



Annual Plan Team
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7th February 2017

Dear Sir/Madam

Response to Ofcom's Draft Annual Plan 2017/18

We are pleased to be able to offer comments on Ofcom's Draft Annual Plan for 2017/18.

The Consumer Council has 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. Therefore, we are pleased to be able to offer comments on Ofcom's Draft Annual Plan as the statutory representative for Northern Ireland (NI) consumers.

We are particularly keen to provide specific mention on a number of key projects, under the three high level long term goals, which we feel could be of mutual benefit through closer working and sharing of information.

Goal 1: Promote competition and ensure that markets work effectively for consumers

- Ensuring price comparison websites can help consumers navigate communications markets

The Consumer Council welcomes Ofcom's continued work with its price comparison website accreditation scheme. We understand that Ofcom's price accreditation scheme logo is awarded to websites

that have had their price comparison services put through a rigorous independent audit, to check if the information provided to consumers is accessible, accurate, transparent, comprehensive and up to date. As part of the Consumer Council's work plan for 2017/18 we are keen to work in partnership with Ofcom, to promote access to price and service comparison tools for broadband services, with a view to improving accessibility and affordability of this important service for NI consumers.

- **Cross-border parcels**

As NI is ideally placed within the UK, as the only location which shares a land border with a European Country, the experience of NI consumers in relation to cross-border parcels is extremely important. In 2016 the Consumer Council undertook extensive consumer and small business quantitative and qualitative research, assessing the views and attitudes of NI consumers to cross-border postal services. This report will be published shortly, and we are happy to share this with colleagues in Ofcom to help shape their work in this important area.

- **Post cost modelling and regulatory financial reporting review**

We welcome Ofcom's proposed work on Royal Mail cost allocation models, USP Accounting Condition and Regulatory Accounting Guidelines. It is important regulation remains fit for purpose and ensures the access competition is maintained given the benefits it can bring to consumers in terms of lower prices. It is also important that with a new cost modelling there will be increased transparency around Royal Mail's delivery network efficiency, which can ultimately lead to a lesser risk of excessive pricing and a more secure universal postal service.

Goal 2: Secure Standards and improve quality

- **Parcel Surcharging**

We welcome Ofcom's commitment to exploring further the issue of parcel surcharging that applies to consumers in Northern Ireland and the Highland and Islands of Scotland. We are particularly pleased with the collaborative approach already demonstrated by Ofcom in working with the Consumer Council and Citizens Advice Scotland on this issue. We are committed to continuing this engagement and working with Ofcom colleagues across the nations on this issue.

- **Universal Service Obligation (Broadband)**

The Consumer Council supports the need for a Universal Service Obligation for Broadband services, to serve all consumers and work towards equitable provision of this increasingly important service. We have conducted research on the proficiency of Northern Ireland consumers. This contains statistics in relation to NI consumers' online activities, online shopping and reasons for not using the internet. We would be happy to share this with you if you believe it would be of benefit and interest to this area of your work.

Goal 3: Protect Consumers from harm

- **Report on outcomes for vulnerable consumers**

Our corporate plan for 2016 – 2010 explains that the Consumer Council will undertake a number of key projects on the needs of vulnerable NI consumers, covering both general consumer issues and industries over which we have a statutory remit. In 2016/17 we undertook an extensive amount of research on disabled, chronically sick and low income consumers specifically. Our draft Forward Work Programme for 2017/18 outlines that we will focus on consumers

residing in rural areas and those of pensionable age. We are aware these consumers typically pay more as they are not as engaged in market developments as frequent users, or they are unaware or don't feel confident to switch suppliers or tariffs. We feel this work may be of benefit to Ofcom and are happy to discuss this in more depth.

We look forward to continuing to working well with our Ofcom colleagues both locally and nationally in the year ahead.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J. French', is centered within a light gray rectangular box.

John French
Chief Executive Officer