

# Interim review

1 JULY – 31 DECEMBER 2018

## Chair's welcome

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This year's interim review gives us a chance to keep you up to date with Which?'s activities and performance during a crucial time for the organisation.

Which? was established in 1957 as an independent, not-for-profit organisation to make consumers' lives fairer, simpler and safer. That aim is as real today as it was in our history.

But the world we operate in is changing, and we need to keep up with a consumer landscape that becomes more complex by the day. As our research on data privacy has shown us, updates in technology offer great benefits for people, but they also open us all up to potential detriment and this can cause concern and mistrust.

That is why there's more call for us than ever before: in a sea of unfiltered opinions, Which? is grounded in proof.

At the end of 2018, Which? ran a campaign highlighting the existence of fake reviews on various websites that are misleading and undermining consumer confidence. This world of fake reviews highlights the value we add through our impartial and rigorous testing and reviews.

It's also no coincidence that we are stepping up our work on scams, which are becoming increasingly complex, and calling on the government, regulators and businesses to do more to safeguard us all.

In order to make sure we get the best results for consumers, we need to change too.

Since we published our Annual Report, Anabel Hoults has started work as chief executive of Which?. Anabel's wasted no time in getting to know how we work, and I know she has plans for how we can improve what we offer our members and how we can better champion the interests of consumers in a digital world.

Alongside this, we have also seen progress with our governance review. The review committee have received helpful feedback to their 'The future governance of Which?' report, and we also recently held an event on charity good governance at the Which? office in London. This builds on what was a constructive discussion at the AGM in November and there will be further chances to give your views and have your say over the coming months.

We will be presenting the results of the review, chaired by Dame Deirdre Hutton, later this year, ahead of the 2019 AGM which will be held on Saturday 23 November at our London office. We will circulate more details on this soon.

I'm excited by the progress we are making at Which? and want to thank our members for their continued contributions, which guide and help us.

**Tim Gardam**  
Chairman

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## Chief executive's update

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I'm nearly six months into my time at Which? and the interim review provides me with a perfect time to take stock of what's been an extremely busy, productive and at times challenging few months.

Before I started, Which? was known to me for its product reviews and wonderful investigative journalism in its magazines, but we provide so much more than that to our members and our role in society is more important than ever.

I spoke at the relaunch of our Later Life Care website in October and the story of Julie, a carer who had struggled to understand her options, really brought home the positive impact our advice can have on people's lives when they don't know where else to go for help. And that's exactly what we are here for – to make a real, tangible difference for consumers.

It is the real-life experiences of our members that play a huge part in shaping what we do. At the end of last year we had significant wins on long-running campaigns from overdrafts to nuisance calls, the result of years of work.

This insight also allows us to look to the future and identify where system change is needed. For example, our recent policy report 'Creating a successful enforcement system for UK consumers' set out our suggestions for improvements to the consumer rights system.

As an organisation we need to be forward-thinking, and that means questioning and adapting the way we do things for a sustainable future. We are currently conducting research into what different audiences want from us to help inform what we offer. It's already clear to me that we need to develop our core member offer, subscription business and technology platform for a digital age.

I have also decided to launch a strategy review to consider what the future of Which? will look like. It's absolutely the right thing to do. We're two years into the current five-year strategy and we're not in the financial position we expected to be.

Since half year, I have been reviewing the structure of our organisation. As part of this process I've begun making changes, including to the senior leadership team. The review is ongoing and we plan to share the results around the time of this year's annual report.

For now I want to thank you all for the warm welcome I've received at Which?. We need to keep questioning, and so it's important that you continue to share your real-life experiences with us to help us make things better for consumers.

**Anabel Hoults**  
Chief executive

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## Campaign wins

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*'Fantastic victory. Congratulations Which? on securing a well-fought campaign against rip-off unarranged bank fees.'*  
(Which? Conversation user)



### Overdrafts

After almost three years of campaigning by Which?, the Financial Conduct Authority announced plans to force banks to stop charging excessive fees for unauthorised overdrafts. Which? research revealed they can be seven times more than the cost of a payday loan and disproportionately affect those already stuck in a cycle of debt.

*'Delays and cancellations have impacted the everyday lives of passengers for far too long, from missed birthdays to bedtimes to job interviews. I stand with passengers and @whichuk in demanding an end to #TrainPain.'*  
(Alex Cunningham, MP)



### Rail delays

After two years of campaigning, we have successfully pressed the rail industry to establish the first Rail Ombudsman. This follows extensive undercover research that found many train operators were misleading passengers on their rights. This provides passengers with an independent body where they can escalate their complaints if they feel train companies have not dealt with them fairly or effectively.

More than 525,000 people signed our petition to make change happen. Some 10,000 nuisance calls were reported to us over a six-month period, with three quarters of people getting at least one nuisance call or text message each month.



### Nuisance calls

The government has announced new laws making company directors accountable for making nuisance calls. The Information Commissioner's Office will now be able to issue fines of up to £500,000 directly to the directors of guilty firms, as well as to the companies themselves. This is a landmark victory in our nuisance calls campaign which we've been running for five years.

## Financial performance update

### INCOME

**£50.3m**

6 months ended  
31 December 2018

### NET GROUP SURPLUS

**£2.7m**

6 months ended  
31 December 2018

Income was down £0.3m year on year, reflecting continued contraction in our subscription sales. This follows the decision to stop direct-response TV marketing during 2017/18 as it was no longer cost effective. Our expenditure has increased by £0.5m, largely because of increased investment in our digital capabilities. The main reason for the £3.3m reduction in group surplus was our investment fund falling by £0.9m, reflecting general market conditions, compared to a £1.6m investment gain in the first half of 2017/18.

	Six months ending 31 December 2018 £m	Six months ending 31 December 2017 £m
<b>Total group income</b>	<b>50.3</b>	<b>50.6</b>
<b>How we spent our income</b>		
Trading activities	(35.9)	(35.6)
Consumer research	(5.2)	(5.2)
Promoting consumer interests	(5.6)	(5.4)
<b>Total expenditure</b>	<b>(46.7)</b>	<b>(46.2)</b>
<b>Net investment (losses)/gains</b>	<b>(0.9)</b>	<b>1.6</b>
<b>Net group surplus</b>	<b>2.7</b>	<b>6.0</b>

Note: these financial results are unaudited

## Governance update



The governance review we launched in 2017 continues apace. ‘The future governance of Which?’ report was published in late October 2018 and outlined the rationale and context for the review\*. In February 2019, we hosted ‘The future of good governance’ event, which was attended by the Charity Commission, members and similar organisations. The debate and experience shared here provided useful input into the next report, which we will publish in the spring to get your input on the options we are considering.

In December 2018, the Member Governance Committee (MGC) met to consider suggestions raised by an Ordinary Member about how the committee operates. The MGC was pleased to make recommendations for changes, which Council has since approved\*.

Also, thank you to those who attended the AGM in November last year. You can find the audio recording and the council election results online\*. We are pleased to confirm this year’s AGM will be held in our office at 11am at 2 Marylebone Road, on Saturday 23 November 2019.

### Council members and non-executive directors

We’re pleased that Melanie Fuller, a former elected Council member, agreed to rejoin Council on a short-term co-opted basis until autumn 2019. We will soon be advertising for new trustees for both election and on a co-opted basis, as the terms of some existing trustees are ending.

This year we’re seeking to generate a broader, deeper candidate pool by launching an additional route to gather nominators for elections. If any Ordinary Members are interested in forming a pool of ‘willing nominators’ to whom the company secretariat can introduce candidates, then register your interest by emailing [council.election@which.co.uk](mailto:council.election@which.co.uk).

Following feedback from members, we will also be increasing the size of the text in the election ballot booklet.

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**Which?**

\* More information is available on our website at: <https://www.which.co.uk/about-which/company-info>