



The Consumer Council

Consultation: Active Ageing Strategy

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Introduction

The General Consumer Council for Northern Ireland (the Consumer Council) is an independent consumer organisation, working to bring about change to benefit Northern Ireland (NI) consumers. Our aim is to *'make the consumer voice heard and make it count'*.

We have a statutory remit to promote and safeguard the interests of consumers and have specific functions in relation to energy, water, transport food and postal services. These include considering consumer complaints and enquiries, carrying out research and educating and informing consumers.

Active Ageing Strategy 2014 - 2020

The Consumer Council welcomes the opportunity to respond to this consultation and is committed to continuing to work with the Office of the First Minister and deputy First Minister (OFMdFM) and all relevant stakeholders in the pursuit of an Active Ageing Strategy that meets the needs of older consumers.

The Consumer Council is broadly supportive of the vision statement of the Active Ageing Strategy 2014 - 2020 (the Strategy) together with the high level principles of the strategic aims, but wishes to see more detail about how the aims and outcomes will actually be achieved.

This response will focus on the policy areas within the Consumer Council remit and focus on the Consumer Council's view of the relevance and importance of each aim in supporting the needs of older consumers.

Transport

The Consumer Council welcomes the fact that the Strategy recognises *'the ability to get out and about is critical to enable older people to be independent and live active lives'*¹.

The Consumer Council believes that access to transport is essential to the economic and social well being of all consumers and our research highlights its necessity to access healthcare, employment and education. One fifth of NI consumers have missed a health appointment due to issues with transport and a quarter have cancelled an appointment due to problems with travel. Limited capacity of public transport has also impacted on the ability of some passengers to access all of the journeys they wish to make.

Section 3.45 of the consultation makes reference to the importance of transport authorities listening to the views of older people when developing plans to improve accessibility as well as the importance of the location of key services (including healthcare, employment and education).

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http://www.consumercouncil.org.uk/filestore/documents/TRANSPORT_ISSUES_IN_ACCESSING_HEALTH_AND_SOCIAL_CARE_SERVICES_REPORT_FINAL.pdf

http://www.consumercouncil.org.uk/filestore/documents/Transport_Matters_%28web%29.pdf

The Consumer Council is supportive of the actions the Department for Regional Development (DRD) proposes to undertake in particular, the proposed schemes to improve the availability of services funded by the Rural Transport Fund in terms of accessing health and social care appointments and supporting local rural town services.

It is also noted that the action plan lists the introduction of audio and visual equipment on bus fleets. The Consumer Council is familiar with the 2011 pilot project that endorsed the use of such technology to support passengers, and believes that this is a good example of service developments to meet the needs of older passengers that will have a tangible benefit for all passengers.

Collectively, transport provision costs the NI Executive in excess of £200 million per annum. There is a need to make best use of the services available to achieve efficiencies and it is positive that DRD, the Department of Education, the Department for Health, Social Services and Public Safety (DHSSPS), and a range of other stakeholders are working collaboratively on a pilot project in Mid-Ulster to explore potential improvements and efficiencies in the provision of transport services.

There is, however, a need for political will at the highest level to achieve integrated transport solutions that meet the needs of all consumers, including those of older people which should be reflected in the Strategy. Developing specific services around the needs of one group without consideration of how these services fit into the wider transport

network will limit the travel opportunities of consumers and will likely prove to be unsustainable in the long term.

Recommendation 1

The NI Executive should seek a comprehensive travel needs analysis to understand when, where, why, and how all consumers travel. Based on an understanding of these factors, services can be designed to meet the transport needs of all consumers in a long term, sustainable manner. This must include the specific needs of key consumer groups including older consumers and consumers with a disability.

Under the Inclusion section of the consultation the importance of transport in relation to accessing key services is recognised. However, other strategic aims such as Participation, Care and Self Fulfilment make no or limited reference to the importance of transport. Public transport is the remit of the DRD yet transport and access is a central, cross cutting theme.

Recommendation 2

The Active Ageing Strategy should call on the NI Executive to develop a co-ordinated strategic approach to transport and health and social care.

Recommendation 3

It is noted that the Active Ageing Strategy is intended to run until 2020. The Active Ageing Strategy should recognise the imminent need to revise the current DRD Accessible Transport Strategy which expires in

2015 to ensure the priorities of both strategies provide consistent and clear guidance to Government Departments and service providers.

Recommendation 4

The Active Ageing Strategy should include detail regarding how older people will be engaged in a meaningful way to contribute to community planning which would include, but not be exclusive, to transport.

Energy

Any strategy aimed at improving living standards for older people in NI needs to deal with the disproportionate level of older people living in fuel poverty in comparison to other age groups as a priority. Fuel Poverty has increased from 27 per cent in 2001 to 42 per cent in 2012 and these same figures show that 65 per cent of consumers in retirement and 76 per cent of households headed by a person over 75 are in fuel poverty².

This is in part due to considerable increases in energy costs across all energy sources.

Energy Efficiency measures also have a part to play in reducing the effects of fuel poverty but they do not address the other contributing factors of poverty, low incomes and increasing energy prices. Poverty is intrinsically linked to fuel poverty. The Active Aging Strategy has indicated that one of the main vehicles for dealing with the high levels of poverty among older people will be the Department for Social

² NIHE House Conditions Survey, 2012

Development's (DSD) work on policies to promote benefit uptake, including the current DSD aim to secure £30 million in additional benefits for 10,000 people. However, it is not clear how Welfare Reform may affect this strategy and how this will impact the overarching goals.

The area based approach proposed in the new Affordable Warmth scheme may provide further success and a more targeted approach in delivering energy efficiency measures to homes most in need. However, these current proposals do not include targets for the reduction of fuel poverty. Furthermore, the area based approach which forms part of the proposal does not take account of difficulties in engaging consumers and getting them to allow changes to their living arrangements as acknowledged by DSD³.

Recommendation 5

The Consumer Council believes that consideration should be given to a strategic, specific overall proposal which is target driven to reduce fuel poverty and energy affordability amongst older consumers. This approach should cover all aspects which contribute to fuel poverty experienced by older consumers.

Financial Inclusion

The Consumer Council would ask that Financial Inclusion and capability is considered within the Active Ageing strategy. NI has the highest proportion of unbanked individuals in the UK, at 11 per cent compared

³ <http://www.dsdni.gov.uk/affordable-warmth-consultation.pdf>

to seven per cent of the UK as a whole⁴. Single female pensioners are among the most likely not to have a current account or Post Office card account, with 18 per cent not having access to one⁵.

Older people are fearful about their ability to make ends meet. There is recognition that some do not claim what they are entitled to⁶. People in their 50s are least likely to be keeping track of their finances and those on low incomes are more likely to keep track than those with higher incomes, and older people scored lower at staying informed on financial matters and choosing financial products⁷.

Access to cash machines

The strategy should consider impacts on older people living in urban and rural areas without access to free-to-use cash machines. It is recognised that often older people may not have access to transport, nor the mobility to travel the distance to their nearest free-to-use cash machine. It is important therefore that transport links are maintained to ATMs or banking facilities. The Consumer Council has been working with LINK since 2006 to increase access to non-charging cash machines, particularly in low income and rural areas. Since the programme began, the Consumer Council has seen 55 cash machines installed in areas of

⁴ Family Resources Survey NI, November 2013

⁵ Ibid

⁶ Consumer 2010 – A Consumer Council research report into the attitudes and concerns of a Northern Ireland consumer in 2010

⁷ Managing Money – How does Northern Ireland add up? A research report from the Consumer Council, 2007

lower income, of the 76 target areas identified in 2006, there are now only five outstanding.

Access to bank branches & online banking

The Consumer Council is concerned about the level of access consumers have to carry out daily banking activities in NI. Bank branch closures have impacted on local communities with some 20-25 per cent of the bank branch network in NI being removed over the last two years.

Consumers who do not manage their day to day money using a bank account miss out on the convenience of having a choice of ways to pay and as a result may pay more or miss out on opportunities to save money. This is particularly important for those on limited budgets, such as the state pension.

One way of ensuring financial inclusion is to encourage use of online banking and help older people conquer the digital divide. Recent figures suggest that eight out of 10 households in NI have access to the internet, which is broadly similar to connectivity in the UK as a whole⁸.

Consumers in NI do however make notably less use of online banking (27 per cent compared to the UK average of 39 per cent)⁹. It is also important to note that access to online services is not the same as confidence or trust in using them; with reports of online fraud and phishing scams, many consumers feel that using online services is risky.

⁸ Ofcom Communications Market Report, Northern Ireland, 2013

⁹ Ibid

Post

It is important that the Active Ageing Strategy considers what role the Post Office network can play in pursuit of its aims especially as post offices serve a distinct economic and social function for older people in urban and rural communities across NI.

The Post Office network in NI consists of approximately 484 branches. Over two-thirds (68 per cent) of these branches are located in rural communities and of those located in urban areas nearly half (45 per cent) are located in urban deprived communities.

Post office usage tends to be much higher among older people with 36 per cent using a branch at least once a week¹⁰. Post offices provide access to a range of essential services such as pensions and benefits (including through the Post Office Card account), basic banking accounts and access to cash which benefits older people. Therefore the Post Office network is one channel which can help support financial inclusion.

The consultation document recognises the role older people play in supporting the viability of local services such as post offices. This underlines the important reciprocal relationship between older people and post offices. The relationship goes beyond access to services and helping support the networks economic viability. Many view their local post office as the hub of the community and therefore it has an important social function.

¹⁰ Consumer Futures (Post), Annual Survey 2013

Over recent years the devolved administrations in Scotland and Wales have recognised the role post offices play within local communities by offering financial support through a Post Office Diversification Fund. These funds have helped post offices develop and maintain their presence within local areas benefiting these communities including older people. In England, the Department for Communities and Local Government launched a similar scheme in July 2013. NI is the only nation of the UK in recent years that has not taken this approach.

Recommendation 6

The Active Ageing Strategy should consider what opportunities exist to help ensure that older people continue to benefit from the important economic and social functions provided by post offices. The Consumer Council believes there is significant merit in making available funding to the Post Office in the form of Post Office Diversification Fund, as this will help contribute to the sustainability of this important network for older people and ultimately the success of the Strategy.

Insurance

The cost of insurance is of higher priority to both the youngest and the oldest age groups, which may reflect the additional premiums older consumers need to pay across many insurance policies e.g. health insurance, travel insurance and car insurance¹¹.

¹¹ Consumer Council (2010) , Consumer 2010 Ipos Mori research

In NI there is a heavy reliance on motor vehicles to allow us to participate in society, to travel to work, school, to access health care and to maintain social contact with others. However affordability is a big issue for consumers and in particular the cost of car insurance is a barrier to some people relying on car travel. Older consumers are less likely to report household access to a car (16-29, 78 per cent, 30-44, 84 per cent, 45-64, 84 per cent, 65+, 48 per cent). The high premiums for older drivers may be a contributing factor making car ownership untenable.

The Competition Commission's current investigation is examining the factors which affect motor insurance premiums for older people, and indeed all consumers. The Consumer Council continues to monitor and shape this process.

Recommendation 7

The Strategy should look at financial capability and financial inclusion issues, and ensure that they are joined up with the Financial Capability Strategy for NI. The Consumer Council believes this work could include income maximisation; cross departmental support for financial capability work; work to ensure access to affordable and appropriate financial products such as bank accounts, credit, savings and insurance; and, improving access and knowledge to financial and free-to-use impartial debt advice.

Consumer Skills

The Consumer Council is pleased that the Department of Finance and Personnel (DFP) is continuing to implement a digital inclusion programme with specific actions to promote digital skills and awareness for older people and people with disabilities and believes this is an essential element in securing the success of this Strategy.

Consumer Council research shows that online shopping has increased significantly with more than one in three NI consumers shopping online at least once a month. However, older consumers are being left behind with only ten per cent of over 65s shopping online at least once a month and 82 per cent not shopping online at all¹².

The digital inclusion programme is particularly relevant given that a new Consumer Contracts Regulation will be implemented in June 2014. The new Directive strengthens and clarifies consumer rights in relation to buying and selling including distance selling methods such as the internet.

If the Active Ageing Strategy is to continue to implement a digital programme to promote digital skills for older consumers, there is a need to ensure that older consumers are aware of their new consumer rights if they are to gain confidence making purchases online¹³.

¹² Canny Consumers? (2012) Are consumers standing up for their rights?

¹³ The Consumer Council has produced a guide entitled *Online Shopping Tips* helping consumers shop safely online which will be amended to include the new consumer rights for distance selling and disseminated widely including the library network and specifically to older consumers and those with disabilities

The Active Ageing Strategy 2014-2020 highlights independence as one of its five strategic aims and a continued and strengthened digital inclusion programme will increase confidence levels in using technology that will reduce isolation and loneliness.

Whilst we acknowledge Silver Surfers' Day for older consumers, access online and breath of usage are very different. If skills are to be gained, more than a one hour training session may be required for consumers, and the strategy should include a series of programmes over a period of time so older consumers can gain confidence with different aspects of the internet.

Whilst older consumers may have the confidence to access the internet for social media such as Skype or using emails, the strategy should include a measurement of how older consumers are engaging online and making advances such as entering payment details, accessing government services, participating in online banking or simply searching for a train timetable.

Recommendation 8

The Consumer Council believes that there should be targeted activity to increase older consumers' online participation, access and confidence. There should be an evaluation after the Active Ageing Strategy 2014-2020 is finished to identify the effectiveness of the digital inclusion plan and whether the specific actions actually worked. The effectiveness of this strategy will determine how to plan ahead to ensure older people are not excluded in a digital age.

Food

In 2013 the Consumer Council published our research findings which looked at the impact of rising food costs for NI consumers¹⁴.

Our engagement with older consumers has shown that food prices were a real concern and were impacting negatively on older households' ability to eat well¹⁵. This was especially the case where heating costs were also a cause for concern.

Special offers such as BOGOF (Buy One Get One Free) deals were often of no use to older householders and simply led to food waste. Older people living in smaller households told us they would prefer discounts against single items instead. They also reported dissatisfaction with the money-off coupons that only applied after you had spent a certain amount in-store as it would be unlikely they would reach that quotient.

Recommendation 9

The Active Ageing Strategy does not include the cost of food and ability to afford a healthy, balanced diet as part of its focus on healthier lifestyles. The strategy mentions housing, transport, access to community services, safety and security, opportunities for social interaction and lifelong learning as having an impact on the health and wellbeing of older people. The Consumer Council would argue that

¹⁴ Hard to Stomach The impact of rising food costs for Northern Ireland consumers. The Consumer Council, January 2013

¹⁵ In 2012 food prices had increased by 32 per cent since 2007 and food price inflation rose in October 2012 to its highest rate since April 2012.

access to healthy, varied and well balanced food in adequate supply is vital to a person's physical and psychological wellbeing.

Conclusion

The Consumer Council welcomes the Active Ageing Strategy 2014-2020, and is supportive of the vision statement and strategic aims contained within it. In order that these aims become reality, the Consumer Council would like to see more detail on how the NI Executive plans to achieve the outcomes. The meaningful engagement of older people is particularly important in taking this strategy forward and this should include efforts to gain the views and participation of the hard to reach.

The Consumer Council believes it is essential that NI Executive strategies that aim to tackle inequality are consistent in their aims and objectives, and would seek assurance that this strategy dovetails with, compliments and adds value to, existing Departmental strategies. We also seek assurance that there is cooperation and cohesion across the NI Executive to gain the very best outcomes for all consumers.

If you wish to discuss any aspect of this response in more detail please do not hesitate to contact Kathy Graham, Interim Director of Policy on 028 9067 2488 or via email on kathy.graham@consumercouncil.org.uk.



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Making the consumer voice heard and making it count

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