



Draft Forward Work Programme 2017/2018

**The Consumer Council business plan for
the second year of our Corporate
Strategy 2016-2021**

1. Introduction

- 1.1 The Energy (Northern Ireland) Order 2003, the Water and Sewerage Service (Northern Ireland) Order 2006 and The Public Bodies Order (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc.) 2014 require the Consumer Council to publish a Forward Work Programme (FWP) each year.
- 1.2 The legislation sets out that, *"The Council shall, before each financial year, publish a document (the "forward work programme") containing a general description of the projects which it plans to undertake during the year in the exercise of its relevant functions (other than projects comprising routine activities in the exercise of those functions)."*
- 1.3 This draft FWP lists the projects that we propose to do during 2017-2018 and is published for consultation. During the consultation, we would particularly welcome views on:
- whether we have identified the right projects;
 - any objections to our proposed projects; and
 - any other comments.
- 1.4 The majority of the projects are major pieces of work which will span the business planning year. Comments or observations on the timing of projects are also welcome.
- 1.5 Comments should be sent to us by 12 February 2017 at the latest to Siobhan Rafferty (Siobhan.rafferty@consumercouncil.org.uk)
- 1.6 We intend to hold a meeting during the consultation period, on 30 January 2017, at our offices. This will provide an opportunity to discuss the draft FWP. Please let us know before 20 January 2017 if you wish to attend.
- 1.7 A paper copy of the draft FWP can be obtained from:
- Siobhan Rafferty
The Consumer Council for Northern Ireland
Floor 2, Seatem House
28-32 Alfred Street
Belfast
BT2 8EN

E-mail: Siobhan.Rafferty@consumercouncil.org.uk

Telephone: 028 9025 1655

- 1.8 After reviewing consultation responses, we will publish, subject to final approval by the Department for the Economy, a final FWP by 31 March 2017. Responses to this consultation may be made public by us. If you do not wish your response or name made public, please state this clearly by marking the response as confidential and outline your reasons as to why your response should be treated as confidential.

2 Who We Are

2.1 The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland.

2.2 Our main statutory functions are to:

- Consider any¹ complaint made to it relating to consumer affairs and, where it appears to the Council to be appropriate having regard to any other remedy which may be available to the complainant, investigate the complaint and take such further action in relation thereto as the Council may determine;
- Carry out, or assist in the carrying out of, inquiries and research into matters relating to consumer affairs;
- Promote discussion of, and the dissemination of information relating to, consumer affairs; and
- Report to a Northern Ireland department on any matter relating to consumer affairs which is referred to the Council by that department.

2.3 The Consumer Council has specific statutory duties in relation to energy², postal services³, transport⁴, and water and sewerage⁵. In these areas, we are to have particular regard to consumers:

- Who are disabled or chronically sick;
- Of pensionable age;

¹ In agreement with DfE, the Consumer Council handles complaints relating to energy, postal affairs, transport, and water and sewerage (in agreement with DfI). Consumerline and the Northern Ireland Trading Standards Service provide complaints services in relation to goods and services.

² General Consumer Council Order (NI) 1984; Electricity Order (NI) 1992; The Gas Order (NI) 1996; Energy Order 2003; Energy Act (NI) 2011; The Gas and Electricity (Internal Markets) Regulations (NI) 2011; The Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015; and Electricity and Gas regulatory Licences. In September 1995, following direction from the then President of the Board of Trade, the Consumer Council took the role of promoting and safeguarding the interests of domestic coal consumers in NI, including the functions of the Coal Ombudsman.

³ The Public Bodies Order (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc) 2014.

⁴ Transport (NI) Act 1967; General Consumer Council Order (NI) 1984; The Airports (NI) Order 1994, Taxi Act 2008; Transport Act 2011; Civil Aviation (Access to Air for Disabled Persons and Persons with a Reduced Mobility) Regulations 2007.

⁵ The Water and Sewerage Services (Northern Ireland) Order 2006 and NI Water's Regulatory Licence.

- With low incomes; or
 - Who reside in rural areas.
- 2.4 In common with other public bodies, the Consumer Council is also designated under Section 75 of the Northern Ireland Act 1998, which gives it a statutory duty to promote equality of opportunity and good relations across a range of other equality categories.
- 2.5 The Consumer Council is a designated consumer body under the Enterprise Act 2002 and the Financial Services and Markets Act Order 2013. Designated consumer bodies can raise a super-complaint to the Competition and Markets Authority (CMA), in the case of goods and services, and the Financial Conduct Authority (FCA) or the Payment Systems Regulator (PSR) as appropriate, in the case of financial services if a market in the UK is, or appears to be, significantly harming the interests of consumers. Following the submission of a super-complaint the CMA, or FCA/PSR, will be required to investigate the issue and publish a response within 90 days.
- 2.6 In addition, under the Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015, the Consumer Council can make an appeal to the CMA if we believe a modification by the Utility Regulator (UR) to a gas or electricity company's licence is detrimental to the interests of consumers.
- 2.7 We are governed by a board whose members are appointed by the Minister for the Economy. The Board is supported by a team of around 40 staff.
- 2.8 The Consumer Council's core funding is provided through the Department of the Economy (DfE). Our role in relation to specific markets is funded by DfE (energy), the Department for Infrastructure (DfI) (water), and the Department for Business, Energy and Industrial Strategy (BEIS) (postal services).

3 What We Do

3.1 The Consumer Council undertakes an integrated model of consumer representation by working in the areas of:

- Consumer Advocacy;
- Consumer Redress; and
- Consumer Empowerment.

Consumer Advocacy

3.2 Consumer advocacy is the representation of consumers' interests and the defence of their rights. Our advocacy role is to act independently, within our statutory remit, on behalf of consumers, to identify issues that are detrimental to consumers. We will use our expertise, knowledge and insight to advise others, including government, on how consumer focused policies can work for the benefit of society, businesses and the UK economy. We will challenge current and proposed policies that unnecessarily restrict or impede consumer choice and we will work with government, regulators and business to help them to understand the benefits of doing so.

3.3 Our advocacy work has three main areas of focus:

- proactive advocacy on substantive issues which could improve how policy/markets function for the benefit of both current and future consumers;
- reactive advocacy, responding to requests for assistance on consumer related policy issues; and
- enhancing the capacity of business, regulators, government departments, and other organisations to design policies that identify and address the consumer rights issues in areas that they oversee.

Consumer Redress

3.4 Consumer redress is the ability of consumers to seek amends or compensation when things go wrong. Consumer redress mechanisms safeguard consumers and maximise their participation and trust in the markets. This in turn contributes to the growth of competitive markets as consumers are able to gain redress and dispute resolution

without the need to resort to court procedures which are lengthy and costly for them and all involved.

Consumer Empowerment

- 3.5 For consumers to be empowered it is essential that they have information about their rights and are able to understand how to use this to prevent or resolve problems in buying goods and services. Confident consumers who feel empowered to make good choices, which in turn will increase consumer trust in business and public services. Empowered consumers help to drive competition by shopping around and demanding more of businesses. In turn businesses must work harder to win and retain custom by offering higher standards of customer care, better products, innovation, and reducing costs. This increases productivity and drives economic growth.
- 3.6 Genuinely competitive markets rely on consumers to drive competition by making the best choices for their circumstances. Consumers therefore need to be in a position where they can easily judge and compare issues such as price, quality, value and service. Empowered consumers will be able to resolve complaints, shop around more effectively, exhibit safer pre-purchase behaviours and therefore be better able to take control and independently maximise their own welfare. The Consumer Council works to provide:
- Consumer information (for consumers who are capable of choosing effectively and asserting their rights if pointed to the right material);
 - Consumer advice (for consumers who need help to interpret or apply information); and
 - Consumer education (for consumers who may not be aware of the risks in relevant markets, or the importance of exercising choice carefully or that they have particular rights as consumers).
- 3.7 A successful economy requires informed, protected and empowered consumers. To achieve this the Consumer Council has worked to provide a framework that educates consumers about their rights, whilst simultaneously campaigning on their behalf and protecting them from unfair and unscrupulous practices.

Our Purpose, Vision and Values

Our Mission:

3.8 We are committed to promoting and safeguarding the interests of consumers in NI by empowering them and providing a strong representative voice to policy-makers, regulators and service providers.

Our Values:

- Ambition – We seek to deliver the best possible deal for consumers in NI;
- Excellence – We will ensure our work is robust and considered, and bears comparison with the best;
- Commitment – We will provide consumers in NI with the best possible service;
- Fairness – We will listen to everyone and respect all consumers’ concerns;
- Teamwork – We will work in a collegiate manner;
- Honesty – We will operate openly and transparently;
- Integrity – We seek to be trustworthy and trusted; and
- Objectivity – We will base our conclusions in evidence.

How we work

3.9 In order to achieve an impact, it is important that the work of the Consumer Council is seen as authoritative and credible. Our legitimacy is underpinned by the extent to which we demonstrably connect into consumer experience, support our analysis with evidence, and have suitable quality controls.

3.10 We will continue to work in partnership with other stakeholders to ensure consumers feel empowered throughout each part of their “consumer journey”. Over this corporate planning period we will look to further develop strategic partnerships and strengthen data sharing to expand the awareness of consumer information/advice/education provision, and the overall understanding of consumer needs here in NI.

Consumer Principles

3.11 Consumer principles are used by the Consumer Council to assess the consumer interest and form a consistent framework within which our policy is developed and communicated. The Consumer Council uses eight consumer principles, to work out how particular issues or policies are likely to affect consumers.

- The right to satisfaction of basic needs - to have access to basic, essential goods and services; adequate food, clothing, shelter, health care, education, public utilities, water and sanitation.
- The right to safety - to be protected against products, production processes and services, which are hazardous to health or life.
- The right to be informed - to be given the facts needed to make an informed choice, and to be protected against dishonest or misleading advertising and labelling.
- The right to choose - to be able to select from a range of products and services, offered at competitive prices with an assurance of satisfactory quality.
- The right to be heard - to have consumer interests represented in the making and execution of government policy, and in the development of products and services.
- The right to redress - to receive a fair settlement of just claims, including compensation for misrepresentation, shoddy goods or unsatisfactory services.
- The right to consumer education - to acquire knowledge and skills needed to make informed, confident choices about goods and services, while being aware of basic consumer rights and responsibilities and how to act on them.
- The right to a healthy environment - to live and work in an environment that is non-threatening to the well-being of present and future generations.

3.12 These principles allow us to champion consistent and transparent policy positions across a diverse range of subject areas, and to operate confidently and effectively when new or unfamiliar issues arise. They also provide a straightforward way of explaining to stakeholders how we identify and analyse consumer issues.

A Consumer

- 3.13 The Consumer Rights Act 2015⁶ defines a consumer as an individual (a natural person rather than a legally incorporated organisation such as a company) who is acting for purposes wholly or mainly outside his or her trade, business, craft or profession. In line with the CMA, the Consumer Council considers that the words ‘wholly or mainly’ clearly invite consideration of transactions that are entered into for a mixture of personal and business reasons. In case of doubt, an individual under UK law is presumed to be a consumer until shown not to be.
- 3.14 The UR’s licences for energy and water companies in NI also use the term ‘customer’. Whilst in common English language use these terms may be interchangeable, under competition law the concepts are slightly different⁷. As previously set out, a ‘consumer’ is an individual who uses goods or services, whereas a ‘customer’ is an entity which purchases the goods or services and includes undertakings that are acting for purposes of business, trade or profession.
- 3.15 Therefore, for clarity, during this corporate plan the main focus of our work will be on individuals (consumers) as set out in the Consumer Rights Act 2015. However, in the regulated industries of electricity, natural gas, and water and sewerage we will extend this description to cover both domestic and business customers.

⁶ Territorially, the 2015 Act extends to England, Wales, Scotland and Northern Ireland.

⁷ ‘Consumer’ versus ‘Customer’: The Devil in the Detail, Pinar Akman, ESRC Centre for Competition Policy and Norwich Law School, University of East Anglia, 2008

4 Ministerial Review of the Consumer Council

4.1 In October 2012, DETI commissioned an efficiency review of the Consumer Council. In June 2014, the then DETI Minister, Arlene Foster, concluded that, “Northern Ireland’s consumer representation role should continue to be delivered by a Non-Departmental Public Body (NDPB), and that the Consumer Council should continue to fulfil that role.” However, the review called for the following developments:

- The key priorities, objectives, structures and funding of the Council must be focused on issues which are of regional significance to Northern Ireland;
- A clearer emphasis on the outputs that are to be delivered;
- The size of the Board will also be reduced to levels consistent with the size of the Boards of many other NDPBs;
- Detailed annual work plans to be agreed with DfE and DFI to support the funding provided;
- Greater collaboration between the consumer and advice sectors;
- A communication strategy will be developed to explain and raise awareness of existing consumer representation bodies in Northern Ireland, and to provide clarity on their respective roles and responsibilities;
- To improve the efficiency and effectiveness of consumer representation and advice, and so deliver better value for money; and
- Learn from the consumer landscape in GB and elsewhere.

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5 The Context for this Business Plan

5.1 In this section we briefly identify the situation at the time of developing this business plan.

Programme for Government

5.2 The Programme for Government (PfG) sets the overall strategic context for public service activity in Northern Ireland. Following 2016's Assembly Elections the NI Executive has begun consulting on a new Programme for Government (PfG). The PfG is the highest level strategic document of the NI Executive and it will set out priorities that it will pursue in the current Assembly mandate (2016-2021), and the most significant actions it will take to address them.

5.3 We recognise that this Forward Work Programme is being prepared in advance of a budget or PfG being agreed for the period covered, and that it may be subject to change as a result. Therefore, following finalisation of the PfG, we will review this work programme to ensure our work is consistent with its aims and objectives.

Key external developments during 2016-17

Brexit

5.4 In June 2016, the UK electorate voted to leave the European Union. It is still too early to tell the impact of this vote on NI consumers. Early indications show that the UK Government will incorporate existing consumer rights into UK law without reference to the EU, thus maintaining the status quo.

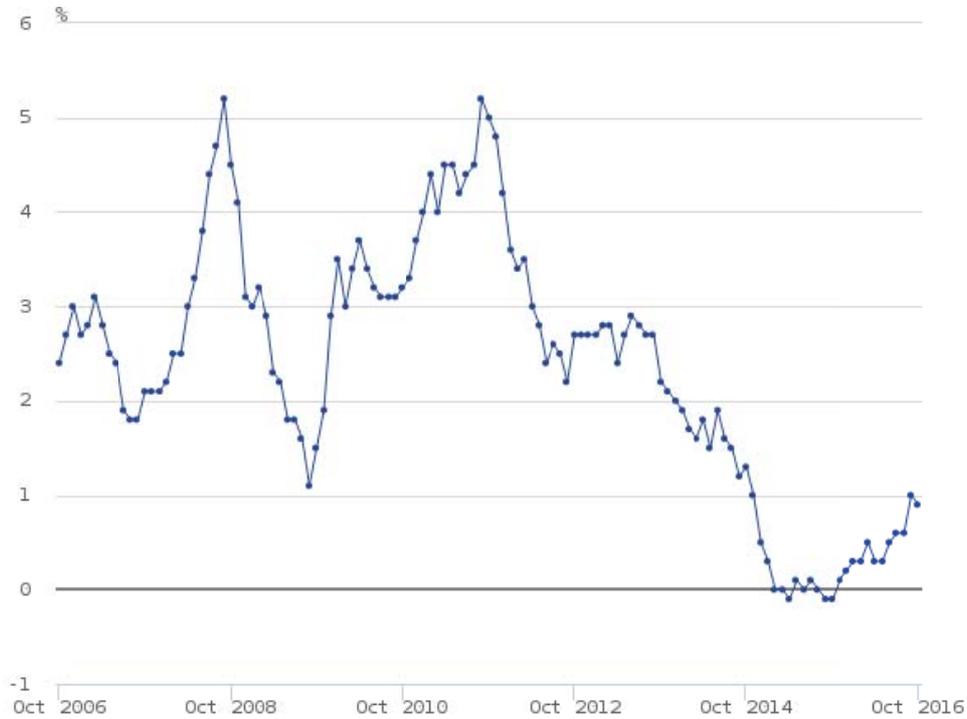
5.5 The Consumer Council will continue to work in partnership with the Consumer Protection Partnership (CPP), European Consumer Centre Network (ECC Net), and other bodies to ensure NI consumers are protected throughout the Brexit process and that the views of NI consumers are taken into account in the development of cross border markets such as:

- All-Island Electricity Market;
- Cross border public transport arrangements (train and bus);
- Air travel to and from NI; and
- Cross border postal issues.

Consumer Price Index

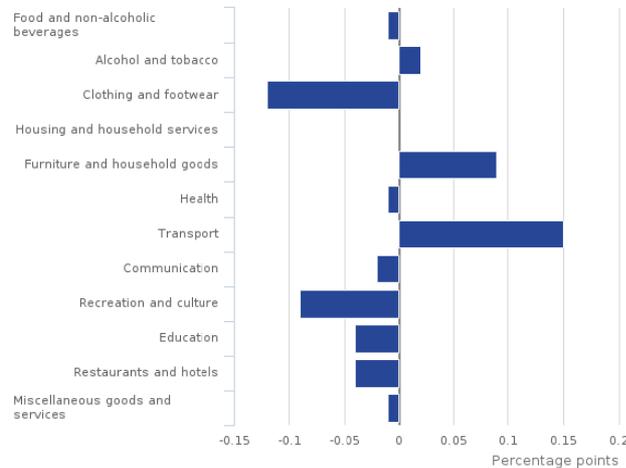
5.6 The Office of National Statistics (ONS) shows the Consumer Price Index (CPI) rose by 0.9% in the year to October 2016. Although the latest rate was slightly lower than in September 2016, it remained higher than the rates seen in late 2014.

Figure: CPI 12-month inflation rate for the last 10 years: October 2006 to October 2016



5.7 The ONS set out that the main contributors to the change in the rate were prices for clothing and university tuition fees, which rose by less than they did a year ago, along with falling prices for certain games and toys, overnight hotel stays and non-alcoholic beverages.

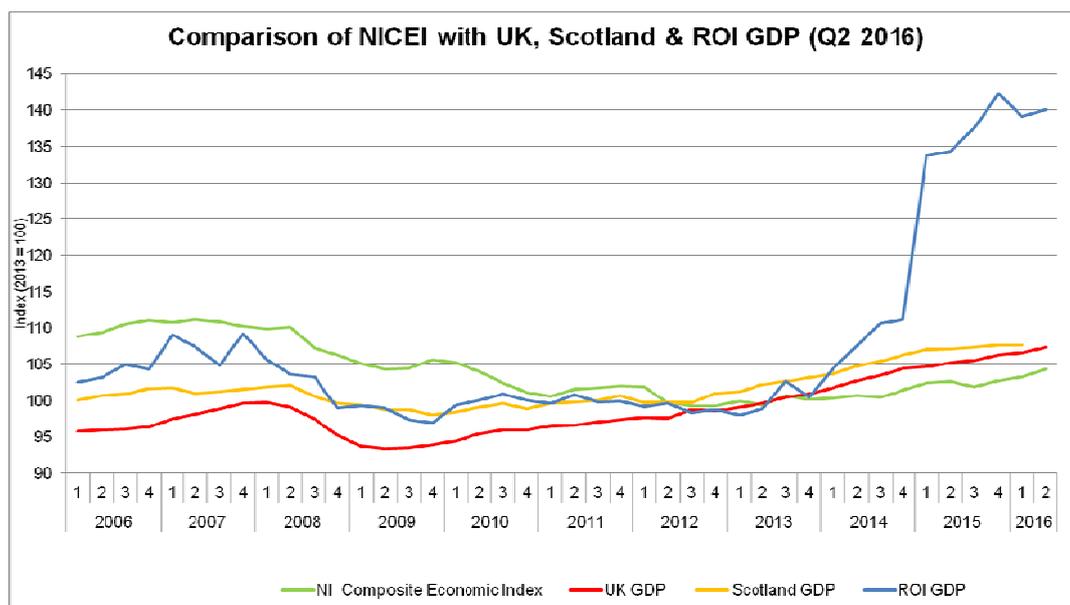
Figure: Contributions to the change in the CPI 12-month rate: October 2016



NI Economy

- 5.8 The Northern Ireland Statistics and Research Agency's (NISRA) Northern Ireland Composite Economic Index (NICEI) October 2016 results show that NI economic activity was estimated to have increased by 1.0% in real terms between Quarter 1 (January – March) 2016 and Quarter 2 (April – June) 2016. The index also increased by 1.6% over the year (Quarter 2 2015 to Quarter 2 2016) in real terms. Over the last two years annual output, (averaged over the four quarters to Quarter 2 2016 compared to the previous four quarters) increased by 1.3%. Although the measures are not produced on a fully equivalent basis, comparisons with the UK over the same period show that the NICEI grew at a slower rate (1.3%) compared to UK GDP growth (1.9%). However the UK quarterly growth (0.7%) is lower than that recorded for NI (1.0%).

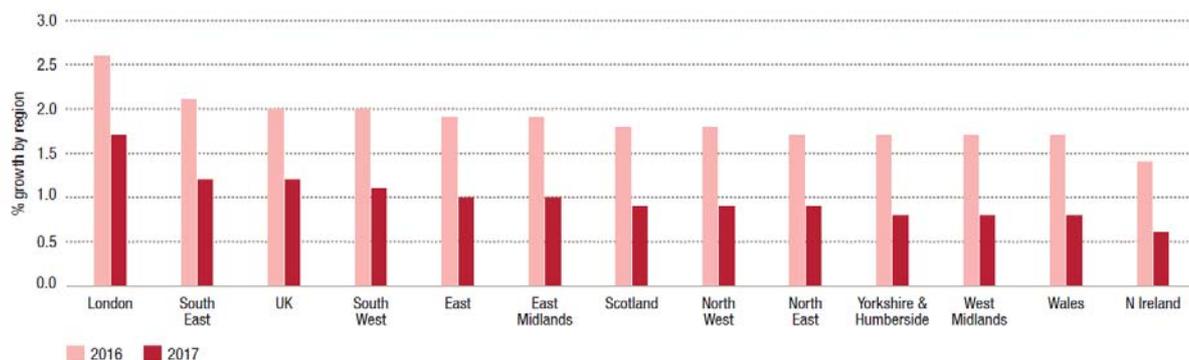
Figure: Comparison of NICEI with UK, Scotland and ROI GDP (Q2 2016)



- 5.9 PwC latest economic outlook⁸ (November 2016) projects UK growth to slow by on average 2% in 2016 and 1.2% in 2017, largely due to the increased political and economic uncertainty following the Brexit vote. London is expected to continue to lead the regional growth rankings in 2016, expanding by around 2.6%. Most other regions are expected to expand at rates closer to the UK average of around 2%. Unfortunately, PwC predicts that NI is expected to lag behind somewhat with around 1.4%.

⁸ <http://www.pwc.co.uk/services/economics-policy/insights/uk-economic-outlook.html>

Figure: PwC Main Scenario for Output Growth By Region in 2016/2017



- 5.10 However, the report sets out that growth in London might fall to just over 1.7% in 2017, while it could be 0.6% in NI.
- 5.11 Danske Bank in September 2016, revised its economic growth projections for NI in 2016 and 2017. This revision was due to Brexit-related uncertainty, lower investment levels and higher inflation in the medium term. The bank expects the local economy to grow by 1% this year and by 0.5% in 2017. It had previously forecast growth of 1.6% this year and 1.9% in 2017.
- 5.12 It is clear to varying degrees that analysts believe growth in NI will slow during 2017. Consumers in NI have a role in supporting that growth. A 2015 HM Treasury report⁹ highlighted that confident, informed consumers are essential to growing the economy, boosting business competitiveness, and reducing consumer detriment.
- 5.13 In December 2015, NISRA released a report on the Structure of the Northern Ireland Economy¹⁰. This report shows that in 2012, the total value of “Final Demand” in NI was estimated to be worth £62.1bn. This represents the total value of expenditure by consumers and Government plus the value of investment and net trade. expenditure by the household sector (including non-profit organisations) was estimated to be £27.5bn or 44% of Final Demand, showing the importance of the local consumer consumption of and services to the economy. NISRA’s expenditure approach to calculating GDP showed that £27.5bn in total household expenditure equated to a spend on goods and services of £15,060 per head of population in NI.
- 5.14 Unfortunately, sometimes a good, or a service, is not as intended or falls short of expectation. This is known as “consumer detriment”. The Office of Fair Trading believed that there were three elements to consumer detriment:

⁹ A better deal: boosting competition to bring down bills for families and firms, HM Treasury, November 2015

¹⁰ Structure of the NI Economy, NISRA, December 2015

<https://www.detini.gov.uk/sites/default/files/publications/deti/Structure-of-the-NI-Economy-2012.pdf>

- price detriment: consumers may not buy the product or service at the cheapest price available to them;
- appropriateness detriment: consumers may not buy the most appropriate product, given their tastes and preferences; and
- quality detriment: consumers may purchase a product or service which is not of the quality they assumed ex ante.

5.15 In September 2016, Citizens Advice and Oxford Economics released a report¹¹ on consumer detriment which highlighted:

- 35.3% of UK consumers suffered some form of consumer detriment in 2015;
- The cost of detriment was £22.9 billion per year, or a £446 loss per adult;
- Younger people experience the most problems, but 35-54 year olds suffer the highest cost;
- The time lost in trying to resolve complaints in the UK in total is 1.158 million hours per year, or 24 hours per adult;
- 55% of affected consumers had not sought redress; and
- Only 51% of those who sought redress felt they had achieved a satisfactory resolution.

5.16 The Consumer Council, and other agencies such as the Northern Ireland Trading Standards Service (NITSS) have a vital role in minimising this detriment by empowering, protecting consumers, and promoting their rights.

5.17 In 2015, the Consumer Rights Act came into force. It represents a significant overall strengthening of consumer rights and seeks to simplify, strengthen and modernise UK consumer law. The act consolidates three pieces of existing consumer legislation - the Sale of Goods Act, Unfair Terms in Consumer Contracts Regulations and the Supply of Goods and Services Act. The Act also gives consumers a number of new rights and remedies covering: contracts for goods and services, clarifying rights for digital content and updating the law relating to unfair terms and conditions.

5.18 The UK Government concluded its reforms to the consumer landscape in April 2014. The reforms were designed to:

- Reduce the complexity of the consumer landscape;
- Strengthen the effectiveness of the enforcement of consumer rights; and

¹¹ Consumer Detriment: Counting the cost of consumer problems. Citizens Advice and Oxford Economics, September 2016

- Ensure that activities that help empower consumers are delivered more cost-effectively.
- 5.19 As part of these reforms the UK Government through the BIS set up the Consumer Protection Partnership (CPP) to create a joined-up approach amongst UK consumer bodies.
- 5.20 The CPP is a new UK-wide group established with the aim of better identifying both current and emerging areas of the greatest consumer detriment, and to prioritise and coordinate collective action. The Consumer Council is a member of the CPP along with BEIS, CMA, DfE, FCA, the National Trading Standards Board, the Trading Standards Institute, Trading Standards Scotland, Citizens Advice and Citizens Advice Scotland.
- 5.21 In addition, to support our work on an all-Island basis, in 2011 the Consumer Council set up a North/South Consumer Organisations Working Group with the European Consumer Centre (Ireland), NITSS, the Competition and Consumer Protection Commission (Ireland), the Belfast Consumer Advice Centre, the Department of Jobs, Enterprise and Innovation (Ireland) and DfE. The purpose of the group is to identify opportunities for joint-working including coordination of consumer information campaigns and sharing information, with the aim of maximising opportunities to make positive impacts for consumers, particularly those living in border areas.
- 5.22 In 2015, with the support of CollaborationNI, the Consumer Council developed with Advice NI, Citizens Advice Bureau Northern Ireland, and the Law Centre a memorandum of understanding to establish the 'Consumer Rights Initiative Northern Ireland' (CRINI), which aims to bring closer collaboration between the organisations on consumer issues. The vision of the partnership is of a NI where consumers know who to contact when they have a consumer rights problem, where consumers know that they will be given the help they need, and where consumers receive a seamless service regardless of the organisation they contact first. The CRINI will do all this by ensuring consumers receive the advice they need to assert their rights through clear signposting to information and consumer protection bodies and other support.
- 5.23 The Consumer Council also works closely with both DfE's Consumer Affairs team, the NITSS and NI Direct's Consumerline to support consumers and traders to understand consumer rights and responsibilities. In agreement with DfE, the Consumer Council handles complaints relating to our specific statutory areas of energy, postal services, transport, and water and sewerage. Consumerline and the NITSS provide complaints services in relation to goods and services, including scams.

- 5.24 The continued move towards digitalisation in retailing, banking, and government/public service provision will mean some consumers, especially older and low income groups will need continued advice and support to raise e-consumer skills and awareness on issues such as shopping safely and avoiding scams. We will continue to deliver this work with key partners including Digital Inclusion Unit, NITSS and the Police Service of Northern Ireland (PSNI) and through specific information campaigns and outreach work.
- 5.25 New regulations came into force in October 2015 which required traders to provide information to consumers on the availability of Alternative Dispute Resolution (ADR). Although traders are required by law to provide this information, they are not obliged to engage in the ADR process except where they operate in a sector which is mandated by statute or by membership of a trade association to use ADR.
- 5.26 Although the use of ADR is not mandatory to traders, the UK Government hopes that the potential benefits in getting and keeping custom through good customer relations will encourage traders to do so. The option to use ADR usually begins when the consumer has exhausted the trader's internal complaints process and has been unable to resolve the dispute satisfactorily.
- 5.27 ADR is designed to be a quicker and cheaper alternative to court, where consumers and traders can resolve their disputes. It is a voluntary process and parties can still choose to take further court action if they do not reach a mutually acceptable solution. For the purposes of the Regulations, the Chartered Trading Standards Institute (CTSI) acts as the UK Competent Authority that handles applications from bodies, seeking approval, operating in non-regulated consumer sectors.

Energy

- 5.28 Domestic consumers saw the cost of both gas and electricity fall during 2016, with most suppliers dropping their prices by around 10% in the spring¹². NI domestic electricity prices dropped below the EU median, and the UK, and remained significantly lower than the ROI. Domestic gas prices remained well below the EU median, and ROI, with gas prices in Belfast¹³ below the UK and the second lowest in Europe¹⁴.
- 5.29 However, on the back of an almost 50%¹⁵ increase in the international price of crude oil, the cost of home heating oil has risen by 23%¹⁶.

¹² Power NI Standard electricity tariff and SSE Standard rate (Home Energy) natural gas tariff

¹³ The Phoenix Natural Gas (PNG) licence area.

¹⁴ The Utility Regulators Retail Market Monitoring Report, Quarterly Transparency Report, Quarter 2: April - June 2016

¹⁵ BBC News Market Data (http://www.bbc.co.uk/news/business/market_data/commodities/default.stm) 29 Jan 2016 to 21 September 2016

- 5.30 In June 2016 the Consumer Council launched its web based energy comparison tool (which is receiving between 4-7,000 hits per month) as the flagship of the ongoing 'Switch & Save' campaign. This year we are taking the campaign to housing associations and the private rented sector. We will also be developing an energy supplier customer satisfaction survey for our website. The aim is to create a suite of information and advice to help consumers shop around for energy. This information is needed more than ever as electricity switching rates, for both domestic and business customers continued to rise in 2016.
- 5.31 Competition in the electricity business sector is set for a change in 2017 with the UR's proposal to remove price regulation from the small business sector. We are concerned that many small businesses do not have the knowledge and tools to make the most of unregulated competition. In the coming year we will seek to work with key partners to develop the advice, information and tools that small businesses require.
- 5.32 The UR continued to develop the Northern Ireland Electricity Networks (NIEN), RP6 Price Control. This determines the level of investment and cost to consumers of the NI electricity grid until 2024. The Consumer Council joined NIEN, the UR and DfE on a consumer engagement working group. In June the group published its report 'Empowering Consumers' detailing the views and experiences of NI electricity consumers. The Consumer Council will continue to work with these parties as we move toward the final determination in summer 2017.
- 5.33 The Department for Communities is expected to review its Fuel Poverty Strategy in 2017/18 and this will be supported by the publication of figures from the 2016 NI House Condition Survey. With this publication we will finally be able to evaluate the impact that energy price changes and energy efficiency schemes have had on fuel poverty in NI.

Postal Services

- 5.34 In March 2013, Ofcom completed a comprehensive study into the needs of UK postal users and concluded that the postal market was meeting the reasonable needs of users, and the scope of the Universal Service did not need to change. However, with the withdrawal of Whistl, the only other competitor to Royal Mail in end-to end deliveries, Ofcom decided to undertake a fundamental review of the regulation of Royal Mail. The purpose of the review was to ensure regulation remains appropriate

¹⁶ Consumer Council Weekly Home Heating Oil Survey. 7 Jan 2016 to 22 September 2016

and sufficient to secure the efficient and financially sustainable provision of the Universal Postal Service. In May 2016, a consultation of Ofcom's proposed measures was released, which outlined five key proposals:

- Maintaining the current regulatory approach for a further five years;
- Supporting competition and innovation in the parcels sector;
- Tightening rules on access competition;
- Focusing mail integrity rules; and
- Ensuring regulations remain appropriate and fit-for-purpose.

It is expected that Ofcom will make a statement following the Regulatory Review consultation in early 2017.

- 5.35 Worldwide cross-border trade remains an important factor for postal services movement. With Brexit, issues with parcel deliveries and cross border trade will be an area of continuous focus up to 2020 for the UK and European Commission. It will be important to ensure NI consumers are not excluded from this growing market or they don't experience unnecessary or disproportionate detriment as a result of their location.
- 5.36 While domestic letter volumes continue to decline, parcel volumes continue to be an area of growth driven primarily by consumers through online shopping. The growth in online shopping looks set to continue over the next several years. The parcel segment of the market is the most competitive part of the wider postal market and is where consumers should be benefiting from more innovation, lower prices and a better delivery experience. However, recent research shows us that NI consumers are experiencing significant detriment as a result of our peripheral location within the UK. Furthermore, evidence suggests that lack of transparency by retailers on delivery pricing and policies at the pre-purchasing stage is generating further consumer detriment. Parcels market is unregulated and the current UK Government have continuously expressed their favour toward market deregulation. Therefore it is unlikely regulation of the parcel market will feature before 2020.
- 5.37 Under the Consumer Estate Agents and Redress Act 2007, the Consumer Council's statutory function in relation to post offices is a duty to investigate any matter relating to the number and locations of post offices in NI. We also have a mandated function to operate the Code of Practice and MoU with Post Office Limited (POL), which is the framework for scrutinising the Network Transformation Programme (NTP) until it finishes in 2018. The UK government has committed over £2 billion until 2018 to change how the network delivers its services and to make sure there is no programme of post office closures across the UK. Through our mandated function the Consumer Council has been given a key role to review each Network Transformation proposal in NI and discuss consumer concerns with POL before it

reaches a final decision. This work will continue until the end of the programme in 2018, to ensure consumers have reasonable access to postal services across NI.

Transport

- 5.38 In 2016, Translink published its 'Get on Board' strategy which sets the vision 'To be your first choice for travel in Northern Ireland'. The strategy seeks to deliver results across four objectives across operational excellence; customer satisfaction; growing passenger numbers; and delivering value for money. Translink aims to increase public transport journeys to 85 million by 2021, to reduce passenger complaints to 15 for each 100,000 journeys and to achieve greater than 85% customer satisfaction across all its services. The Consumer Council supports this vision and we will work with Translink and DfI to deliver public transport services that focus on the needs of consumers.
- 5.39 The impact of delayed and cancelled flights continues to be an issue for consumers. The number of claims for historic incidents has reduced, however passengers with claims for more recent disruptions continue to require assistance with the complaint process not always being clear. The introduction of ADR in June 2016 means that for most flights into and out of Northern Ireland consumers can use an ADR provider to review their claim. However, the process is relatively new and some ADR providers charge a fee which could be a barrier to complaining, even if the fee is refunded. The potential impact of Brexit on air and sea passenger rights is as yet unknown therefore we will continue to provide support to passengers impacted by delays and disruption.
- 5.40 In 2016, the Consumer Council worked with P&O Ferries, Port of Larne Harbour and Stena Line to develop the first seaport access audit with a group of passengers with a disability or reduced mobility, to provide feedback to ferry operators on the special assistance services provided. We also conducted a similar audit at the City of Derry Airport in partnership with passengers with a range of disabilities and airport staff. We will continue to work with air and sea ports, passengers and specialist interest groups to promote services, improve facilities and to make passengers aware of their rights when travelling with a disability or reduced mobility.

Water and Sewerage

- 5.41 Our core aim in promoting and safeguarding the interests of consumers of the NI water sector remains getting water and sewerage services that are fair, affordable and sustainable.
- 5.42 NI Water continues to deliver against its six year business plan (PC15 covering 2015-2021), meeting most of its KPIs and becoming more efficient.

- 5.43 Consumers have the right to be satisfied with essential water and sanitation services. Knowing how satisfied consumers are, and why, is crucial to improving the service. Following our work with NI Water, UR and DfI, new measures of customer satisfaction continue to be trialled. This will give us more information about how NI Water is performing and where improvements are needed. Formal targets will be set for 2018/19.
- 5.44 Our work with NI Water on how it deals with complaints continued to deliver improvements. Our assessment of NI Water's handling of written complaints returned the best results to date. We have also looked at how we deal with complaints on behalf of consumers and piloted an assessment of telephone complaints.
- 5.45 In 2016/17, NI Water held its non-domestic water and sewerage charges at 2015/16 levels. To complement this good news for businesses, we continued to promote our Water Champions Award as part of a wider programme of business billing and water use advice, one example being working in partnership with Invest NI on its Water Efficiency Programme. Through these efforts and our water complaints role we have returned over £1m to NI businesses in the last two years.

6 Corporate Strategy 2016-2021

6.1 The Consumer Council's Corporate Plan for the period 2016-2021, provides the strategic direction for the organisation for the next four years. It is based around five main objects:

- Objective 1: To Empower Consumers
- Objective 2: To Represent Consumers
- Objective 3: To Protect Consumers
- Objective 4: To Understand the Needs of Future Consumers
- Objective 5: To Provide Value for Money and Good Governance

6.2 A copy of our 2016-2021 Corporate Plan can be found on our website at: http://www.consumerCouncil.org.uk/filestore/documents/Draft_Corporate_Plan_2016_2021.pdf. A paper copy can be obtained by contacting:

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7 List of business plan projects

Objective 1: To Empower Consumers

The Consumer Council will encourage and assist consumers to develop the knowledge and skills necessary to make choices and to enable them to feel confident about taking independent action in pursuit of their rights.

Ref	Project description	Anticipated outcome/s	Timing
1.	Develop advice partnerships with the 11 new Councils and Libraries in NI to provide joined up consumer information/advice/educational services across NI.	An increase in consumer education within NI and a greater understanding of the statutory complaints and advocacy role of the Consumer Council throughout the advice sector.	Throughout 2017/18
2.	Continue and develop our advice partnership advisory organisations to 'train the advisor' model for consumer empowerment. A systematic approach to provide training to advisors such as in constituency offices and in advisory organisations on consumer empowerment issues and the statutory functions of the Consumer Council.	An increase in consumer education across NI and a greater understanding of the statutory complaints and advocacy role of the Consumer Council. This should see an increase in Stage 2 referrals from partner organisations and an increased evidence base for policy interventions.	Throughout 2017/18
3.	Develop educational partnerships with Scouts NI and the Boys Brigade on a range of consumer issues. The activities will be designed for educators/group leaders to use to raise awareness of consumer rights and responsibilities, and for learners to develop their skills and confidence to deal with consumer issues.	To develop education programmes with educational and youth sectors to develop consumer skills and confidence. To build on the success with the likes of the Girl Guides Association; we aim to work with at least two educational and youth sector partners throughout 2017/18.	Throughout 2017/18
4.	In partnership with the likes of Manufacturing NI, CBI etc. we will look to provide at least 12 workforce training sessions on consumer skills and how to get the best deal.	To develop an understanding of the work of the Consumer Council with businesses across NI, and to empower their workforces on consumer rights and how to get the best deal.	Throughout 2017/18
5.	Undertake "tea and teach" community education sessions in the 18 NI	To empower local communities across NI about	Throughout 2017/18

	constituency areas.	their consumer rights and how to get the best deal.	
6.	Promote the use of public transport in NI by developing price comparison tools around public transport ticketing options, and develop cost comparisons with the use of private motor vehicles.	To inform consumers of the potential cost savings available by making the switch to public transport.	By December 2017
7.	Enable motorists to get the best deal for their petrol and diesel by developing price awareness tools for NI.	To assist consumers to get the best deal for petrol and diesel costs in their area.	By December 2017
8.	In partnership with the likes of Ofcom we will develop price and service comparison tools, and consumer advice tools for broadband services in Northern Ireland.	To provide interactive tools for NI consumers so that they can choose what is the best broadband deal for themselves.	By December 2017
9.	Develop an online/paper “Consumer A to Z” and “Frequently Asked Questions” to identify to NI consumers where they can get support and advice on their consumer issues.	To inform consumers and raise awareness of the roles and responsibilities of consumer and advice bodies in NI and UK.	By December 2017
10.	Work in partnership with the likes of NEA, EST and Bryson to include energy and water efficiency messages into our consumer facing and outreach activities.	An increase in the awareness of energy and water efficiency measures amongst consumers and strengthened partnerships with key stakeholders.	Throughout 2017/18
11.	Build and strengthen partnerships with business organisations such as FSB, CBI and Chambers of Commerce to raise awareness of the Consumer Council’s energy and water complaints handling role for small businesses.	To increase the awareness of the Consumer Council complaints role amongst businesses.	Throughout 2017/18
12.	Develop consumer rights campaigns based around: <ul style="list-style-type: none"> • Silver Surfers Day – May 2017; • EU Sustainable Energy Week 2016 – June 2017; • Scams Awareness Month – July 2017; • World Water Week 27 August - September 2017; • National Cycle to Work Day – September 2017 ; • Recycle Week – September 2017; • European Mobility Week – September 2017; • Gas Safety Week – September 2017; • World Car Free Day – September 	To develop consumer rights awareness campaigns with partners such as the CPP to highlight topical consumer issues.	Throughout 2017/18

	<p>2017;</p> <ul style="list-style-type: none"> • Northern Ireland Environment Week – September 2017; • International Older People’s Day - October 2017; • World Post Day – October 2017; • Get Safe Online Day – October 2017; • EST Energy Saving Week – October 2017; • National Consumer Week – November 2017; • HSE Carbon Monoxide Month – November 2017; • World Toilet Day – November 2017; • Black Friday / Cyber Monday – November 2017; • FSB Small Business Saturday – December 2017; • International Day of Persons with Disabilities – December 2017; • Blue Monday - January 2018; • National Student Money Week – February 2018; • World Consumer Rights Day –March 2018; • Waterwise Water Saving Week – March 2018; and • World Water Day – March 2018. 		
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Objective 2: To Represent Consumers

The Consumer Council will speak out on behalf of consumers, and ensure their interests are articulated and defended. We will seek to ensure that public policies are developed with their potential effect on people as consumers in mind and that their contribution to consumer well-being is recognised as an important policy goal.

Ref	Project description	Anticipated outcome/s	Timing
1.	Undertake a consumer “parliament” to allow consumers from across NI to have their say on the issues that matter to them.	To hear the views of consumers from across NI and provide a forum for them to discuss concerns they have. It will enable consumer issues to be identified and debated. The event will also provide an opportunity to provide consumers with education and advice. Following the event a report will be produced highlighting consumer recommendations for policy-makers and regulators.	By December 2017
2.	Building on the work undertaken in 2016/17, to look at the differences between consumers in NI vs. those in GB. We will undertake a similar report examining the differences between consumers in NI versus those in ROI.	To produce a report which highlights the specific differences between consumers in NI and ROI, and to develop action plans to address areas of concern.	By March 2018
3.	Produce an evidence based report on the needs of rural consumers. The Consumer Council Under the; Energy Order 2003, Water and Sewerage Order 2006 and the Public Order Act 2014 have a duty to have regard to rural consumers. We will aim to work in partnership with organisations such as the Ulster Farmers Union.	To understand and highlight to policy makers the specific needs of rural consumers in NI.	By March 2018
4.	Produce an evidence report on the needs of pensionable age consumers. The Consumer Council Under the; Energy Order 2003, Water and Sewerage Order 2006 and the Public Order Act 2014 have a duty to have regard to pensionable age consumers.	To understand and highlight to policy makers the specific needs of pensionable age consumers in NI.	By March 2018

	We will aim to work in partnership with organisations such as COPNI, AgeNI, and Age Sector Platform.		
5.	Work with Translink and disability groups to complete a Bus and Rail Station accessibility audit. This will complement the work that has been undertaken at the NI Airports and Ferry Terminals.	To work in partnership with Translink and disability groups to develop an understanding of the needs of passengers with disabilities, in order to improve their overall travelling experience.	By December 2017
6.	Produce a report which follows up on existing work regarding online parcel issues in NI.	To assess if the online parcel market has improved since our 2015 research, understand what the key current issues are and what improvements consumers want.	By March 2018
7.	Follow up on recommendations and lobby key stakeholders for improvements in relation to our work on cross-border mail services and NI consumer and businesses current and future needs from Universal Postal Service.	To proactively advocate on behalf of consumers and identify areas in how policy and regulation could improve for the benefit of both current and future consumers.	Throughout 2017-18
8.	In line with our mandated function with POL, we will continue to undertake case reviews for post office proposals under the NTP.	Continue to undertake our mandated case handling function with POL for NI post offices, reflecting feedback and negotiating improvements for consumers.	Throughout 2017-18
9.	To undertake proactive consumer advocacy work around current and emerging issues such as: <ul style="list-style-type: none"> • DfE’s review of the Strategic Energy Framework; • I-SEM; • Energy Price Controls; • DfC’s Fuel Poverty Strategy; • Review of the Energy Retail Market in NI. • The future of renewable energy in NI; • Energy Efficiency schemes; • The cost of electricity for both business and domestic customers; • Review of NI Water’s Scheme of Charges; 	To proactively advocate on behalf of consumers, and identify areas in which policy and regulation could improve for the benefit of both current and future consumers. In doing so the Consumer Council will work in partnership with Government, regulators, and other organisations to help design policies that identify and address the consumer rights issues in areas that they oversee.	Throughout 2017/18

	<ul style="list-style-type: none"> • Isolated rural households lacking connection to the public water network; • Consultation on Water Resource and Resilience Plan; • Review NI Water's PC15 monitoring plan for new customer measures and satisfaction surveys; • Methods of consumer engagement to inform regulatory and policy decision making; • Belfast Rapid Transport; • Translink Ticketing Review; • Translink Passenger Charter; • Integrated Transport Stakeholder Group; • Airport Capacity; and • Review of taxi legislation. 		
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Objective 3: To Protect Consumers

The Consumer Council will act as an advocate for individuals with cause for complaint, and seek to change for the better the conditions under which public and private sector goods and services are provided to consumers in Northern Ireland.

Ref	Project description	Anticipated outcome/s	Timing
1.	Work in partnership with sister organisations in Scotland and England to monitor disability access for air and sea routes to NI.	To develop a more holistic approach to improving disability access for consumers travelling to and from NI.	Throughout 2017/18
2.	In partnership with UR, Ofcom, FCA, produce transparency and switching reports on energy, communications, banking etc. to explain the various markets to consumers and policy makers.	To improve understanding and market transparency in consumer markets in NI.	Throughout 2017/18
3.	Develop partnerships with NITSS, InvestNI, Tourism NI, FSB, CBI and CoC to highlight to businesses their duties under consumer legislation and the role of the Consumer Council.	To improve NI businesses' understanding of their duties under consumer legislation including the Consumer Rights Act 2015 and the Alternative Dispute Resolution for Consumer Disputes Regulations 2015.	Throughout 2017/18
4	Undertake research with consumers on their perceptions of "trust" and "value for money" with utilities, transport, finance and retail companies in NI.	To identify consumers' perceptions of utilities, transport, finance and retail companies in NI, and then to work in partnership with these companies to improve levels of customer service.	By March 2018
5.	Develop ADR guides for consumers so that they are aware of the ADR mechanisms available to them.	To inform consumers and raise awareness of the various ADR bodies and their respective roles and responsibilities.	By December 2017
6.	Work in partnership with UR, the energy and water industry and community stakeholders to represent consumers and support UR in Year 2 of its Consumer Protection Strategy.	A strengthened regulatory framework of consumer protection in the energy and water industries in NI.	Throughout 2017/18
7.	Investigate and report on the role of energy brokers in the small business market.	A better understanding of the current activity and potential benefits and harm of energy brokers.	
8.	In partnership with the UK Consumer Advocacy Bodies, monitor the provision of Royal	To monitor the regulatory performance of the Universal Postal Service and report and	Throughout 2017/18

	Mail's Universal Service Obligation, through its regulatory reporting.	action, as appropriate.	
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Objective 4: To Understand the Needs of Future Consumers and Sustainable Consumption

The Consumer Council will continue to work for a sustainable future for consumers in NI. We are committed to promoting responsible consumerism and encouraging consumers to change their behaviour to benefit them today and tomorrow. Our aim is to ensure consumers are provided with information, choice and value for money whilst the negative environmental impacts of the production and consumption of goods and services are minimised.

Ref	Project description	Anticipated outcome/s	Timing
1.	Develop a consumer comparison tool that enables consumers to compare the financial and economic savings that can be made from the sustainable purchase of goods and services.	To develop consumer awareness in NI of the savings that can be made by the sustainable purchase of goods and services.	By December 2017
2.	Undertake research with consumers to understand their views and the perceived barriers to sustainable consumption.	To understand and inform policy makers of consumers views of sustainable consumption of goods and services, and identify any perceived barriers in this regard.	By March 2018
3.	Work with InvestNI, and NIWater to further expand the Water Champions scheme.	To gain at least 25 further Water Champions. This work will increase our focus on working with NI businesses to improve their water efficiency.	By March 2018

Objective 5: To Provide Value for Money and Good Governance

The Consumer Council is committed to providing overall value for money to taxpayers. We will manage our affairs efficiently and effectively, and in accordance with the requirements for corporate and public accountability.

Ref	Project description	Anticipated outcome/s	Timing
1.	Achieve Investors in People accreditation.	To achieve Investors in People accreditation.	By March 2018
2.	Maximise our performance, impact and overall effectiveness and efficiency, both internally and externally via internal reviews and audits, and implementation of agreed recommendations.	To receive an unqualified audit report from the Northern Ireland Audit Office, and implement recommendations from internal audit.	Throughout 2017/18
3.	Move to NI Civil Service shared centre of HR Excellence.	To standardise Consumer Council HR processes with NICS, ensuring a consistent and efficient approach to HR within the Consumer Council.	By April 2017
4.	Migrate Consumer Council accounting functions, including processing of purchase orders and invoices onto NI Civil Service Account NI system.	To standardise with NICS, the Consumer Council will migrate its accounting functions to Account NI.	Throughout 2017/18
5.	Move the Consumer Council's record and document management system onto NICS TRIM.	To standardise with NICS shared services processes and help ensure the Consumer Council captures, manages, and secures information in order to meet governance and compliance obligations.	Throughout 2017/18
6.	To move internal audit services to DfE's Internal Audit function.	To standardise the Consumer Council's Internal Audit procedures and services within DfE.	Throughout 2017/18
7.	Implement the Consumer Council's Social Value Framework Model across the organisation to provide a structure to develop robust and measurable performance indicators on the social value of the work of the Consumer Council.	To implement a framework to identify and measure the social value of the work of the Consumer Council.	Throughout 2017/18

Annex 1: Acronyms

ADR	Alternative Dispute Resolution
BEIS	Department for Business, Energy and Industrial Strategy
BIS	Department for Business, Innovation and Skills
BITC	Business in the Community
CAA	Civil Aviation Authority
CBI	Confederation of British Industry
CfD	Contract for Difference
CMA	Competition and Markets Authority
CoC	Chamber of Commerce
COPNI	The Commissioner for Older People for Northern Ireland
CPI	Consumer Price Index
CPP	Consumer Protection Partnership
CRINI	Consumer Rights Initiative Northern Ireland
CTSI	Chartered Trading Standards Institute
DETI	Department for Enterprise, Trade and Investment
DfC	Department for Communities
DfE	Department for the Economy
Dfi	Department for Infrastructure
DFP	Department of Finance and Personnel
DRD	Department for Rural Development
DSD	Department for Social Development
EU	European Union
EC	European Commission
EST	Energy Savings Trust
FAST	Families and Schools Together
FCA	Financial Conduct Authority
FOS	Financial Ombudsman Services
FSA	Food Standards Agency
FSB	Federation for Small Businesses
FWP	Forward Work Programme
GDP	Gross Domestic Product
HCS	House Conditions Survey
I-SEM	Integrated Single Electricity Market
NEA	National Energy Action
NDPB	Non Departmental Public Body
NICEI	Northern Ireland Composite Economic Index
NIEN	Northern Ireland Electricity Networks
NIRO	Northern Ireland Renewable Obligation
NISRA	Northern Ireland Statistic and Research Agency
NITSS	Northern Ireland Trading Standards Service
NTP	Network Transformation Programme
OFCOM	The Office of Communications
OFGEM	The Office of Gas and Electricity Markets
ONS	Office of National Statistics

PC	Price Control
PfG	Programme for Government
POL	Post Office Limited
PSNI	Police Service of Northern Ireland
PSR	Payments Systems Regulator
SEM	Single Electricity Market
UR	The Utility Regulator