



**Consumer Council response to the
Programme for Government Consultation
23 December 2016**

1. Introduction

- 1.1. The Consumer Council's principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland (NI). The Consumer Council is committed to developing a better NI. Through our practical and partnership "on the ground" approach to consumer issues in NI, we believe we can play a key role in the delivery of the Programme for Government (PfG) outcomes.
- 1.2. We welcome the opportunity to respond to the PfG consultation. This response focuses on the key indicators and delivery plans that align with the work of the Consumer Council. To highlight our delivery role, we have included examples of our existing work to show how we practically deliver for consumers and how we can proactively contribute to the delivery of the PfG.

2. Consumer Council input into delivering the Outcomes and Indicators

Outcome 1 - We prosper through a strong, competitive regionally balanced economy

- 2.1. Our current Corporate Plan (2016-2021) looks to practically 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. We have and continue to develop partnerships in NI, UK and on an all-Ireland basis to empower consumers within NI to get the best deal for them and provide a greater understanding of the statutory complaints and advocacy role of the Consumer Council throughout the advice sector.
- 2.2. Everyone in NI is a consumer. We all, to a greater or lesser extent, buy goods and services. According to a 2015 NISRA report¹ the largest expenditure group in NI was consumers with an annual spend of £27.5 billion. This equates to £15,060 per head of population and shows the importance of consumers to the NI economy. Overall in the UK, consumers spend over £1,160 billion a year on goods and services. Confident and active consumers play a key role in driving vigorous competition between firms, which compete to supply what consumers want at the most efficient price. As the National Audit Office's report of December 2016² sets out, "Consumer confidence is vital for both effective markets and economic growth".

¹ Structure of the NI Economy, NISRA, December 2015 ([available here](#)).

² Protecting consumers from scams, unfair trading and unsafe goods. NAO – December 2016 ([available here](#))

- 2.3. Consumer law and consumer bodies, like the Consumer Council, are designed to ensure consumers are given the right information to help them make informed decisions, protecting them from experiencing problems with goods or services, including unfair trading, and to help them gain redress when problems occur. Consumer detriment occurs where a consumer suffers as a result of being accidentally, carelessly or deliberately treated unfairly by a trader or service provider. According to the National Audit Office report, consumer detriment can be caused by three broad activities:
- Trader ignorance of the law;
 - Unfair, misleading or aggressive trading practices; and
 - Deliberate dishonest or criminal activity.
- 2.4. Consumer detriment usually results in financial loss, but can also include other factors such as stress, and physical and psychological impacts. The National Audit Office estimates that UK consumers lost at least £14.8 billion in consumer detriment in 2014-15. It also found that some 35% of all UK consumers had a consumer problem in 2015.
- 2.5. In NI, the Consumer Council plays a key and statutory role in working to empower consumers, so that they make informed purchasing decisions and reduce their detriment. Our work focuses on increasing consumers' awareness of their rights as service users and shoppers; developing practical tools to help consumers shop around and find the best deal; and signposting consumers to the appropriate expert help and advice. In addition, we work with traders and service providers (in partnership with the likes of InvestNI, FSB etc.) to increase their awareness of consumer law, and their responsibilities and duties within it.
- 2.6. We undertake consumer tracking research every six months and consumer proficiency research every four years. This enables us to measure consumers' awareness of their rights and to explore their experience of complaints and redress. The research enables us to identify trends and target support at those consumer groups who are less proficient. The biannual tracking survey monitors consumers' attitudes to affordability, financial security and general well-being. This helps us focus our work on the key areas of concern for consumers.
- 2.7. We share this data online, and with local economists (PwC and Danske Bank) who are interested in using it alongside research they conduct and analyse. There is scope to extend the range of questions we ask and look at data in more granular form. The data is a substantial size (sample +1,000 consumers) and can be filtered to look at consumer types such as :

- Income level;
- Working status;
- Disabled/long-term sick; and
- Location (supercouncil area).

2.8. In order to maximise the reach of our information and education work, we have built a number of successful partnerships with advice, voluntary and community sector organisations. We have delivered 73 outreach events between April – November 2016 covering 18 constituency areas. Workshops have been delivered to train advisors from Supporting Communities NI, Citizens Advice, Age NI, Causeway Coast and Glens, First Aid Housing and Choice Housing. Further workshops are planned for Advice NI, Macmillan Cancer Support, and Disability Action in 2017. In addition, we are delivering consumer advice training sessions for MLA constituency staff. The advantage of the Train the Advisor workshops is that the staff we engage with are then able to cascade the information, tips and advice to their service users, and to disseminate our resources and toolkits more widely. In addition to the “Train the Advisor” approach we have also developed a number of key educational partnerships including the Girl Guides Association, Council for Curriculum, Examinations and Assessment (CCEA), Save the Children (Families and Schools Together (FAST) programme), and RADAR (Risk Avoidance and Danger Awareness Resource). We are currently developing further educational partnerships with the Boys Brigade and the Scouts Association. Those consumers that suffer detriment in energy, post, transport and water can use our complaint handling service. Last year, the Consumer Council dealt with 4,651 complaints and enquiries and returned £897,000 back to consumers.

Outcome 1 Indicator: % change in security of supply margin

2.9. We would also wish to make comments around the security of supply indicator within Outcome 1. A secure supply of energy is vital to all those in NI from households, to businesses and public services. Many consumers take it for granted that the lights will stay on. However, the System Operator Northern Ireland (SONI), the Utility Regulator and Eirgrid have each voiced their concern that if demand for electricity in NI exceeds its generation capacity, by 2021 NI will not have sufficient access to electricity generated elsewhere to meet its requirements³.

³ Two large generators at Kilroot Power Station are set to wind down.

- 2.10. This indicator is therefore a welcome addition to the PfG. However, energy policy requires a difficult balancing act between security of supply, affordability and sustainability and this is highlighted in the introductory phrase to the indicator. Whilst it is vital to maintain a 'headroom' of capacity to ensure security of supply in unanticipated events, it is also important to keep the 'headroom' at the most efficient level to avoid consumers paying unnecessary cost. Measures brought forward to address current security of supply concerns around 2021, should be developed as part of a wider and longer term energy strategy for NI. We look forward to engaging further on the delivery plan for this indicator.
- 2.11. To support with energy costs, the Consumer Council has developed a price comparison website tool. This tool and the supplementary website guides are together currently receiving circa 12k website hits per month. This direct intervention to empower consumers to search for the best deal themselves has seen the rate of domestic electricity customers switching their energy supplier increase every quarter year from 1.3% (5.2% per year) in Q3 2014 to 4% (16%) in Q3 2016. In 2017/18, the Consumer Council is planning to work in partnership with the Utility Regulator and small business representatives to see if similar tools and guides can be brought to the small business market, to empower small business to find the best energy deal for them. Cost savings enable businesses to be more competitive and they can pass on reduced costs to consumers. It also is an incentive to suppliers to provide businesses with an improved and more efficient service.

Outcome 2 - We live and work sustainably-protecting the environment

Outcome 2 Indicators: Greenhouse Gas Emissions; % of all journeys which are made by walking/cycling public transport.

- 2.12. A particular focus of the Consumer Council's current Corporate Plan is sustainable consumption. Through our work we promote responsible consumerism and encourage 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. To this aim we are already developing strategic and working partnerships with organisations such as WRAP, Bryson Charitable Group, Energy Savings Trust and Sustainable NI.
- 2.13. In addition, through our statutory roles in energy, water and transport we will continue to promote energy and water efficiency (with Utility Regulator, energy companies, NI Water, Invest NI, etc.). In terms of energy, we support the development of the natural gas network (Gas to the West, Gas to East Down, Ten Towns) and in the

coming year will work with the gas network companies to explain to customers in the new gas areas how to get the best deal for their energy and provide advice for what they need to consider in switching to natural gas. Through our transport work, we actively encourage greater use of public transport by working with Translink on service improvements and promoting better value ticket options.

Outcome 3 - We have a more equal society

2.14. The Consumer Council has a statutory duty to have particular regard to consumers:

- Who are disabled or chronically sick;
- Of pensionable age;
- With low incomes; or
- Who reside in rural areas.

2.15. In 2016/17, we have undertaken economic research on the disadvantages faced by consumers who are disabled/chronically sick, of pensionable age, on low incomes, or live in rural areas. This will inform our policy advocacy work as we seek to address detriment experienced by consumers in these groups.

2.16. In addition, through our consumer empowerment role we will look to educate consumers (with a particular focus on vulnerable consumers), so that they develop the knowledge and skills necessary to independently make the right economic choices for their circumstances. We are working in partnership with a range of specialist organisations (including Macmillan Cancer Support, Age NI, Girl Guides Association, CCEA, Ulster Farmers Union and Save the Children) to develop educational initiatives aimed at increasing the consumer proficiency of disadvantaged groups.

2.17. One of the key aims of Outcome 3 is to have a meaningful impact on poverty and help the most marginalised in our society by ensuring people have the resources necessary to meet their basic needs and to be part of society. Access to financial services will be a key part in achieving this aim. We monitor the availability of physical financial services across NI. 30% of bank branches have closed since 2010, meaning consumers increasingly having to rely on other methods. We have mapped all banks, Credit Unions, cash machines and Post Offices using an Ordnance Survey online tool. We are using it to identify gaps in provision of banking services to consumers. We are working with banks and the British Bankers' Association on the actions required to assist consumers in adopting new ways of banking through a range of consumer events across NI.

- 2.18. We have developed a current account comparison tool which helps consumers compare their current offering and decide to switch if they find an account that will work better for them. The Consumer Council also has a partnership with LINK where we work on cash machine policy development and represent NI consumers on cash machine issues. We have continued our work with LINK to ensure disadvantaged areas in NI have access to free to use cash machines, and have helped to place free to use cash machines in 75 areas over the last ten years.
- 2.19. The Consumer Council works on a range of initiatives to increase consumers' disposable income. For example, as energy bills continue to be of significant concern to householders we deliver a "Switch and Save" campaign that promotes the savings that can be achieved by switching energy supplier. We have developed an independent, interactive price comparison site that enables consumers to shop around for a better energy deal⁴. With an average saving of £70 currently possible, and with 4-7,000 hits per month on the comparison tool, we estimate that the potential saving to NI consumers⁵ since the tool was launched in June 2016 is between £1.5 and £1.9 million.

Outcome 7 - We have a safe community where we respect the law and each other

- 2.20. The PfG states: *We will deliver a widespread media campaign to shift opinion on the harm caused by organised crime, and promote culture of lawfulness.*
- 2.21. The Consumer Council is working in partnership with the energy industry and stakeholders to deliver a public energy theft awareness campaign. The objective of the campaign is to raise awareness of the negative impact on consumers of energy theft, and to dispel the view that energy theft is a low level or victimless crime. This will help promote a cultural of lawfulness.
- 2.22. The Consumer Council is a member of the ScamwiseNI Partnership, which was launched in November 2016 and is led by Police Service of Northern Ireland (PSNI). Other partners include Trading Standards Service Northern Ireland (TSS), Department of Justice, Policing Community Safety Partnership, Age Sector Platform and Commissioner for Older People. The project is aimed at warning consumers about the many different and sometimes sophisticated scams in existence and how they can protect themselves and others. The partnership has developed a leaflet 'Know the signs...To stop the Crime...' which has been disseminated to over 6,000 partner organisations and consumers.

⁴ <http://www.consumerCouncil.org.uk/energy/electricity-gas-price-comparison/>

⁵ If those consumers then use the tool to undertake a switch, and save on average £70pa.

- 2.23. In addition, we are trying to finalise a project with HM Treasury around illegal money lending in NI, and promoting responsible lenders such as the Credit Unions and banks. This would be a three year project.

Outcome 8 - We care for others and we help those in need

Outcome 8 Indicator: % population living in absolute and relative poverty and Number of households in housing stress

- 2.24. The PfG states that the NI Government will review the effectiveness of the current Fuel Poverty Strategy and develop a new strategy which complements the Executive's other energy efficiency schemes. The Consumer Council welcomes and supports this proposal. NI has the highest rate of fuel poverty in the UK and the Consumer Council has a statutory duty to have particular regard for vulnerable energy consumers. The Consumer Council is a member of the Fuel Poverty Coalition and supports its response to the PfG consultation. In addition, our Switch & Save campaign (see section on Outcome 2) can help individual households reduce their overall energy costs. This year the campaign targeted social housing and private rented sector tenants. In terms of housing tenure, these groups have the highest risk of being in fuel poverty.
- 2.25. Outcome 8 of the PfG consultation document (page 104) states "*A number of consultees advocated greater effort to build community resilience, including in response to issues such as flooding and extreme weather events*". The recent Strong Report⁶ found community resilience the "jewel in the crown" and called for "greater support for the management, materials and sustainability ... to ensure that the [Community Resilience Group] network grows and matures." As a member of the Regional Community Resilience Group the Consumer Council strongly supports the proposal that building community resilience should be part of the final PfG.

⁶ https://www.infrastructure-ni.gov.uk/sites/default/files/publications/infrastructure/alan-strong-report-review-of-winter-flooding_0.pdf

Outcome 9 – We are a shared society that respects diversity

Outcome 9 Indicator: Average life satisfaction score of people with disabilities.

Delivery Plan for Indicator 42

- 2.26. The Consumer Council’s principal statutory duty is to promote and safeguard the interests of consumers in NI. In exercising this duty we have particular regard for consumers who are disabled or chronically sick and those of pensionable age. Therefore, whilst we support the inclusion of an indicator to measure the average life satisfaction score of people with disabilities, we would also recommend consideration be given to developing an indicator specifically relating to older people.
- 2.27. Across our areas of work we engage with consumers with a disability or reduced mobility and seek improvements to services based on the issues consumers tell us are important to them. During outreach events, we provide information from utility companies’ and retail energy companies’ Critical Care and Customer Care Registers for consumers with a disability. Our resources ‘Access to Air Travel’ and ‘Access to Ferry Travel’ are disseminated during outreach events and to organisations representing consumers with a disability. Consumer Council resources are available in a range of formats on request.
- 2.28. As part of our advocacy work we review and monitor network utility and retail energy companies’ Critical Care and Customer Care Registers for consumers in vulnerable circumstances, including those with disabilities, who need additional help.
- 2.29. In addition, the Consumer Council participates in the Inclusive Mobility Transport Advisory Committee (IMTAC) and is a member of the All Party Group on Disability. We are the complaint handling body for public transport and also work closely with community transport providers and the providers of the Disability Action Transport Scheme. We are the designated complaint handling body for EU passenger rights for consumers travelling by air⁷ with a disability or reduced mobility. We are also the recognised complaint handling body for the EU passenger rights regulations for ferry passengers⁸ and work in partnership with the Department for Transport (DfT) and the Maritime and Coastguards Agency to implement these regulations. Over the last two years, we have worked directly with the airports and sea ports in NI and have conducted access audits in partnership with passengers with a disability or reduced mobility. These exercises have led to specific changes at the air and sea ports which improved the access of services.

⁷ Regulation (EC) 1107

⁸ Regulation (EU) 1177

2.30. In our statutory role within postal services, the Consumer Council plays a vital role in protecting consumers with disabilities who use postal services. The Consumers, Estate Agents and Redress Act 2007⁹ describes our statutory remit to postal consumers including that we must have due regard to the interests of consumers who are disabled when fulfilling our statutory function. We achieve this in a number of ways. For instance, we carefully review Post Office Ltd's proposals to relocate post offices across NI and discuss consumer concerns with Post Office Ltd to ensure they are accessible for people with disabilities. The Post Office network also provides access to Services of General Economic Interest (SGEI)¹⁰. This means that we help to make sure the Post Office network meets this user group's needs and that they continue to have access to a range of important services. Since April 2014, we have reviewed 73 post office relocations and a number are located in areas¹¹ where over a fifth of the local population say they have a long-term health problem or disability that limited their day-to-day activities¹². We have achieved a number of positive outcomes which has improved over 60% of the 73 proposals which will benefit consumers including those with disabilities. Additionally, we have sought and received assurances on all relocations that the new premises will be compliant with Post Office Ltd's accessibility guide. This guide has been endorsed by Disability Rights UK.

Outcome 13 - We Connect People and Opportunities through our infrastructure

Outcome 13 Indicators: Average journey times on key economic corridors; % of all journeys which are made by walking/cycling, public transport; Overall Performance Assessment (NI Water)

2.31. The Consumer Council supports Outcome 13 as well as the relevant indicators. The consultation states that in 2015, 25% of all journeys made were by walking, cycling or public transport. The Consumer Council supports the goal of increasing the proportion of journeys made by these modes, however, we would helpfully suggest that the indicator should measure each mode separately, as well as collectively, to ensure that growth in one area does not mask a decline in any other method of travel.

⁹ <http://www.legislation.gov.uk/ukpga/2007/17/contents>

¹⁰ Postal services, welfare payments, national identity and licensing scheme applications, utility bill payment facilities across a universal network and universal access to basic cash and banking facilities.

¹¹ Ward level

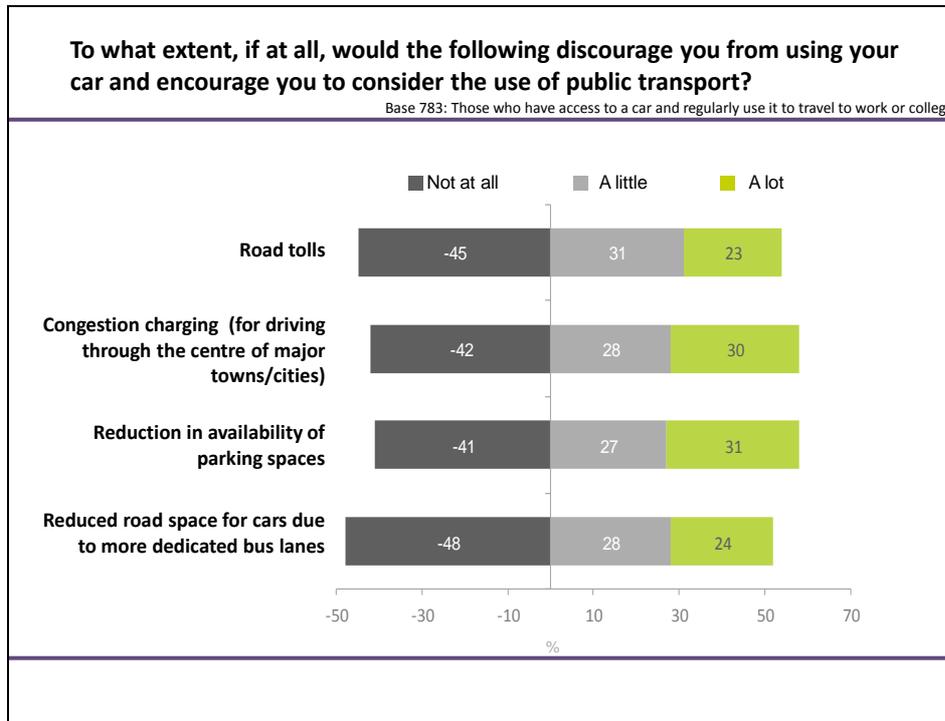
¹² NI census data 2011

Delivery Plan for Indicators 23 and 25

- 2.32. The Consumer Council welcomes the publication of the delivery plan for indicators 23, 25 and 47. It is a clear and detailed outline of the work the Department for Infrastructure (DfI) intends to undertake in support of the PfG. The Consumer Council supports many of the actions described in the document, and would be keen to work with and support DfI in undertaking a number of the proposed areas of work.
- 2.33. Section 3.10 deals with increasing the efficiency of the road network and states that the actions planned have the potential to make public transport a more viable alternative for commuters travelling from and to rural areas, and that ‘last mile connections in rural areas is a key issue we will seek to address’. The lack of access to public transport in rural areas is a theme that has been evident in a number of Consumer Council research projects and we would support efforts by DfI to increase the opportunities for travel by public transport for rural consumers. Various sections of the Delivery Plan make reference to increasing the opportunities to travel by public transport. The Consumer Council supports these plans, however to achieve these goals we believe there needs to be a thorough understanding of the journeys people currently make, why they choose their current mode of transport and what steps would be needed to support the change to public transport.
- 2.34. Research published by the Consumer Council in 2013¹³ (Encourage Modal Shift) concluded that undertaking a travel needs analysis would help to identify the types of journeys that passengers need to make, which should then be used to inform a review of routes and services to assess how well current public transport services meet current travel needs. This could be factored into the review of all Ulsterbus services and timetables, and the review of Foyle services referred to in the delivery plan.
- 2.35. Section 3.27 refers to demand management measures and outlines proposals to focus on parking constraint and traffic management. The Consumer Council’s 2013 Encouraging Modal Shift Report asked consumers the extent to which a series of measures designed to discourage car use would encourage participants to consider using public transport. The responses are outlined in Table 1.

¹³ [Consumer Views on Encouraging Modal Shift - August 2013](#)

Table 1: What would discourage consumers from using their car and encourage them to use public transport.



2.36. A substantial number of respondents (41-48%) indicated that these measures would have no effect on their preference for car travel over public transport. There is a need to assess this in more detail to investigate the reasons why these disincentives wouldn't be a factor to encourage people to consider using public transport.

2.37. Page 33 of the delivery plan provides a clear indication of the projects DfI will undertake to achieve Indicators 23 and 25. The Consumer Council is involved in a number of stakeholder groups that relate to these projects, including:

- Integrated Transport Stakeholder Group;
- Belfast Rapid Transit (BRT) Stakeholder Group;
- BRT Marketing Group;
- Taxi Stakeholder Group; and
- Passenger Charter Steering Group.

2.38. We would also welcome our involvement in the following projects (to ensure the passenger/consumer view is taken into account):

- Transport Ticketing System;
- In-depth study and review of bus route network efficiency;
- Review of all Ulsterbus services and timetables; and
- Promotion of benefits of public transport and best value tickets.

Delivery Plan for Indicator 47

2.39. The Consumer Council welcomes and supports the inclusion of the Overall Performance Measure (OPA) (Indicator 47) for water and sewerage services. We supported the OPA during the Price Control processes for NI Water as an effective and easily understood measure of NI Water's services to consumers. We are pleased to be recognised as a key delivery partner and we will continue our detailed focus across all four aspects of the Customer Contact OPA metric (response to billing contacts, response to complaints, correct billing, and ease of telephone contact). We have returned over £1m to NI businesses in the last 2.5 years through our advice and investigations, more than it costs to resource the entire Consumer Council's water function. We will continue to conduct annual assessments of NI Water's complaint handling processes and review and improve NI Water's policies and practices.

2.40. The PfG notes the need to invest and fund NI Water to deliver against PC15 improvements that are reflected in the planned increase in the OPA. While we support the funding of PC15 as set out in the Utility Regulator's PC15 Final Determination we understand the competing funding priorities across the PfG. We would have concerns over a regression in service to consumers, and limits to economic development if investment in our water and sewerage infrastructure is insufficient.

Outcome 14 – We give our children and young people the best start in life

2.41. Within the Consumer Council's Corporate Plan there is a specific focus on developing educational partnerships with schools (through the likes of CCEA) and the youth sector (we have already developed a partnership with the Girl Guides Association) to produce consumer education resources on a range of consumer issues. The educational activities will be designed for educators/group leaders to use to raise awareness of consumer rights and responsibilities and for learners to develop the skills and confidence to deal with consumer issues. In addition, we are working with Save the Children's Families and Schools Together Programme to develop an evidence based report on the specific needs of low income consumers in NI.

3. Conclusion

- 3.1. The Consumer Council is fully supportive of the outcomes based approach of the PfG. This response looks to demonstrate how the Consumer Council can be a key partner in the delivery plans associated with the PfG and how we can work in partnership to achieve the proposed outcomes and indicators of the PfG.
- 3.2. The Consumer Council is happy to discuss any of our comments in more detail and would welcome the opportunity to further engage as the PfG is being finalised and ultimately implemented.



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