles;
- Government exercise standard-setting powers to make it a condition of licence for both drivers and operators that they comply with the provisions of the Equality Act 2010, specifically those that prohibit discrimination in the provision of a service.

Moreover:

- Government should place duties on taxi drivers towards passengers in wheelchairs by bringing into force the relevant sections of the Equality Act 2010 (or other legislation that achieves the intended outcome);
- licensing authorities should collaborate with disability organisations, for example by organising ‘mystery shoppers’, to ensure that licensing conditions and other legal obligations are enforced effectively in a way that reduces extra costs.

**Recommendation 16: The Government should adopt the Law Commission proposals on taxis and private hire vehicles that support disabled people in obtaining a more equal and fairly-priced service.**



## 6. Conclusion



## 6. Conclusion

This report marks the end of the Commission's work. However, nothing will have been achieved unless organisations and individuals take up the recommendations and make change happen.

A range of organisations already committed to the cause or inspired by the work of the Commission have shown interest in responding to recommendations. Particular commitments have been made:



**Recommendation 4: Scope** will develop information and online community resources to include a specific focus on the needs of disabled people as consumers.



**Recommendation 5: Nimbus** plans to develop its Access Card to allow users to obtain discounts, offers and incentives from a wide range of service providers and retailers.



**Recommendation 6: Family Fund**, in conjunction with Family Fund Trading, will explore how it can build a partnership with a disability organisation to extend negotiated rates on essential products to disabled people, such as specialised equipment.



**Recommendation 8: Rica** will conduct research to further inform businesses about the needs of disabled consumers.



**Recommendation 9: Really Useful Stuff** will build relationships with strategic partners and use market data to extend its reach and proposition to disabled consumers.



**Recommendation 12: The Business Disability Forum** will develop a specific award targeted at businesses that have made a concerted effort to drive down extra costs for disabled consumers in 2016.



**Recommendation 14: The Financial Conduct Authority** is committed to further engagement with the disability sector during the scoping stage for its market study on big data and accessibility.

Organisations that support the objective of reducing extra costs and that are willing to commit either to reviewing what more they can do, or to specific actions in support of the recommendations in this report or other relevant actions, are invited to make their support public by adding their names to the official list of supporters. Official supporters and contact details can be found at **[www.extracosts.org](http://www.extracosts.org)**

Through its inquiry, the Commission has sought to give momentum to actions to reduce the extra costs faced by disabled people. It will be useful to test how far this approach has met its objectives. To review our success, the Commission will reconvene in 2016 to monitor progress one year on, highlight successes, review learning and identify further priorities.

If disabled people, disability organisations, businesses, regulators and government put effort into working together, extra costs can be reduced. In this way, a big obstacle to disabled people participating equally in society will be reduced.



For more information on the Extra Costs Commission, please visit [www.extracosts.org](http://www.extracosts.org)

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