



Draft Corporate Plan 2016 - 2021

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1. Consultation Overview

- 1.1 This draft Consumer Council's corporate plan sets out our proposed strategic direction for the period 2016-2021. The corporate plan will provide the foundation for the development of the Council's annual business plans.
- 1.2 This draft Corporate Plan provides an overview of the projects that we propose to do during 2016-2021 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.
- 1.3 Comments should be sent to us by 17 March 2016 at the latest to keelin.kelly@consumercouncil.org.uk. Alternatively comments can be provided through Survey Monkey at: <https://www.surveymonkey.co.uk/r/7X932P6>
- 1.4 We intend to hold a meeting during the consultation period, on 8 March 2016, at our offices. This will provide an opportunity to discuss the draft Corporate Plan. Please let us know before 3 March 2016 if you wish to attend.
- 1.5 A paper copy of the draft Corporate Plan can be obtained from:
- Keelin Kelly
The Consumer Council for Northern Ireland
Floor 3, Seatem House
28-32 Alfred Street
Belfast
BT2 8EN
- E-mail: keelin.kelly@consumercouncil.org.uk
Telephone: 028 9025 1667
- 1.6 After reviewing consultation responses, we will publish, subject to final approval by the Department of Enterprise, Trade and Investment, a final Corporate Plan. 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. Introduction

2.1 The Consumer Council was established in April 1985. Over thirty years from our establishment we continue to bring about change for the benefit of consumers in Northern Ireland.

2.2 This is the Consumer Council's fourth corporate plan. It will provide the strategic direction for the period 2016-2021. In addition, the corporate plan will provide the foundation for the development of the Consumer Council's annual business plans.

Who We Are

2.3 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 NI.

2.4 Our main statutory functions are to:

- a) Consider any¹ complaint made to it relating to consumer affairs and, where it appears to the Consumer 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;
- b) Carry out, or assist in the carrying out of, inquiries and research into matters relating to consumer affairs;
- c) Promote discussion of, and the dissemination of information relating to, consumer affairs; and
- d) Report to a NI department on any matter relating to consumer affairs which is referred to the Consumer Council by that department.

2.5 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:

¹ In agreement with DETI, the Consumer Council handles complaints relating to energy, postal affairs, transport, and water and sewerage (in agreement with DRD). 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 Northern Ireland, 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.

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

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.

- 2.6 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.
- 2.7 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 to a gas or electricity company's licence is detrimental to the interests of consumers.
- 2.8 We are governed by a board whose members are appointed by the Minister for Enterprise, Trade and Investment. The Board is supported by a team of around 30 staff.
- 2.9 The Consumer Council's core funding is provided through the Department of Enterprise, Trade and Investment (DETI). Our role in relation to specific markets is funded by DETI (energy), the Department for Regional Development (DRD) (water), and the Department for Business, Innovation and Skills (BIS) (postal services).

⁴ Transport (NI) Act 1967; General Consumer Council Order (NI) 1984; The Airports (NI) Order 1994, Taxi Act 2008; Transport Act 2011; Maritime Passenger Rights Regulation 2012.

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

What we do

2.10 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

2.11 Consumer advocacy is both 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 and then ensure these issues are addressed by educating, advising and influencing policy-makers, business, service providers and regulators.

2.12 Consumer Council advocacy activities include:

- Research and analysis on the way that particular markets serve consumers in NI and, where concerns are found, representation of the results;
- Ensuring the views of consumers are considered in policy formation;
- Investigation of particular cases, either where there appears to be an issue of general interest, or where an individual is unable to achieve redress through established mechanisms; and
- Balancing the needs of future consumers with the needs of consumers today.

2.13 In our advocacy work in energy, post and water it is important that the Consumer Council maintains an understanding of the regulatory framework in order to provide effective challenge. The Consumer Council will use its general consumer expertise to challenge regulators and service providers effectively from a consumer perspective. This will ensure our focus is on the final consumer outcome and levels of service received rather than the individual technical components of a decision.

2.14 Strong consumer advocacy is essential for an effective system of consumer empowerment and protection in NI. A powerful consumer voice brings balance to markets, public services and regulatory processes and ensures the consumer interest is paramount. The Consumer Council, through our advocacy role, will continue to

work to ensure consumers in NI are confident that their concerns are heard and communicated to policy-makers, service providers and regulators in ways that will effect change.

Consumer Redress

- 2.15 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.
- 2.16 Since our establishment in 1985, we have assisted consumers to obtain a resolution to their complaint when they have been unable to achieve this on their own. This role has also provided intelligence, which we can use to help inform other stakeholders such as regulators and the NI Trading Standards Service of persistent trading malpractice.

Consumer Empowerment

- 2.17 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.
- 2.18 Such a system creates 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.
- 2.19 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.
- 2.20 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).

2.21 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.

2.22 This integrated approach is key to the Consumer Council's ability to effectively identify consumer issues and trends that span each area of our work, and respond in the most effective manner; whether this is through advocacy, redress or empowerment. Each function supports and informs the other to develop the integral strength of the organisation.

Our Purpose, Vision and Values

2.23 Our Mission:

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.

2.24 Our Values:

- Ambition – We seek to deliver the best possible deal for consumers in NI;
- Excellence – Our work is robust and considered, and bears comparison with the best;
- Commitment – We do what it takes to 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 are trustworthy and trusted; and
- Objectivity – We base our conclusions in evidence.

How we work

- 2.25 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.
- 2.26 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.
- 2.27 This Corporate Plan is an important juncture as it provides an agreed framework underpinning our work, so that we are consistent across subject areas and are not driven by individual preference.

Consumer Principles

- 2.28 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.
- 2.29 Like many consumer organisations, 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; and
- 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.

2.30 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

2.31 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.

2.32 In European directives and other provisions of consumer law which derive from EU law, a ‘consumer’ can only be an individual (a ‘natural person’ in legal terminology). A natural person is a real human being, as opposed to a legal person, which may be a private (ie business entity or non-governmental organisation) or public (ie government) organisation.

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

- 2.33 Under EU law, small and medium-sized enterprises are never treated as consumers, even in the case of self-employed traders or family businesses. However, some Member States extend consumer protection rules to cover them too, for example in the UK, companies may rely on consumer protection against unfair terms if they purchase goods of a type they do not ordinarily deal with.
- 2.34 The Utility Regulator's licences for energy and water companies in NI also use the term 'customer'. Whilst in common English language use these terms maybe interchangeable, under European 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.
- 2.35 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.

Achievements during our Corporate Plan 2011-2015

- 2.36 During the last five years the Consumer Council's corporate planning and strategic direction has been based on our Corporate Plan and Equality Plan 2011-2015⁸. During the last five years we have:
- Become the statutory representative for consumers of postal services in NI in 2014;
 - Been designated a "super-complaints" body for financial service complaints in NI in 2013;
 - Supported consumers with over 12,500 complaints and enquiries;
 - Returned c. £1.6m to consumers in redress;
 - Engaged with consumers across NI at over 200 events and delivered nearly 300 consumer education presentations.

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.

⁸ Corporate Plan and Equality Plan 2011-2015, Consumer Council, 2011. This was extended to cover the period 2015-16 in line with the Programme for Government and DETI's Corporate Plan.

- Delivered over 25 Train the Trainer style workshops throughout NI, providing consumer advice and money saving tips for frontline advice, health, social care, community and voluntary sector workers to cascade to their service users;
- Attracted over 5,000 signatures from consumers on a ‘Lower Car Insurance’ petition which preceded a referral to the OFT and eventual CMA UK wide investigation;
- Worked with LINK to achieve installation of c.450 new free-to-use cash machines in lower-income areas in the past 12 months alone;
- Delivered six Home Economics teachers’ conferences and developed accompanying teachers’ resources in partnership with CCEA;
- Organised a Personal Money Management conference for Maths and Learning for Life and Work teachers, in partnership with CCEA;
- Launched an affordable credit scheme in Londonderry/Derry in partnership with local housing and credit unions which saw 77% of clients go on to access loans and build savings;
- Developed a “Consumer Rights Initiative” with AdviceNI, Citizens Advice Bureau NI and the Law Centre NI;
- Undertaken 30 energy tariff reviews with the Utility Regulator, DETI, and the incumbent energy supply company, and four water tariff reviews with NI Water and the Utility Regulator;
- Received over 212k hits since our new website was launched in April 2014. From April 2014 – November 2015 the most popular consumer information pages have been:
 - Home Heating Oil Prices – 49k downloads;
 - Petrol and Diesel Prices - 43k downloads;
 - Electricity Price Comparison Table – 32k downloads;
 - Gas Price Comparison Table – 12k downloads; and
 - Switch On Electricity and Gas guides – 6k downloads.

- Worked in partnership with NIBusiness Info to publicise the introduction of the Consumer Contracts Regulations 2013 and Consumer Rights Act 2015 to over 20k local businesses;
- Agreed Consumer Codes of Practice and Marketing Codes of Practice with all energy suppliers in NI;
- Agreed Codes of Practice with NI Water and the Utility Regulator;
- Developed a Consumer Charter and Codes of Practice with the Northern Ireland Oil Federation (NIOF);
- Provided specific NI based consumer research to the:
 - NI Affairs Committee and CMA inquiries into banking and personal current accounts;
 - Civil Aviation Authority (CAA) about passenger rights regarding airline delays;
 - CMA market investigations into payday lending and motor insurance;
 - CMA investigation on the Which? super-complaint regarding confusing and misleading promotions in the groceries market;
 - Competition Commission price determination referrals on NIE Networks and Phoenix Natural Gas;
 - Committee for Regional Development inquiries into public transport and transport structures;
 - Treasury Select Committee on the future of cheques; and
 - NI Affairs Committee investigation into Air Passenger Duty.
- Worked with FCA to ensure travel insurance policies provide clarity as to whether they cover NI consumers travelling from ROI airports and ports;
- Represented consumers' interests in the Utility Regulator's price control determinations for NI Water, NIE Networks, Phoenix Natural Gas, Firmus Energy, PowerNI, SSE Airtricity, SONI and Bord Gais Networks;

- Awarded 29 organisations “Water Champion” status. Water Champions is a joint programme with InvestNI and NI Water to award organisations that have taken steps to reduce their environmental impact and save money by reducing their water use;
- Worked with Bryson Energy, Fold Housing Association and Derry City Council to develop a pilot energy brokering scheme;
- Worked with DRD and Translink to agree a revised Passenger Charter which is Translink’s service commitments to its passengers;
- Worked with DRD to shape the customer focused Key Performance Obligations contained in the Service Agreement between DRD and Translink; and
- Produced reports/guides/factsheets on:

2011

- Driving Down the Cost of Car Insurance;
- PPI Factsheet;
- A-Z Consumer Advice Handbook;
- Price of Being Poor Report;
- Thinking about Borrowing Money;
- Ferry Report;
- Analysis of McIlDoon Report;
- Tapping into Consumer Views on Water;

2012

- Energising Northern Ireland;
- Payday Lending;
- Customers’ Experience of Natural Gas in NI;
- Financial Capability for Offenders, Victims and their Families;
- Guide to Switching Current Accounts;
- Managing Money;

- Putting things right: A detailed guide for Consumers on the Ulster Bank Redress Scheme;
- Barriers to Complaining;
- Consumer Council Offenders Report;
- Canny Consumers Report;
- Every Drop Counts – Business Guide;
- Every Drop Counts – Agricultural Guide;
- Payment Pending – Ulster Bank Report;
- Hard to Stomach Report;
- Understanding the Small Claims Court;
- Plain Sailing;
- Access to Air Travel;
- Access to Ferry Travel;
- Opening a Bank Account;
- Insured to Travel?;
- Power to Switch Report;
- Ways to Pay Report;

2013

- Food Supply Chain Issues and the Horsemeat Scandal – The Consumer View;
- Confidence Codes Research Reports;
- Back to Business Report;
- Saving Energy Report;
- Credible Credit Report;
- Consumer Pages;

- Connecting with Consumers Report;

2014

- Sending Letters and Parcels Guide;
- Guide to Shopping Safely Online;
- Consumer Contracts Regulations;
- Switch On – Home Heating Oil Guide;
- Switch On – Electricity and Gas Guide;
- Got a Complaint;
- Community Branch Factsheet;
- Your Local Post Office Guide;
- Consumer Council – Here to Help Guide;

2015

- Making a Postal Complaint;
- Factsheet on the closure of S&R Electrical Ltd;
- Scams Factsheet;
- Guide to Switching Bank Accounts;
- Weather the Winter;
- Social Market Research Report - Energy & Money Affairs Research;
- Access to Air Travel Factsheet - Travelling with a Child with Autism;
- Access to Air Travel;
- Severe Weather – Air Travel Factsheet;
- Electricity Power Cut – Consumer Factsheet;
- Access to Ferry Travel;
- Consumer Rights Act 2015 – Consumer Factsheet;

- Consumer Rights Act 2015 – Business Factsheet;
- Plain Sailing;
- Scams Awareness Factsheet;
- Plane Facts – Your Essential Guide to Air Travel;
- Credible Credit – Interim Report;
- Translink Timetable Factsheet;
- Podcast on Translink Fares and Ticket Options;
- Change at the Counter;
- Online Parcel Premium;
- Flood Advice Guide;
- Forgotten Bank Accounts Guide;
- Payday Loan Factsheet;
- Thinking about Borrowing Money; and

2016

- Consumer Factsheet - Buying Secondary Tickets for Concerts and Events.

3. Strategic Context

Programme for Government

3.1 The Programme for Government (PfG) sets the overall strategic context for public service activity in NI. Whilst we are aware that a new PfG will be developed for NI in 2016, we recognise the NI Executive overall strategic vision that is contained within *A Fresh Start – The Stormont Agreement and Implementation Plan*⁹ of a society where individuals and communities can flourish through creation of a thriving balanced economy and the successful tackling of disadvantage.

3.2 The current PfG set out the following five priorities:

PRIORITY 1: Growing a Sustainable Economy and Investing in the Future

- To achieve long term economic growth by improving competitiveness and building a larger and more export driven private sector.

PRIORITY 2: Creating Opportunities, Tackling Disadvantage and Improving Health and Wellbeing

- To address the challenges of disadvantage and inequality that afflict society and to address the relatively poor health and long-term shorter life expectancy of our population.

PRIORITY 3: Protecting our People, the Environment, and Creating Safer Communities

- To improve people's health and wellbeing, enhancing community safety, achieving improved safeguarding outcomes for children and adults most at risk of harm and protecting and improving the environment in which we live.

PRIORITY 4: Building a Strong and Shared Community.

- To build relationships between communities and encourage active citizenship to advance social cohesion and integration.

PRIORITY 5: Delivering High Quality and Efficient Public Services.

- To deliver excellent public service and value for money.

3.3 This corporate plan has been developed in accordance with and providing a contribution to the current PfG's overarching strategic aims and objectives. We recognise that this corporate plan is being prepared in advance of a budget or a new PfG being agreed for the period covered, and that it may be subject to change as a result.

⁹ 17 November 2015.

Consumer Landscape

- 3.4 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
 - Ensure that activities that help empower consumers are delivered more cost-effectively.
- 3.5 As part of these reforms the UK Government through the Department for Business, Skills and Innovation (BIS) set up the Consumer Protection Partnership (CPP) to create a joined-up approach amongst UK consumer bodies.
- 3.6 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 BIS, CMA, DETI, FCA, the National Trading Standards Board, the Trading Standards Institute, Trading Standards Scotland, Citizens Advice and Citizens Advice Scotland.
- 3.7 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), NI Trading Standards Service, the Competition and Consumer Protection Commission (Ireland), the Belfast Consumer Advice Centre, the Department of Jobs, Enterprise and Innovation (Ireland) and DETI. 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.
- 3.8 In October 2015, with the support of CollaborationNI, the Consumer Council developed with Advice NI, Citizens Advice Bureau NI, 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 whom 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.

3.9 The Consumer Council also works closely with both DETI's Consumer Affairs team, the NI Trading Standards Service and NI Direct's Consumerline¹⁰ to support consumers and traders to understand consumer rights and responsibilities. In agreement with DETI, the Consumer Council handles complaints relating to our specific statutory areas of energy, postal services, transport, and water and sewerage. Consumerline and the NI Trading Standards Service provide complaints services in relation to goods and services, including scams.

Review of the Consumer Council

3.10 In October 2012, DETI commissioned an efficiency review of the Consumer Council, which was led by Paul Simpson.

3.11 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 Consumer Council must be focused on issues which are of regional significance to NI;
- 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 DETI and DRD 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 NI, 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.

¹⁰ <http://www.nidirect.gov.uk/consumerline>

3.12 The Consumer Council within this corporate plan has taken account of these recommendations, and will work to ensure Ministerial priorities and statutory commitments are delivered in the most cost-effective manner.

Strategic Narrative

3.13 Although some markets in NI (eg energy, water, public transport, insurance, and banking) differ in their structure to GB and indeed ROI, it is both EU and UK consumer policy that consumers should receive the same level of protection, wherever they live.

3.14 November 2015's PwC's UK Economic Outlook report¹¹ suggests that GDP growth should proceed at a steady pace in 2015 and 2016 despite some "headwinds" from the global economy. Most other UK regions are expected to expand at similar rates to the UK average this year of around 2.3-2.4%. However, NI, along with the North East of England and Wales are set to grow at somewhat slower rates of around 1.6-1.9%.

3.15 PwC's Economic Outlook main scenario for consumer spending is a reduction in UK household disposable income for the period up to 2020.

Table 1: PwC's Main Scenario Projections for Real Household Disposable Income.

	2015	2016	2017-2020
% per annum	3.5%	2.3%	1.8%

3.16 The average UK household had £193 a week of discretionary income in October 2015¹², up by £17 a week on the same month a year before. Despite a slight slowdown in regular pay growth, increases in family spending power have remained strong thanks to further falls in unemployment and continued deflation in the cost of essential items.

3.17 However, according to Asda, disposable income levels in NI are nearly half that of the UK average, with the average NI household having £98 a week to spend once essential items have been paid for. The report also found that average salaries in NI were lower than the UK but households spend more on essentials.

3.18 This however is an improving picture as the price of petrol has fallen by 14% in 2015, and food prices are down 2%. Commenting on the report CEBR managing economist Rob Harbron said: "After a difficult few years since the recession, it's encouraging to see household spending power picking up quickly in NI. Consumer spending is helping to support the economy this year as a result".

¹¹ UK Economic Outlook, PwC, November 2015.

¹² Asda Income Tracker, Centre for Economics and Business Research, January 2016.

Table 2: NI vs. UK – Average Salary and Household Expenditure

	NI	UK	Difference
Salary (per annum)	£18,764	£22,044	-15%
Petrol (per week)	£35	£24	+38%
Food (per week)	£61	£57	+7%
Energy (per week)	£28	£26	+8%

3.19 The report said average salaries in NI were £18,764 compared to £22,044 in the UK as a whole while NI had the highest percentage of workers on or below the minimum wage at 10%.

3.20 Confident, informed consumers are essential to growing the economy, boosting business competitiveness and reducing consumer detriment.

3.21 In December 2015, the Northern Ireland Statistics and Research Agency (NISRA) released a report on the Structure of the NI Economy¹³. 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:

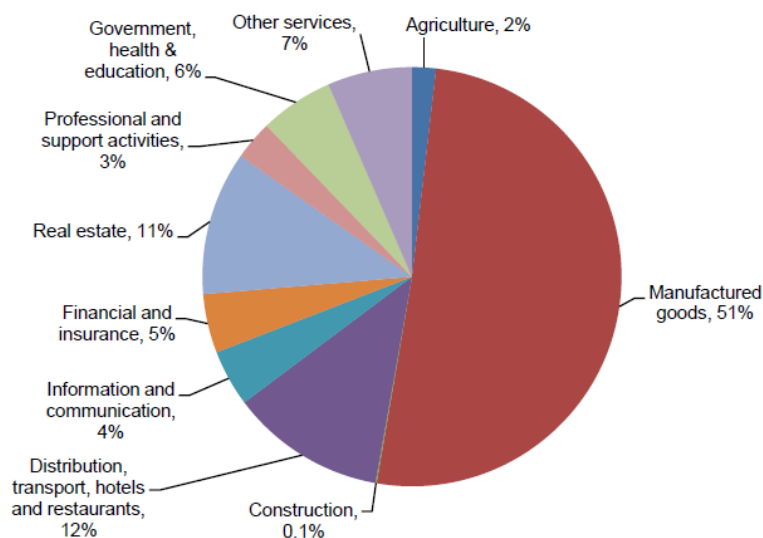
- Expenditure by the household sector (including non-profit organisations) was estimated to be £27.5bn or 44% of Final Demand, showing the importance of the local consumption of goods and services to the economy;
- Central & Local Government Expenditure accounted for 20% of Final Demand, (compared to 16% in the UK), showing the relatively greater role government plays in NI (in addition to public sector wages and salaries);
- Capital Investment (£4.0bn) accounted for 6% of NI Final Demand, which is considerably lower than the UK as a whole (12%) and Scotland (11%); and
- “External sales” including exports and sales to customers in Great Britain (GB) accounted for 30% of NI Final Demand.

3.22 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.

3.23 The makeup of this household spend is as follows:

¹³ 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>



Item	Percentage	Overall Expenditure	Per Head
Manufactured Goods	51%	£14.0bn	£7,681
Distribution, Transport, Hotels and Restaurants	12%	£3.3bn	£1,807
Real Estate	11%	£3.0bn	£1,657
Other Services	7%	£1.9bn	£1,054
Government, Health & Education	6%	£1.7bn	£904
Finance and Insurance	5%	£1.4bn	£753
Information and Communication	4%	£1.1bn	£602
Professional and Support Activities	3%	£0.8bn	£452
Agriculture	2%	£0.6bn	£301
Construction	0.1%	£0.03bn	£15
TOTAL		£27.5bn	£15,060

3.24 The NISRA report highlights the importance of local domestic consumption of goods and services to the NI economy. The role of a consumers in our economy is vital as they account for the largest proportion (44%) of goods and services purchased, and therefore in turn provide employment for those making the goods and services in NI.

3.25 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:

- 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.

3.26 The Department for Business, Innovation and Skills (BIS) estimated in 2014 that the overall level of consumer detriment, as reported by consumers, is £4.15 billion per year in the UK¹⁴. These estimates exclude detriment of which consumers are not yet aware, for instance mis-selling.

3.27 NI, accounts for 3% of the UK's overall population, and therefore there is approximately £125m of consumer detriment per year, or c.£70pa per head of population¹⁵.

3.28 Since consumers in NI generally have lower salaries, and pay more for essentials than their GB counterparts - and with projected reductions in disposable income over the period of this corporate plan - the principal statutory role of the Consumer Council to promote and safeguard the interests of consumers in NI, remains as important as it did thirty years ago when the Consumer Council was formed.

Consumer Affairs

3.29 The majority of consumer laws in NI originate from the EU. In 2012, the EU highlighted that consumer expenditure amounted to 56% of the EU GDP, and recognised the enormous power of the consumer to drive forward the European economy. To reflect this, the EU developed the Consumer Agenda for Europe to 2020, with the aim of empowering consumers so that they could fully exploit the potential of the Single Market and enhance innovation and growth.

3.30 The Agenda is built around four main objectives designed to increase consumer confidence:

- Reinforcing consumer safety: for goods, services and food, strengthening the regulatory framework and making market surveillance more efficient;
- Enhancing knowledge: to cope with the increasing complexity of markets, where consumers need the right tools and information to understand everything from the real cost of consumer credit to finding the right place to complain. This is important for both consumers and traders, and the role of consumer organisations such as the Consumer Council, is key;
- Improving enforcement and securing redress, without which rights cannot exist in practice. This is all the more relevant given that the detriment suffered by

¹⁴ Consumer Engagement and Detriment Survey 2014, BIS.

¹⁵ Approximately, £180pa per household in Northern Ireland.

European consumers incurred from problems causing complaint, is estimated at about 0.4 %¹⁶ of EU GDP; and

- Aligning policy to societal change and making it relevant to daily life: to adapt consumer law to the digital age and tackle problems consumers face online; to factor in the needs of vulnerable consumers; to make sustainable choices easy.

3.31 The Agenda supports consumer interests in five key sectors¹⁷:

- Food: to ensure sustainability and safety;
- Energy: so that consumers can get the best value for money in the liberalised market and better manage their energy consumption;
- Financial: to protect consumers' financial interests and give them the tools to manage their finances;
- Transport: to adapt legislation to modern patterns of travel and to support sustainable mobility; and
- Digital: with a view to tackling problems faced by consumers and ensuring their protection online.

3.32 Through the Consumer Agenda for Europe to 2020, the EU has attempted to redress the imbalance existing between consumers and traders by regulating certain substantive aspects of consumer contracts. In particular, the EU adopted rules on unfair contract terms, rules on consumer sales and guarantees, and on consumer rights as regards to information and procedural provisions for distance and off-premises contracts.

3.33 Under the Treaty of the Functioning of the EU¹⁸, consumer policy is a shared competence; meaning once EU legislation has been passed, Member States may not act, including legislate, in a manner contrary to it, but in the absence of EU legislation, Member States are free to act. The most recent regulatory instrument adopted by Member States in the area of consumer protection is the Consumer Rights Directive 2011/83/EU which came into force in the UK in June 2014 via the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013.

¹⁶ Consumer Empowerment survey; Eurobarometer No 342; 2010.

¹⁷ These sectors were identified by the EU as some of the most problematic for consumers, (Consumer Markets Scoreboard).

¹⁸ Article 4(2) TFEU.

- 3.34 In developing the consumer landscape, the UK Government recognises¹⁹ the vital role consumer policy plays in shaping how market economies operate. Consumer policy empowers consumers, by giving them rights including rights to information, so they are confident and are able to make well informed choices. These consumers in turn actively seek better quality goods or services at lower prices, thereby driving firms to compete for their custom. These actions also promote a more efficient economy, encouraging the allocation of resources to where they can best be used, incentivising innovation and making businesses more competitive on the world stage.
- 3.35 In developing the consumer landscape in the UK, the Government set up the CMA as the UK's competition authority. The CMA recognises that the current economic climate gives rise to particular consumer risks²⁰, which include:
- The risk of unfair business practices arising or increasing where firms' profits are under downward pressure;
 - The potential for cartel activity and other anticompetitive practices, particularly in markets with few firms or where demand is weak;
 - The likelihood of consumers facing squeezed disposable incomes, making distressed purchases or being tempted by high-risk products, the most vulnerable consumers being at the greatest risk; and
 - The continuing modest growth in disposable income, the increasing cost of living (including household utility bills, food and other consumer essentials), and increases in household expenditure and higher (unsecured) borrowing.
- 3.36 The consumer landscape in the UK has been further strengthened by the Consumer Rights Act 2015. The Act consolidates existing consumer protection law legislation and 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.
- 3.37 In NI, the NI Executive's aim is to grow the private sector and enable it to compete on a UK, Island of Ireland and international basis. Within this, the role of the consumer is recognised as an important driver in the economy.
- 3.38 The consumer policy landscape continues to develop and evolve. One of the main drivers of this is digital technology which is changing the way in which consumers can access goods and services.

¹⁹ Review of the Balance of Competences between the United Kingdom and the European Union: Competition and Consumer Policy Report, HM Government, 2014.

²⁰ Vision, Values and Strategy for the CMA, 2014.

Banking

- 3.39 In October 2015, the CMA released its provisional findings on banking. The report highlighted the need to simplify and clarify the account switching process for customers across the UK, and banks have a responsibility to consumers to provide clear and easily comparable information, so they can make informed choices about their own account and provider.
- 3.40 The CMA's investigation recognises the differences between the GB banking sector and that in NI. Our banking sector has traditionally been dominated by the Bank of Ireland, Danske, First Trust and Ulster Bank, although banks with a wider UK presence are opening branches here and taking market share. The growth of online banking and reducing market share has led to bank branch closures among the long-established NI banks. Post Offices and Credit Unions provide possible solutions to help mitigate the impact of bank branch closures for those consumers who rely on or prefer face-to-face services for their banking transactions. Other innovations such as mobile banking may also help in this respect.
- 3.41 NI has the highest proportion of consumers without access to a bank account in the UK. Around 7% of households in NI are 'unbanked', compared to an average of 3% across the UK²¹. These consumers are at risk of losing out on savings that accrue from direct debits and access to other financial services such as affordable credit.

Energy

- 3.42 Energy policy is devolved to NI, with DETI taking lead responsibility. The principal driver of NI's energy policy is the Strategic Energy Framework (SEF) which was published in 2010 and sets out the region's energy goals until 2020. It is focused on four goals:
- Building competitive markets;
 - Ensuring security of supply;
 - Enhancing sustainability (including affordability); and
 - Developing NI's energy infrastructure.
- 3.43 The policy framework for energy and energy security is also influenced by developments at EU level. This includes high level targets that the EU has set for itself and Member States (the "20-20-20" targets) as part of the EU's Climate and Energy Package adopted in 2008.

²¹ Family Resources Survey 2013-14, DSD, October 2015.

- 3.44 In order to harmonise and liberalise the EU's internal energy market, three consecutive legislative packages of measures were adopted between 1996 and 2009 addressing market access, transparency and regulation, consumer protection, supporting interconnection, and adequate levels of supply.
- 3.45 The EU's Energy Union Framework Strategy²² set out the vision of an Energy Union *"with citizens at its core, where citizens take ownership of the energy transition, benefit from new technologies to reduce their bills, participate actively in the market, and where vulnerable consumers are protected"*.
- 3.46 In 2015, the European Commission released its "Delivering a New Deal for Energy Consumers", which looks at the obstacles to consumers, households, businesses and industry benefiting from the European energy market by controlling their consumption and lowering their bills. The obstacles identified were:
- The lack of appropriate information on costs and consumption, or limited transparency in offers, makes it difficult for consumers to assess the market situation and opportunities;
 - Increasing proportion of network charges, taxes and particularly levies in the average final household electricity bill;
 - Insufficient competition in many retail markets, a lack of reward for active consumer participation and difficulties in switching act as disincentives;
 - Insufficiently developed markets for residential energy services and demand response narrow consumers' choices;
 - Preventing consumers from self-generation and self-consumption reduces potential gains to them; and
 - Unequal access to information and high entry barriers for new competitors slow down the adoption of available advanced technologies and practices such as smart metering, smart appliances, distributed energy sources and energy efficiency improvements.
- 3.47 Following extensive consultations with citizens, consumers and stakeholders, including a public consultation in the first half of 2014 and in discussions with expert groups, the EU has identified the following 10 steps to achieve a new deal for energy consumers:

²² COM(2015) 80final.

- Providing consumers with frequent access, including in near real-time, to partially standardised, meaningful, accurate and understandable information on consumption and related costs as well as the types of energy sources.
- Making switching suppliers quick and simple, enabled by transparent and directly comparable offers from competitive suppliers and not hampered eg by switching fees;
- Ensuring that consumers remain fully protected in the new energy market, including against unfair commercial practices;
- Providing consumers with possibilities to become active energy players and gain from action, for example adjusting and reducing their consumption as prices evolve and helping balance out renewable energy variability by embracing demand response or producing or storing energy;
- Keeping consumption/metering data under consumers' control; where consumers grant other parties (suppliers and intermediaries) access to their data, their privacy, and the protection and the security of their data, must be guaranteed;
- Providing consumers access to competitive and transparent market-based offers, while giving consumers in vulnerable situations and/or facing energy poverty, targeted and effective assistance reflecting best practices, and contributing to energy efficiency and savings;
- Providing consumers with the option of participating in the market through reliable intermediaries, collective or community schemes. These intermediaries need to have fair access to the markets and consumption data and be monitored in the same manner as suppliers;
- Making sure smart home appliances and components are fully interoperable and easy to use and smart metering systems are fit for purpose with the recommended functionalities to maximise their benefit to consumers;
- Ensuring cost-effective and stable network operation; ensuring non-discriminatory handling of metering data with potential commercial value by Distribution System operators or any other responsible entity; and
- Strengthening the link between research, innovation and industry for developing international competitiveness in smart home and smart grid technologies, in cooperation with all market players.

3.48 The Electricity and Gas markets in NI are regulated. The Utility Regulator is responsible for the regulation of transmission, distribution and supply²³ aspects of both industries. The heating oil market is not regulated; this was supported by a 2011 investigation by the Office of Fair Trading (OFT) which found no grounds to regulate the industry²⁴.

Electricity

3.49 NI is part of an all-island wholesale electricity market known as the Single Electricity Market (SEM). SEM is regulated by the SEM-Committee consisting of representatives of the two regulators (Commission for Energy Regulation and the Utility Regulator) on the island.

3.50 The electricity market in NI opened for competition in 2006. Currently there are six suppliers operating in the domestic energy market and seven operating in the industrial and commercial sector.

Table 3: Electricity Market Share – Quarter to September 2015²⁵

Domestic		Industrial	
Company	Market Share	Company	Market Share
Power NI	67.30%	Power NI	52.23%
SSE Airtricity	24.80%	SSE Airtricity	20.44%
Electric Ireland	0.25%	Energia	10.83%
Budget Energy	7.65%	Electric Ireland	8.13%
Open Electric	N/A	Budget Energy	0.40%
Click Energy	N/A	Vayu	0.03%
		Go Power	7.94%

3.51 The Department of Energy and Climate Change (DECC) analysis, based on a standardised annual consumption of 3,800 kWh, shows that households in NI pay between £41 and £77 more per year than their GB counterparts for their electricity depending on their payment method.

Table 4: Average annual domestic standard electricity bills for UK countries based on consumption of 3,800 kWh/year²⁶

	Standard Credit			Direct Debit			Prepayment		
	England & Wales	Scotland	Northern Ireland	England & Wales	Scotland	Northern Ireland	England & Wales	Scotland	Northern Ireland
2014	£616	£623	£685	£568	£571	£645	£621	£617	£662

²³ Only the incumbent companies eg electricity (PowerNI) and natural gas (SSE Airtricity – Belfast, and Firmus Energy – Ten Towns).

²⁴ Off-Grid Energy - Market Study, OFT, 2011.

²⁵ Quarterly Transparency Report, Utility Regulator, November 2015.

²⁶ Average Annual domestic electricity bills for UK countries, DECC, June 2015.

Natural Gas

- 3.52 Competition in the domestic natural gas market in Greater Belfast and Larne began in 2009. Currently only SSE Airtricity and Firmus Energy compete within this domestic market. The domestic market opened for competition in the Ten Towns²⁷ licence area in April 2015, but as yet no new supplier has entered the market to compete with the incumbent supplier Firmus Energy.

Table 6: Natural Gas Market Share – Quarter to September 2015²⁸

Belfast			
Domestic & Small I&C		Industrial (Over 73,200 kWh)	
Company	Market Share	Company	Market Share
SSE Airtricity	72.47%	SSE Airtricity	42.53%
Firmus Energy	27.13%	Firmus Energy	34.95%
Vayu	0.01%	Vayu	0.36%
Go Power	0.15%	Electric Ireland	0.03%
Flogas	0.24%	Go Power	9.16%
		Flogas	12.96%
Ten Towns			
Firmus Energy	100%	Firmus Energy	89.1%
		Flogas	8.97%
		SSE Airtricity	1.35%
		Go Power	0.58%

- 3.53 DECC and Consumer Council analysis, based on a standardised annual consumption of 15,000 kWh, shows that an average household in NI pays between £10 and £182 less for their natural gas per year, depending on their payment method, than their counterparts in GB.

Table 7: Average annual domestic gas bills for UK countries based on consumption of 15,000 kWh/year²⁹

	Standard Credit				Direct Debit				Prepayment			
	England & Wales	Scotland	Northern Ireland ³⁰		England & Wales	Scotland	Northern Ireland		England & Wales	Scotland	Northern Ireland	
			Belfast	Ten Towns			Belfast	Ten Towns			Belfast	Ten Towns
2014	£797	£789	£615	£696	£721	£715	£593	£673	£794	£782	£615	£672

²⁷ The pipeline outside Belfast and Larne that runs from Warrenpoint to Derry/Londonderry via Armagh, Antrim and Coleraine.

²⁸ Quarterly Transparency Report, Utility Regulator, November 2015.

²⁹ Average Annual domestic gas bills for UK countries, DECC, June 2015.

³⁰ Based on incumbents' tariff in Greater Belfast and Ten Towns based on 15,000 kWh/year.

Heating Oil

- 3.54 Heating oil remains the most used heating source for homes³¹ in NI, with 68% of households using it as their primary heating source, compared to only 7% in GB.
- 3.55 Unlike electricity and natural gas in NI, heating oil is unregulated. The OFT 2011 report into off-grid energy concluded that competition within the UK heating oil market was working. However, it did comment that, “it’s an oddity of the NI market that the most common household heating fuel, heating oil, is unregulated.”
- 3.56 With the recent global economic downturn, and the resulting reduced demand for oil on the international markets, the cost of heating oil in NI has roughly halved in cost since the OFT produced its market study findings. On a like for like basis, the recent average annual cost of heating a home in NI is c.10% cheaper than in the UK overall.

Table 9: Average annual domestic heating oil bill based on consumption of 2,750 litres per year³²

Heating Oil (based on 900 litre purchase) as at 2/2/16	Pence per Litre	Average Annual Consumption (litres) ³³	Annual Cost (£)
GB	27.16p	2,750	747
NI	24.49p	2,750	673

- 3.57 The Consumer Council has no specific statutory duties in relation to heating oil, other than our overall primary duty of “promoting and safeguarding” the interests of consumers in NI. However, the Consumer Council has jointly developed a Customer Charter with NIOF, which sets out minimum standards of service for consumers who buy oil from a NIOF member. The Charter agrees a Code of Practice which covers:
- Customer care and complaint procedures;
 - Payment options;
 - Using energy efficiently; and
 - Special advice for vulnerable consumers.

³¹ House Conditions Survey, Northern Ireland Housing Executive, 2011.

³² Based on average price as at 19 November 2015.

³³ Comparative Domestic Cost of Gas V’s Oil Report, Consumer Council, 2013.

Fuel Poverty

- 3.58 NI has the highest prevalence of fuel poverty in the UK, and one of the highest in the EU, with the current estimate indicating that 42% of households in NI are experiencing fuel poverty³⁴.

Table 10: Fuel Poverty Levels in the UK countries

Area ³⁵	
Northern Ireland (2012) ³⁶	42%
England (2013) ³⁷	12%
Scotland (2013) ³⁸	39%
Wales (2012) ³⁹	30%

- 3.59 The current NI Fuel Poverty Strategy published by the Department of Social Development (DSD) in 2011, defined the problem as a household which *“in order to maintain an acceptable level of temperature throughout the home, the occupants would have to spend more than 10% of their income on all household fuel use”*. In 2014, DSD introduced a new ‘achieving affordable warmth’ scheme. The scheme works by targeting geographical areas of need to provide targeted energy efficiency measures.
- 3.60 The Consumer Council is a member of the NI Fuel Poverty Coalition, which is a group of 160 members from the voluntary, statutory, business and private sectors. The aim of the coalition is to provide and promote a co-ordinated and collective response to fuel poverty in NI.

Postal Services

- 3.61 In April 2014, the Consumer Council became the statutory representative for consumers of postal services in NI.
- 3.62 Postal issues are a reserved⁴⁰ matter to the HM Government in Westminster. Responsibility for postal affairs policy lies with BIS.

³⁴ NIHE, 2013.

³⁵ Annual Fuel Poverty Statistics Report, DECC, 2015.

³⁶ Northern Ireland Housing Executive, 2013.

³⁷ Annual Fuel Poverty Statistics 2015, DECC, 2015.

³⁸ Scottish House Condition Survey, <http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/TrendFuelPoverty>.

³⁹ Wales estimates for 2009 to 2012 are produced by the Welsh Government and the Buildings Research Establishment (BRE). Annual Fuel Poverty Statistics 2015, DECC, 2015.

⁴⁰ Reserved matters are those policy decisions affecting Scotland, Wales, Northern Ireland and the regions of England that are still taken by the UK Parliament at Westminster.

- 3.63 The importance of postal services for economic prosperity, social well-being and community cohesion within NI makes them an important area for the Consumer Council to focus on.
- 3.64 The regulatory framework for all European Postal Services is established in EU law through the Postal Services Directive - Directive 97/67/EC and subsequently amended in Directive 2002/39/EC and Directive 2008/6/EC. The Postal Services Act 2011 implements the European Postal Directive in UK law.
- 3.65 As required by the Postal Services Act 2011, a Universal Postal Services Order was established in March 2012 to set out:
- A description of the services that should be provided in the UK as part of the universal postal service; and
 - The standards with which those services need to comply.
- 3.66 Royal Mail has been appointed as the designated universal service provider in the UK. The legislation mentioned above imposes conditions on Royal Mail as the designated universal service provider in the UK. Key features of the universal service are the delivery and collection of mail everywhere in the UK at affordable and uniform prices, every working day (and on Saturdays for letters).
- 3.67 The universal postal service is important for communities and NI's economy. It is UK government policy to make sure the future of the service is secure and that everyone continues to have access to it.
- 3.68 The Post Office branch network provides access to Royal Mail's universal postal products and services. However, Post Office Limited (POL) and Royal Mail are two different companies, albeit both part of Royal Mail Group. In recognition of the continuing close relationship of POL and Royal Mail plc and before the formal separation, a 10 year inter-business mail distribution agreement was signed in January 2012.
- 3.69 The postal service industry is regulated by Ofcom. Ofcom put in place a new regulatory framework for the postal sector in March 2012, which gave Royal Mail greater commercial and operational flexibility so that it could return the universal service to financial sustainability and adapt to the changing market environment. Ofcom's primary duty is to safeguard the universal postal service, which includes a six day per week, one price goes anywhere postal service throughout the UK. The Consumer Council works with Ofcom to ensure the views and needs of postal users are represented and considered in all regulatory changes.

3.70 Since 2006, the market has been fully opened to competition. There are two forms of competition in the postal market, downstream access competition⁴¹ and end-to-end competition⁴². Downstream access competition is the most common with 50% of all addressed letter access volumes passing through the Royal Mail network in 2013/14⁴³. In contrast, Royal Mail's only significant end-to-end competitor, Whistl, which operated in a small number of GB cities, announced on 10 June 2015 that it was closing down its end-to-end letter delivery operations.

Post

3.71 The universal postal service is central to the role that post plays in society. However, the postal market has seen unprecedented changes over the last few years including declining letter volumes, rising use of electronic communication, a growth in online shopping, strong competition in the parcels market and the full privatisation of Royal Mail.

Letters

3.72 UK letters volumes have decreased by 18% since 2010/11. Indications show that the rate of decline is slowing in recent years, although Royal Mail has attributed this to improvements in the UK economic conditions⁴⁴.

3.73 On 16 June 2015, Ofcom announced a fundamental review of the regulation of Royal Mail. The aim of the review is to ensure regulation remains appropriate and sufficient to secure the efficient and financially sustainable provision of the universal postal service. The review:

- continues its existing work to assess Royal Mail's efficiency;
- considers Royal Mail's position within the parcels sector;
- assesses Royal Mail's potential ability to set wholesale prices in a way that might harm competition; and
- addresses the implications of Whistl's withdrawal, which represents a significant change in the potential level of competition for end-to-end letter delivery.

3.74 In March 2015, First and Second Class stamp letter prices increased by 1p to 63p and 54p, respectively. These increases were above inflation, as were the increases for the

⁴¹ Access competition is where postal operators collect and sort mail before handing it over to Royal Mail for delivery.

⁴² End-to-end competition in post is where an operator collects, sorts and delivers mail entirely using its own network (and so not using any part of Royal Mail's postal network).

⁴³ Royal Mail plc: Direct Delivery: A Threat to the Universal Postal Service Regulatory Submission to Ofcom June 2014.

⁴⁴ Royal Mail Annual Report and Financial Statements 2015, page 21.

equivalent large letters. However, the increase was less than in 2014-15 in both real and nominal terms for Second Class stamp letters. For First Class stamp letters the increase was less than the increase in previous year in nominal terms but flat in real terms. The safeguard cap on Second Class stamps continues to protect vulnerable consumers.

3.75 Technology is influencing how people communicate. Some 57% of internet users in NI say that new communication methods such as smartphones and tablets have made life easier⁴⁵. This has had a knock-on effect on the usage of traditional forms of communication such as postal services.

3.76 As a general rule consumers receive more mail than they send. One in three residents in NI did not send any items through the post in the past month. Adults in NI claim to send 4.5 items of post per month on average, the lowest across the UK nations.

Table 11: Mean number of items of post sent each month⁴⁶

UK	England	Scotland	Wales	NI
6.0	6.1	5.0	6.5	4.5

3.77 Businesses in NI are the most likely to use Second Class services for their standard and franked post. Six in ten (61%) respondents used standard Second Class stamps. This is in contrast to the rest of the UK, where standard First Class stamps are more likely to be used.

3.78 On average, people in NI say they receive around six items each week, again the lowest across the UK nations.

Table 12: Mean number of items received per week⁴⁷

UK	England	Scotland	Wales	NI
8.5	8.6	8.0	8.7	5.9

Parcels

3.79 The growth in the parcel market has been as a direct consequence to the increase in online shopping. As the market leader, Royal Mail is well positioned in the parcels market in terms of both revenue and volumes. However, competition is tough and intensifying. Maintaining and growing market share of parcel revenues can be challenging for operators.

⁴⁵ Ofcom 2015 Communication Market Report.

⁴⁶ Ibid.

⁴⁷ Ibid.

Parcel Market in UK

- 3.80 While letter volumes continue to decline, parcel volumes will continue to be an area of growth driven primarily by consumers through online shopping. The growth of which looks set to continue over the next several years.
- 3.81 The parcel segment 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 because of our peripheral location within the UK.
- 3.82 Whilst consumers in NI are less likely to use mail services than their UK counterparts, they send the same number of small parcels each month, as the average UK consumer. In contrast, the number of consumers in NI who have received more small parcels in the last two years is significantly less than UK consumers. This could be due in part to the level of delivery exclusions applied by online retailers, an area the Consumer Council will continue to focus on.

Table 13: Level of consumers who send small parcels monthly by nation⁴⁸

UK	England	Scotland	Wales	NI
22	23	14	20	22

Table 14: Level of consumers who experienced an increase in small parcels received in the last 2 years – by nation

UK	England	Scotland	Wales	NI
31	31	31	38	26

Table 15: Level of online retailers who apply delivery exclusions by UK nation⁴⁹

England	Scotland (excluding Highland and Islands)	Wales	NI
1%	3%	3%	33%

Cross-border

- 3.83 The need to enhance the quality and affordability of cross-border parcel delivery has been identified as a priority in the EU's policy to facilitate e-commerce, and to create a Digital Single Market for the European Union. The European Commission will launch measures and promote further action by industry in the first half of 2016 to improve price transparency and enhanced regulatory oversight of parcel delivery.

⁴⁸ Ofcom 2015 Communication Market Report.

⁴⁹ CCNI Online Parcel Premium Report 2015.

3.84 In the Digital Single Market Strategy, the Commission will:

- Take action to improve regulatory oversight while supporting innovation and ensuring a level playing field for operators; and
- Address the issue of price transparency including prices of small shipments. This action should support mainly consumers and small businesses. A comprehensive assessment of the situation will be carried out after two years to see if further action is needed.

3.85 NI is uniquely positioned in terms of our geographic location and appetite for online retail to explore the issues facing cross-border parcel deliveries. Research undertaken in 2015 has already identified that over half (57%) of all consumers feel the cross-border postal service does not present value for money. The Consumer Council plans to undertake significant research work which will be shared with the EC, and contribute to how solutions can be sought to overcome parcel delivery issues across Europe as the roll-out of the Digital Single Market Strategy evolves.

Access Points for Postal Services

3.86 The Post Office network is a unique national asset that provides convenient access to Royal Mail's universal postal services in communities. There are currently 480 post office outlets in NI.

3.87 Under the Consumer Estate Agents and Redress Act 2007, the Consumer Council's statutory function in relation to post offices is a duty to monitor the number and location of post offices. BIS has given us a mandated function to operate the Code of Practice with POL, which is the framework for scrutinising the Network Transformation Programme (NTP).

3.88 Similar to Royal Mail, the Post Office network is progressing through a period of unprecedented change. The NTP is expected to continue until 2018.

Transport

Public Transport

3.89 Public transport in NI has an essential role as it helps to develop the economy and support community cohesion. An effective public transport system can improve the:

- Local economy by bringing workers and jobs together;

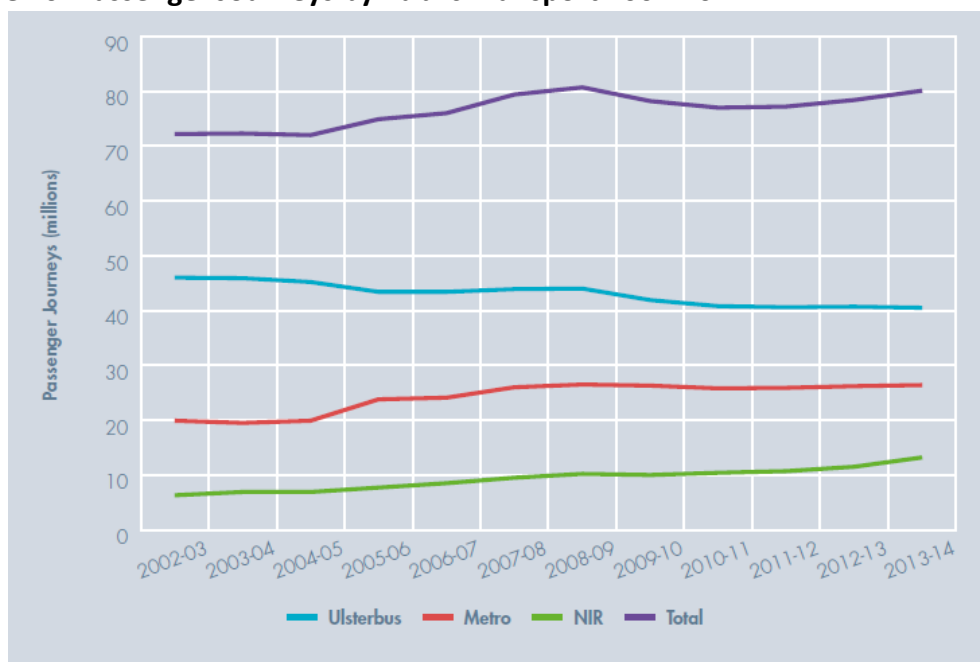
- Environment by promoting a more sustainable form of transport than the car, which can reduce pollution levels and traffic congestion; and
- Mobility of older people, rural dwellers and those with disabilities.

3.90 NI public transport is regulated and controlled by the DRD. DRD sponsors the Northern Ireland Transport Holding Company (NITHC), a public corporation which has three subsidiary transport companies – Ulsterbus, Metro and Northern Ireland Railways (NIR) – that operate under the brand Translink.

3.91 This regulated structure reflects a similar structure in the ROI. It however contrasts to the competition and deregulated structures that operate in GB.

3.92 During 2013-14, there were 80.1million passenger journeys undertaken with Translink. While the number of passengers has increased over the last decade, and particularly for NIR, in recent years the majority of the growth is due to the increase in concessionary fares⁵⁰.

Table 16: Passenger Journeys by Public Transport 2002-2014⁵¹



3.93 Whilst overall passenger numbers have increased, the overall percentage of journeys undertaken by public transport has reduced over the last decade.

⁵⁰ NI Audit Office Report – DRD: The effectiveness of public transport in Northern Ireland, 2015 http://www.niauditoffice.gov.uk/public_transport_report_210415.pdf.

⁵¹ (Source: NIAO and Northern Ireland Transport Statistics).

Table 17: Methods of Travel to Work – NI 2001 and 2011⁵²

	Bus/Train	Car/Van/Taxi	Walk/Cycle
2001	13%	79%	8%
2011	11%	82%	7%
Difference	-2%	+3%	-1%

3.94 Compared to their GB counterparts, NI consumers are more wedded to their car as a means of travelling to work.

Table 18: Methods of Travel to Work in 2011 for UK countries⁵³

2011	Bus/Train	Car/Van/Taxi	Walk/Cycle
Northern Ireland	11%	82%	7%
England and Wales	18%	67%	15%
Scotland	16%	70%	14%

3.95 The strategic direction for public transport in NI has been set out within DRD's Regional Transportation Strategy (RTS) for NI 2002-2012, and "Ensuring a Sustainable Transport Future: A New Approach to Regional Transportation"⁵⁴. The New Approach identifies three high level aims and eleven strategic objectives for transport to guide decisions on strategic transport interventions for 2015-16 onwards. The aims and objectives are:

- Support the growth of the economy
 - 1: Improve connectivity within the region
 - 2: Use road space and railways more efficiently
 - 3: Better maintain transport infrastructure
 - 4: Improve access in our towns and cities
 - 5: Improve access in rural areas
 - 6: Improve connections to key tourism sites
- Enhance the quality of life for all
 - 7: Improve safety
 - 8: Enhance social inclusion
 - 9: Develop transport programmes focused on the user
- Reduce the environmental impact of transport
 - 10: Reduce greenhouse gas emissions from transport
 - 11: Protect biodiversity
 - 12: Reduce water, noise and air pollution

⁵² Northern Ireland Census 2001 and 2011.

⁵³ England and Wales, Scotland and Northern Ireland Censuses 2001 and 2011.

⁵⁴ Ensuring a Sustainable Transport Future: A New Approach to Regional Transportation, DRD, 2012.

3.96 In April 2015, The Northern Ireland Audit Office (NIAO) reviewed the effectiveness of public transport in NI⁵⁵. It concluded:

“The significant investment prompted by the Regional Transport Strategy has transformed rail travel with passenger journeys doubling. In contrast, total bus passenger journeys (Metro and Ulsterbus combined) between 2002-03 and 2013-14 increased by 1.5 per cent (or 1 million journeys). Within this, Metro passenger journeys are up by almost a third, but Ulsterbus has suffered a 12 per cent decrease in passenger journeys. Overall passenger journeys have increased by 11 per cent but the proportion of fare paying passengers is declining. Allied to this, there has not been a modal shift of passengers from cars to public transport. Statistics show commuters are less likely to use public transport to get to and from work than a decade ago, and morning peak hour bus speeds on Belfast’s arterial routes are getting slower.”

3.97 The NIAO report shows that investment in public transport in NI is lower than in GB (Table 1). It concludes that there remains a continuing need for transport investment to ensure public transport becomes a more attractive alternative to private car travel and that DRD takes steps to develop sustainable solutions which focus on modal shifts. Consumer Council research conducted in 2008 and again in 2013⁵⁶ shows that the three factors most likely to make consumers use public transport more would be:

- Cheaper fares;
- Greater frequency; and
- A wider public transport network.

3.98 The research also found that convenience of the car was the main reason consumers did not make more use of public transport, despite a desire to. A package of measures could encourage modal shift from the car onto public transport if services are seen as being value for money, frequent and available for the journeys passengers want to make. The NIAO research report on the effectiveness of public transport found that despite a strategic commitment that public transport should service a higher proportion of journeys by providing an alternative to the private car, there has been no modal shift. Its media release stated that DRD needs to do more to attract people onto public transport and make it their choice mode of travel.

⁵⁵ DRD: the effectiveness of public transport in Northern Ireland, Northern Ireland Audit Office, April 2015.

⁵⁶ Encouraging Modal Shift, Consumer Council, 2013 <http://www.consumercouncil.org.uk/publications/ccni-consumer-views-on-encouraging-modal-shift-and-improving-public-transport/>.

3.99 Furthermore, the NIAO report recommends that the DRD takes steps to research, develop, and monitor behaviour change measures in order to encourage people to switch to public transport.

3.100 It concludes that *'attracting greater number of car users to public transport and maintaining acceptable levels of public transport passengers will require a much better understanding of demand in terms of the attitudes and behaviours of the potential passengers.'*

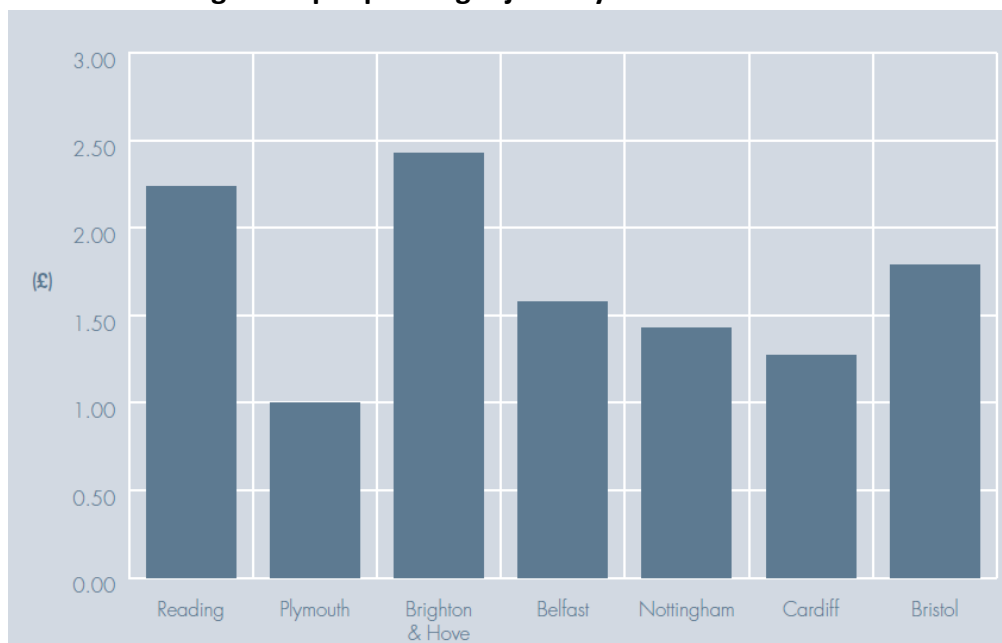
Table 18: Public Transport Expenditure per Head in NI (2004 to 2013) compared with other UK countries (Source: HM Treasury)



3.101 NIAO benchmarking found that the level of service on NI buses was comparable to that in Scotland and Wales, but worse than in England. Generally, the levels of service on Ulsterbus services were found to be much higher than in GB, but Metro services were lower. The levels of service provided by NIR were found to be comparable to the ratings for local rail operators in GB.

3.102 The NIAO report also found that bus fares on Metro services were competitive in relation to similar GB cities, and that NIR fares were lower than their GB counterparts. The report compared the average cost per passenger journey in Belfast vs six UK urban areas (Reading, Plymouth, Brighton and Hove, Nottingham, Cardiff and Bristol), and found that the cost of a journey in Belfast is relatively comparable.

Table 19: Average cost per passenger journey Belfast vs 6 UK Urban Areas⁵⁷



Passenger transport to and from NI

Air

- 3.103 Responsibility for aviation policy in the UK rests with the UK Department for Transport (DfT) and the CAA. The NI Executive has devolved powers relating to airports in terms of land use planning and airport surface access issues.
- 3.104 The current focus of UK aviation policy⁵⁸ is to improve connectivity with emerging economies such as Brazil, China, and India. This will require expanded capacity at the UK main international airports which are already completely full at peak times.
- 3.105 As NI has no land links to GB, Continental Europe or other international markets there is a need for strong air links, as alternatives such as high speed rail do not exist. These links are vital in supporting economic growth and developing tourism.
- 3.106 CAA passenger figures for NI in 2013, show that 78% of all passenger journeys are to or from other UK Airports. Flights to and from NI account for 26% of all flights within the UK, however NI's population is only 3% of the overall UK population. This high level of dependence on air travel has also been recognised by the NI Affairs

⁵⁷ NIAO and TAS Partnership.

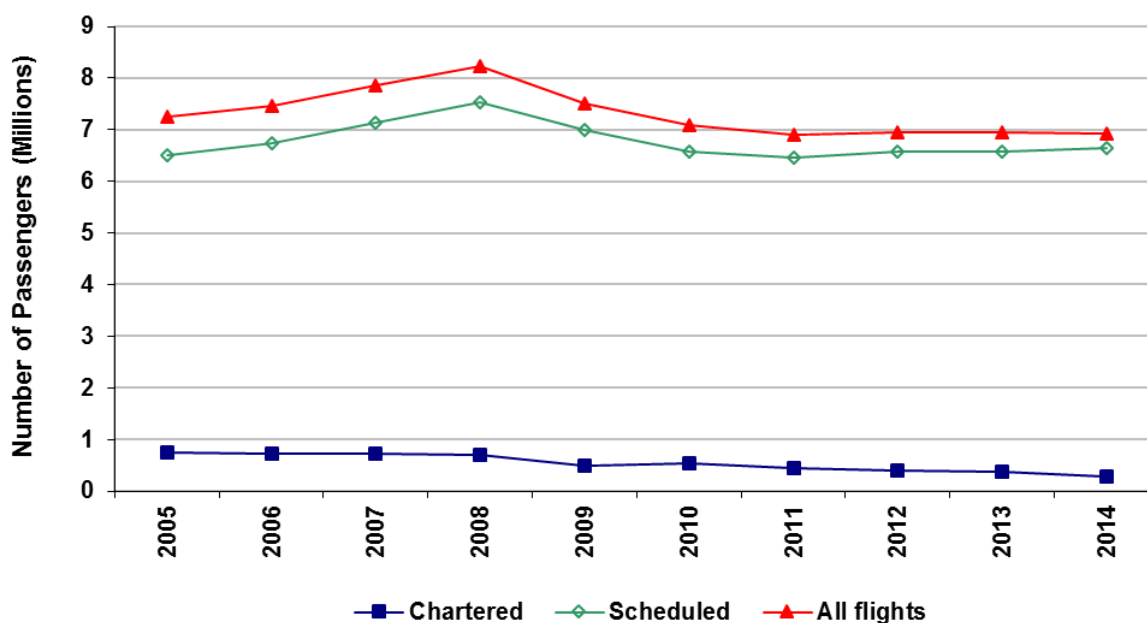
⁵⁸ Airports Commission, Interim Report, 2013

Committee⁵⁹ who in its report stated “for many people in NI travelling by air is not a luxury, but is an essential element of family and economic life.”

3.107 NI has three airports: George Best Belfast City Airport; Belfast International Airport and City of Derry Airport. Under the Airport Order 1994, the Consumer Council works with the Airports to ensure the interests of consumers are promoted and safeguarded. In addition, under EC Regulation No 1107/2006 the Consumer Council has been designated to handle passenger complaints relating to an airport in NI or a flight departing from an airport in NI by the Civil Aviation (Access to Air Travel for Disabled Persons and Persons with Reduced Mobility) Regulations 2007 (SI 2007/1895). The Regulation requires all airports and airlines in the EU to assist passengers with a disability and passengers with reduced mobility when travelling. Airlines licensed in the EU operating flights from a non- EU country into the EU must also assist passengers.

Table 20: Terminal Passengers at NI Airports 2005 to 2014 (taken from NI Transport Statistics 2014-2015)

Figure 7.1: Terminal Passengers at NI Airports: 2005 to 2014



3.108 From June 2016, the CAA intends to start charging airlines directly for Regulation 261 and Regulation 1107 complaints handled by its Passenger Advice and Complaints Team (PACT). In order to avoid this charge, airlines will need to provide access to an alternative dispute resolution (ADR) scheme for complaints that they have been unable to resolve. A further, reputational incentive to voluntarily sign up to ADR is

⁵⁹ Air Passenger Duty: Implications for Northern Ireland, The Northern Ireland Affairs Committee, 2011.

the requirement for airlines who do not agree to use ADR to inform consumers of this position in the event of an unresolved complaint. If a sufficient number of airlines sign up to ADR, the CAA will withdraw the PACT service, although it has not yet been determined whether PACT will be withdrawn before all airlines are signed up to ADR. There is therefore a risk that some passengers may not have access to mechanisms to resolve complaints that airlines do not uphold, other than resorting to court action. We will be monitoring how this develops in 2016 to see its impacts on consumers.

Sea

3.109 Ferry travel is important to consumers living in NI. It enables passengers to travel to GB and plays an important role in our economy by facilitating trade and tourism.

3.110 NI is served by Irish Sea ferries operating from the ports in Belfast, Larne and Warrenpoint. Services are operated by the Isle of Man Steam Packet Company, P&O Ferries, Sea Truck Ferries and Stena Line. A foot passenger only ferry is operated by Kintyre Express between Ballycastle and Campbeltown and Ballycastle and Port Ellen. The advent of cheap flights has seen a reduction in passenger numbers from 2.9m passengers per year in 2000⁶⁰ to 2.1m in 2014.

Table 21: Domestic Sea Passenger Irish Sea Movements 2010-2014⁶¹

		000's				
NI Port	Port	2010	2011	2012	2013	2014
Belfast	Heysham	-	9	9	7	6
Belfast	Liverpool	221	235	207	241	267
Belfast	Stranraer	1,084	992	-	-	-
Belfast	Cairnryan	-	96	1,116	1,150	1,124
Larne	Cairnryan	611	631	524	501	492
Larne	Fleetwood	51	-	-	-	-
Larne	Troon	225	208	169	180	178
Larne	Heysham	2	4	1	-	-
Warrenpoint	Heysham	8	7	7	8	7
All NI to GB Routes		2,207	2,113	2,033	2,086	2,075
Belfast	Douglas	20	17	18	18	17
Larne	Douglas	2	3	4	4	3
All NI to IOM Routes		22	20	21	21	21

3.111 Local ferry services are operated between Ballycastle and Rathlin Island by Rathlin Island Ferry Services (71k passengers per year), between Portaferry and Strangford

⁶⁰ Ferry Travel, Consumer Council, 2011.

⁶¹ Northern Ireland Transport Statistics 2014-2015, DRD, 2015.

by TransportNI (522k passengers per year), and Greencastle to Magilligan by Lough Foyle Ferry Company (c.190k passengers per year)⁶².

Table 22: Local Ferry Journeys⁶³

	2010	2011	2012-13	2013-14	2014-15
					000s
Rathlin Island Ferry	86	80	74	79	71
Strangford Lough Ferry	564	560	525	550	522
Total	650	639	599	629	623

3.112 The rights of ferry passengers are legally protected under EU Regulation No. 1177/2010 as long as:

- The journey is not for sightseeing or an excursion;
- The ship is capable of carrying more than 12 passengers;
- The ship as a crew of more than three people; and
- The service is more than 500m one-way.

3.113 The Consumer Council is the voluntary complaint handling body for maritime passengers under this Regulation. The Regulation provides passengers with rights when services are disrupted resulting in delays or cancellations. It also provides passengers with a disability, or reduced mobility, the right to special assistance.

Water and Sewerage

3.114 DRD is responsible for setting the strategy and policy framework for water and wastewater services in NI.

3.115 The water policy framework in NI is heavily influenced by EU Directives and legislation. The Water Framework Directive (WFD) is the centrepiece of EU water legislation. It provides an overarching framework for EU water policy. It recognises that water environments differ greatly across the EU and therefore does not propose any one size fits all solution, in line with the principle of subsidiarity.

3.116 The WFD is not the only piece of EU legislation on water. While it provides an overall architecture and strategic direction, there are many individual pieces of water legislation related to specific issues, such as the Nitrates Directive, the Drinking

⁶² Derry Journal, 17/11/15.

⁶³ Northern Ireland Transport Statistics 2014-2015, DRD, 2015.

Water Directive, Floods Directive and the Urban Waste Water Treatment Directive. These govern individual aspects of EU water policy. Each is transposed into NI legislation and operates cyclically similar to WFD. The measures to deliver each Directive will impact on the costs and services for consumers.

3.117 Since the beginning of water reform the Consumer Council has called for water and sewerage services that are fair, affordable and sustainable. To achieve this we need to look more broadly than just the actions of NI Water. It is agreed that a long term strategy is needed to best deliver high quality water and sewerage services to consumers, manage flood risk, improve land management, protect and improve our rivers and beaches and provide a good, clean water environment.

3.118 To bring together the large number of policies affecting water management across different government departments DRD led on the development of a Long Term Water Strategy for NI.

3.119 The Long Term Water Strategy has six aims:

- To deliver safe, secure, sustainable supplies of drinking water to households, industry and agriculture;
- To manage flood risk to facilitate social, economic and environmental development;
- To protect and improve the quality of the aquatic environment;
- To provide affordable, reliable water and sewerage services that meet customer needs;
- To ensure sustainable, secure governance, funding and regulation of the water sector; and
- To manage our inland and coastal waters to support tourism, recreation and biodiversity.

3.120 NI Water was established in 2007. It delivers clean, safe drinking water to c.818k households and businesses and supplies around 559m litres of drinking water to consumers per day. In addition, it collects c.318m litres of wastewater per day from c.663k households and businesses⁶⁴. Doing this costs around £435m per year⁶⁵.

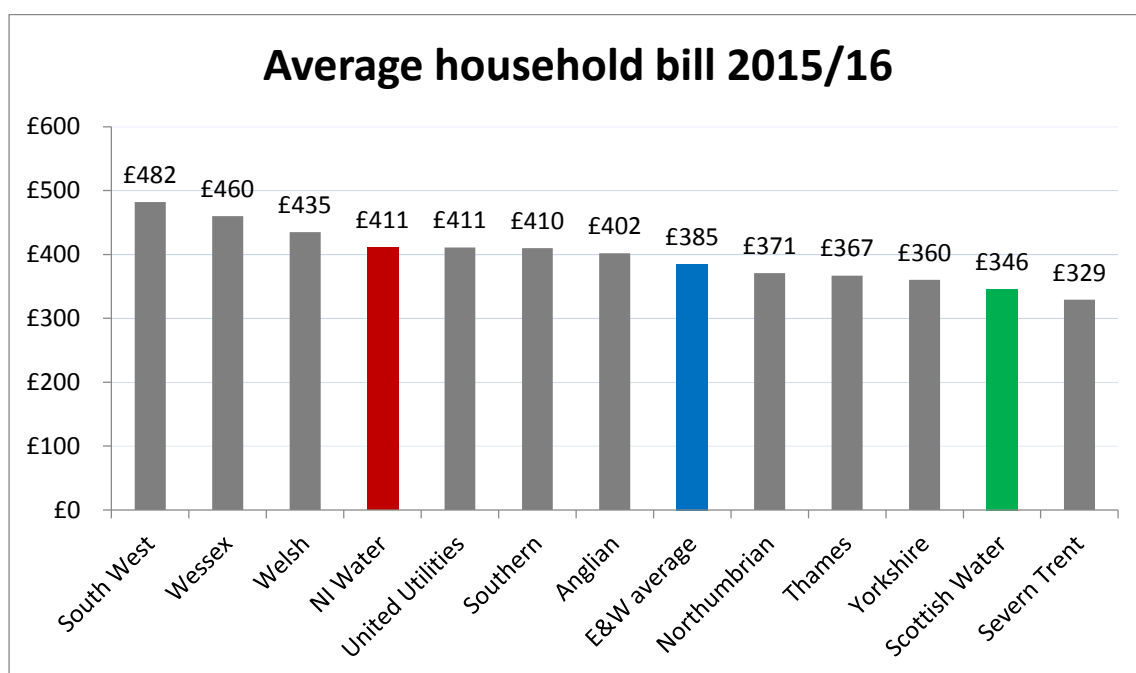
⁶⁴ Our Strategy for NI Water, Northern Ireland Water, 2014.

⁶⁵ NI Water Annual report 2014/15.

- 3.121 NI Water is a Government Owned Company (GoCo), the sole shareholder of which is DRD. The NI Executive has given a commitment that additional household water and sewerage charges will not be introduced during its current PfG (2010-16). Therefore DRD pays an annual subsidy of around £280million to NI Water on behalf of domestic consumers. Due to this level of subsidy, around 65% of its annual revenue, NI Water is also designated as a Non-Departmental Public Body (NDPB) and is subject to public sector spending rules. The NI Executive has not yet decided how household water and sewerage services will be funded beyond 2016, and will consult on future funding proposals. Non-domestic customers such as agriculture, business and industry do pay water and sewerage charges directly to NI Water.
- 3.122 NI Water is subject to economic regulation by the Utility Regulator to make sure our money is spent effectively and efficiently. Environmental regulation by the Northern Ireland Environment Agency, and the Drinking Water Inspectorate protects and regulates the quality of our drinking water. The Consumer Council, DRD and NI Water are the statutory water stakeholders.
- 3.123 To promote collective working, all statutory stakeholders are committed to the Ministerial Partnership Agreement⁶⁶. The Agreement sets out structures for co-operation, and principles for working together to achieve the agreed common objective of:
- 'Getting water and sewerage services right for today's and tomorrow's consumers and taxpayers through good governance that achieves the right balance of efficiency, fairness, affordability, sustainability, value for money and quality.'*
- 3.124 NI Water has made significant progress reducing its costs and improving its services. If household charging were introduced a notional average domestic water bill would be around £411 per year. Comparison to other GB water companies is shown below.

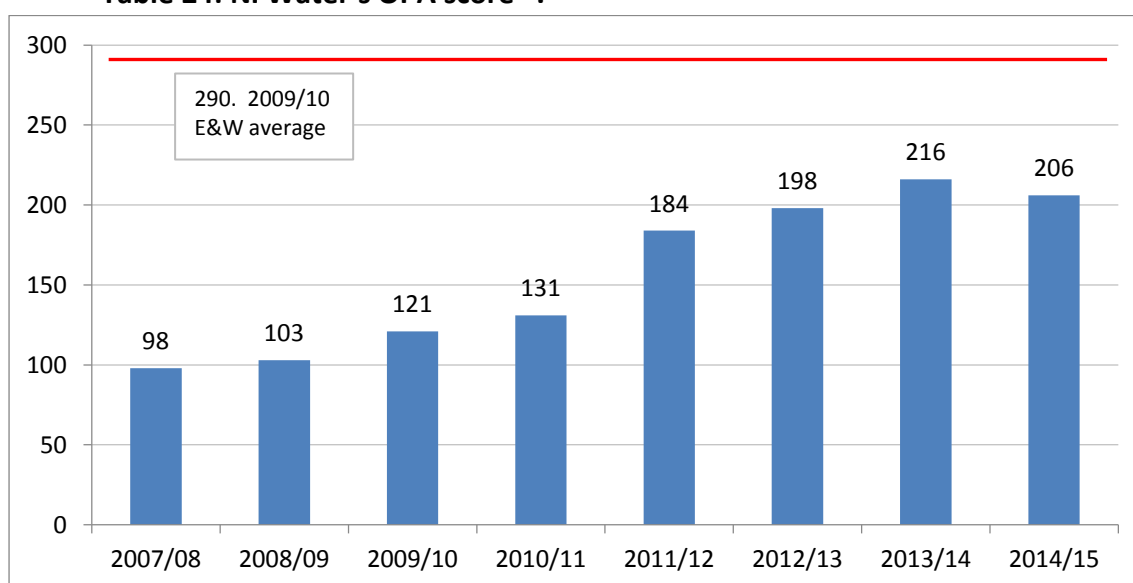
⁶⁶ <https://www.drndi.gov.uk/publications/water-stakeholders-partnership-agreement-2012>.

Table 23: Average household water bills.



3.125 To measure the overall performance of a water company the Overall Performance Assessment (OPA) is used. The OPA takes information on water, sewerage, customer service and environmental compliance, and scores the company. NI Water's OPA score against the 2009/10 England and Wales average of 290 is shown below.

Table 24: NI Water's OPA score⁶⁷.



⁶⁷ Utility Regulator's Cost and Performance report for PC13. The fall from 216 in 2013/14 to 206 in 2014/15 is due mainly to the effects of the industrial action at NI Water in January 2015.

3.126 The Consumer Council is a member of the Regional Community Resilience Group (RCRG). Established in 2013, its purpose is to bring together partner organisations under the joint chair of Local Government and Rivers Agency to develop and establish resilience in communities across NI. Flooding is the first issue being addressed by RCRG.

4. Corporate Plan

Protecting Consumers

4.1 The Consumer Council was established through the General Consumer Council (Northern Ireland) Order 1984. The Order was designed to have regard to:

- The principle that overall, consumers in NI should enjoy no less a standard of consumer protection than consumers in other parts of the UK;
- The special interest of consumers of the services provided by monopoly public utilities; and
- The desirability of devising a system which will fill any gaps in the existing arrangements and provide a consumer protection service which is cost-effective, economical, comprehensive and well-co-ordinated and to make recommendations.

4.2 Over 30 years on from the 1984 Order, the Consumer Council continues to work to bring about change to benefit NI. In undertaking this corporate plan over the next four years we will continue to provide support to consumers to deal with complaints where other avenues of redress have failed, and to provide policy-makers, service providers and regulators with a representative and authoritative view so that they can confidently develop policies that place the needs of consumers at their core.

Good Governance

4.3 Good governance is central to the development of this corporate plan. In order to do this there needs to be a clear focus on the organisation's purpose and outcomes throughout this corporate plan. The Consumer Council will base all its activities around the Nolan Principles of Public Life:

- Selflessness – We will act solely in terms of the public interest;
- Integrity – We will avoid placing ourselves under any obligation to people or organisations that might try inappropriately to influence the Consumer Council in our work;
- Objectivity – We will act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias;
- Accountability – We are accountable to the public for our decisions and actions;

- Openness – We will act and take decisions in an open and transparent manner;
- Honesty – We will be truthful; and
- Leadership – We will exhibit these principles in our own behaviour and will challenge poor behaviour wherever it occurs.

4.4 In maintaining these principles, we will work to ensure that the work we undertake is fully informed and that we are transparent in our decision making, using good quality information, advice and support. This will ensure that the Consumer Council provides consumers with a high quality service and ultimately taxpayers receive value for money.

Our Strategy

4.5 Our strategy going forward is to be an outcome driven organisation based around our principal duty of promoting and safeguarding the interests of consumers in NI.

4.6 We will take an active and planned approach to dialogue with stakeholders to ensure that our work is responsible and effective, and the role of the consumer is recognised within the NI Executive's strategic aim of developing economic activity and a shared community within NI. The Consumer Council will work to ensure the voice of the consumer is heard by decision makers.

4.7 As an advocacy organisation, we will conduct research and policy analysis to promote the interests of consumers in NI. We will look to shape debate and influence policy-makers who make decisions that will affect consumer representation and protection both now and in the future. Additionally, we will look to tackle issues of consumer exclusion for individuals who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas.

4.8 Wherever possible we will look to form meaningful partnerships with other organisations to develop a single coherent and consistent voice for consumers. We will work closely with policy-makers, service providers, and regulators to ensure the needs of consumers are fairly met.

4.9 As a consumer education and information organisation, we will look to empower consumers throughout NI of their rights, responsibilities and the opportunities available to them. This will help to ensure consumers play a positive role in shaping our society and economy.

4.10 Through our consumer redress and dispute resolution role we will work on behalf of consumers. In doing so, we will liaise directly with the company involved in an effort to achieve a fair and satisfactory resolution on complaints about energy, postal affairs, transport, water and sewerage.

Developing our Corporate Plan

4.11 In developing our corporate plan we have conducted an omnibus survey⁶⁸ with 1,000 consumers. The survey was conducted by Millward Brown Ulster in May 2015. It tested consumers' awareness of the Consumer Council. Participants were first made aware of the Consumer Council's statutory role and then asked about the priorities we should be focusing on over the next three to five years and sought ideas on how we should be communicating with them.

4.12 This survey found that the main areas consumers felt the Consumer Council should be working on during this corporate plan are as follows:

- Providing consumers with information on how to save money on bills;
- Providing a consumer redress and dispute resolution service;
- Working to ensure businesses/public service providers give a fair price to consumers;
- Working to protect consumers through statute or regulation;
- Working with businesses and public service providers to improve customer service; and
- Working to promote competitive markets.

4.13 In November 2015, we undertook a further omnibus survey⁶⁹ of 1,000 consumers and asked them which issues the Consumer Council should focus on in promoting, and safeguarding consumers. This survey highlighted:

- The cost of living;
- Utility bills;
- Consumer education;

⁶⁸ Annex 2.

⁶⁹ IBID.

- Financial services/bank accounts; and
- The digital divide⁷⁰.

4.14 These survey results were further discussed with consumers who have used our complaints handling service. These interviews explored the key issues for consumers and asked for ideas on how we should communicate with consumers about the work that we do. In addition, we have engaged fully with our board and staff, and external stakeholders⁷¹ throughout the corporate plan's development. These meetings were valuable in helping to review our current strategy and the consumer and stakeholder engagement helped us identify the priorities which will form the basis of this corporate plan.

⁷⁰ The digital divide is an economic and social inequality with regard to access to, use of, or impact of information and communication technologies (ICT).

⁷¹ Annex 3.

5. Strategic Framework and Strategy Map

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.

Objective 1:	To Empower Consumers
We will meet this objective by:	<ul style="list-style-type: none">• Providing consumers with relevant information/advice/education so that they can make informed choices on how to shop safely and save money.• Working in partnership with the advice sector in NI to provide a joined up approach to advisor training on consumer issues.• Working with universities, higher education colleges, schools, and youth organisations to develop consumer education packages.• Working in partnership with the CPP, the North/South Consumer Organisations Working Group, the Consumer Rights Initiative and other organisations to ensure consumers receive the advice they need to assert their rights through clear signposting to information, consumer protection bodies and other support.• Working with energy, postal, transport and water service providers to ensure the information they provide consumers is accurate, transparent and meets their needs, and highlight where consumer choice is inhibited by poor, misleading or unbalanced information.• Developing partnerships with the 11 new councils and libraries in NI to provide a joined up consumer information/advice/education service.• Promoting and supporting consumer switching (utilities, transport, insurance, food retailers, and banks) to encourage and develop competitive markets in NI.

Key Performance Indicators:

- To undertake consumer proficiency research 2019-2021 - shows an increase in consumer knowledge and skills from research undertaken in 2015-16.
- The development of a communication strategy to explain and raise awareness of the consumer protection framework in NI, and to provide clarity on the respective roles and responsibilities of the bodies that support this by 2017.
- To develop consumer education packages/syllabuses for higher education, schools and youth organisations during the period of this corporate plan.
- To develop memoranda of understanding with advice providers, Libraries NI and the eleven new councils by 2019.
- To see annual increases in switching levels and monitor consumer recognition of the best deal.
- To review the Consumer Council website during 2016/17 to ensure it meets the needs of consumers.

Objective 2: To Represent Consumers

The Consumer Council will speak out on behalf of consumers, ensure their interests are articulated and defended. The Consumer Council 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.

Objective 2:	To Represent Consumers
We will meet this objective by:	<ul style="list-style-type: none"> • Continuing to play a leadership role in NI consumer issues. • Developing consumer strategies for consumers who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas. • Exploring and understanding the regional differences of consumers in NI against their counterparts in GB and ROI, and highlighting areas where consumers are at a disadvantage. • Working with the CMA and FCA to ensure NI consumers are accurately and fairly reflected within their UK market reports. • Working with NI and UK regulators to ensure price control reviews and the Royal Mail’s Universal Service Obligation continues to reflect the needs of consumers, and that consumers’ bills fairly reflect service providers costs. • Understanding the impact of e-commerce/digitalization in NI on consumers. • Representing transport passengers, especially air and sea passengers who are disabled or have reduced mobility. • Ensuring consumers have convenient and reasonable access to Royal Mail’s universal postal service.
Key Performance Indicators:	<ul style="list-style-type: none"> • To work with service providers and annually benchmark their performance against other similar companies in NI, GB and ROI. • By March 2017, to develop reports into the price/accessibility/levels of service for consumers who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas, and development of action plans to highlight and overcome areas of consumer detriment. • By March 2017, to develop a report highlighting the key difference between consumers in NI and GB/ROI. • To work through the period of the corporate plan to ensure NI consumer issues are fairly reflected within CMA, FCA, Regulators’

and policy-makers' recommendations and determinations.

- To produce reports into air, sea, and public transport passenger access for passengers with a disability or reduced mobility.
- By end of 2017, to report on the impact of digitisation on consumers in NI.
- To ensure NI consumers have access to a fit for purpose universal postal service and are represented in any proposed changes to this service throughout the duration of this corporate plan.
- To work with regulatory and governmental strategic policy working groups throughout the period to 2021 to advocate for increased consumer protection/empowerment at the start of a process.
- To represent NI consumers to help ensure the I-SEM meets their needs prior to its implementation in Q4 2017.

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 NI.

Objective 3:	Protecting Consumers
We will meet this objective by:	<ul style="list-style-type: none"> • Providing a best in class consumer redress and dispute resolution service in energy, postal affairs, transport, and water and sewerage. • Working with stakeholders to ensure consumers in NI enjoy no less a standard of consumer protection than consumers in other parts of the UK. • Working with businesses/public service providers to ensure consumers receive a fair price and level of service. • Working to protect consumers through developing or enforcing statute or regulation. • Monitoring the cost of living. • Working to increase consumer trust in the markets in NI so that consumers are more informed and involved.
<p>Key Performance Indicators:</p> <ul style="list-style-type: none"> • To gain the Customer Service Excellence Award for our consumer complaints work by 2017. • To publish annual complaints reports and consumer case studies highlighting the impact of the Consumer Council’s consumer redress services. • To monitor the implementation of the Consumer Rights Act 2015 in NI throughout the corporate planning period, to ensure consumers in NI receive the same level of protection as other areas of the UK; with reports being produced in 2016-17 and 2019-20. • To work with the Utility Regulator to get the best deal for consumers during tariff (24 in total) and conveyance reviews (eight in total) and Network Price Control reviews (three in total) that will occur during the period of this corporate plan. • To monitor and report on the cost of living in NI, using a bi-annual income tracker and other indicators such as the Utility Regulator’s transparency reports. • To work with DRD and Translink to ensure passengers receive the best possible deal in terms of fare reviews and service changes before implementation, monitor consumers’ views via Passenger Charter monitoring reviews, and monitor performance against customer focused key performance objectives. 	

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.

Objective 4:	To Understand the Needs of Future Consumers and Sustainable Consumption
We will meet this objective by:	<ul style="list-style-type: none"> • Monitoring and understanding future consumer trends and emerging areas of consumer detriment. • Understanding the impact of consumers today on consumers of tomorrow. • Developing sustainable communities/consumers in NI. • Encouraging consumers to develop sustainable means of consumption. • Working to ensure that the capability gap between the prosperous and less prosperous consumer does not increase. • Working with DETI, DRD, the Utility Regulator and service providers to ensure NI’s energy and water infrastructure fairly meets the needs of future consumers.
<p>Key Performance Indicators:</p> <ul style="list-style-type: none"> • To develop a Consumer Council Strategy for Future Consumers by March 2017, that looks to encourage consumers to develop sustainable means of consumption. • To work with policy makers and regulators throughout the duration of the corporate plan to ensure policy and regulatory decisions meet the needs of future consumers. • Work with CCEA to develop Ecoworld which engages with primary and post-primary pupils on the importance of sustainable consumption by March 2017. 	

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.

Objective 5:	To Provide Value for Money and Good Governance
We will meet this objective by:	<ul style="list-style-type: none"> • Maximising our performance, impact and overall effectiveness and efficiency, both internally and externally via internal reviews and audits and implementation of agreed recommendations. • Developing annual business plans (agreed by DETI, DRD and BIS) based on this Corporate Plan utilising organisational resources to best effect and ensuring focus on value for money. • Monitoring and reporting on our performance and the impact of our work. • Reporting on our annual performance by producing an Annual Report and Accounts and laying the report before the NI Assembly and UK Parliament. • Holding an annual event with stakeholders and consumer groups profiling our work and impact. • Addressing the recommendations ensuing from the DETI review of the Consumer Council. • Updating relevant corporate governance systems and policies as necessary eg Risk Management Policy and Corporate Risk Registers. • Reviewing our ‘corporate social responsibility’ activities to ensure that they are appropriate and provide value for money.
<p>Key Performance Indicators:</p> <ul style="list-style-type: none"> • To develop a Social Impact Model for the Consumer Council by 2017. • To receive unqualified audit reports from the NIAO throughout the period of this corporate period. • To agree business plans with DETI, DRD and BIS on an annual basis. • To work towards and achieve recognised corporate standards during this corporate plan – EFQM Excellence Model, Gold Standard in Investors in People, Business in the Community Core Accreditation, Customer Service Excellence Award, ISO 31000 Risk Management. 	

6. ANNEX 1: The Consumer Council’s Statutory and Regulatory Duties and Powers

A. General Consumer Interests and Super-Complaints

The Consumer Council **shall**:

- i. Promote and safeguard the interests of consumers.

The Council **may**:

- ii. Consider any complaint made to it relating to consumer affairs and, where 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;
- iii. Carry out, or assist in the carrying out of, inquiries and research into matters relating to consumer affairs;
- iv. Promote discussion of, and the dissemination of information relating to, consumer affairs;
- v. Report to a Northern Ireland department on any matter relating to consumer affairs which is referred to the Council by that department.
- vi. Raise a super-complaint to the Competition and Market Authority⁷² if any market in the UK for goods or services is or appears to be significantly harming the interests of consumer.
- vii. Raise a super-complaint to the Financial Conduct Authority or the Payment Systems Regulator, 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.

B. Energy (Coal, Electricity and Natural Gas)

The Consumer Council **shall**:

- i. Establish a group in connection with the exercise of its functions in relation to energy.
- ii. Consult on, and publish, an energy work programme.

⁷²The Competition and Market Authority (CMA) must say publicly how it proposes to deal with it 90 days after the day on which a super-complaint is received.

- iii. Obtain and review information about consumer matters and the views of consumers.
- iv. Investigate complaints.
- v. Respond appropriately to obligations placed on energy licence holders in respect of consulting in the preparation and review of Codes of Practice, submitting an annual performance report, and meeting with the Council.
- vi. Respond appropriately to obligations placed on the Utility Regulator in respect of consulting on proposed licence modifications, on determinations, and if they propose to cancel a Generator Agreement.
- vii. Have regard to the interests of consumers who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas.

The Council **may**:

- viii. Investigate any consumer matter in relation to the supply of electricity or natural gas.
- ix. Direct the Utility Regulator or electricity/natural gas licence holders to supply information relating to the interests of consumers.
- x. Provide information about consumer matters to consumers of electricity or gas.
- xi. Publish statistical information in relation to consumer complaints.
- xii. Make reports to the Utility Regulator on consumer complaints

Through the Utility Regulator's licences to electricity and gas companies the Consumer Council has in general⁷³ the following **powers**:

- i. Licensees shall meet with the Consumer Council whenever requested to do so by it, up to a maximum of six times in every year.
- ii. Licensees shall meet the Consumer Council at least once in every year.
- iii. At least one meeting with the Consumer Council in every year, the Licensees shall be represented by one or more directors of the Licensee.
- iv. Licensees shall consult the Consumer Council and shall consider any representations made about Consumer Codes of Practice or the manner in

⁷³ Individual licences vary slightly on the exact duties of the Licensee. Further details can be found at www.uregni.gov.uk

which they are operated.

- v. The Consumer Council is to assist in resolving complaints which the Licensee has not resolved to the customer's satisfaction.
- vi. The Utility Regulator will consult the Consumer Council on issues relating to consumer protection.
- vii. The Licensee shall provide the information required on each bill or statement following consultation with the Utility Regulator and Consumer Council.
- viii. Licensees shall consult with the Consumer Council in the formulation of policies for the conduct of its business activities insofar as they may affect consumers.
- ix. Licensees shall give the Consumer Council reasonable notice of the publication, announcement or implementation of details of any significant change in any consumer policies and arrangements.
- x. Licensees shall provide the Consumer Council an explanation of any significant change or implementation of consumer policies.
- xi. Licensees shall provide an annual report on the Licensee's performance against the established consumer standards.
- xii. A licensee's terms and conditions should include details of how a consumer can contact, and the relevant address and telephone number of, the Consumer Council for further help and advice

C. Financial Services

The Consumer Council **may**:

- i. Raise a super-complaint under The Financial Services Act 2012 to the FCA where the Consumer Council considers that a feature, or a combination of features, of the market for financial services in the United Kingdom is seriously damaging the interests of consumers

D. Food

The Consumer Council **shall**:

- i. Establish a group in connection with the exercise of its functions in relation to Food.

E. Postal Affairs

The Consumer Council **shall**:

- i. Consult on, and publish, a postal services work programme.
- ii. Represent vulnerable consumers with a postal complaint.
- iii. Publish statistical information it considers appropriate relating to levels of compliance with complaint handling standards by providers or postal operators.
- iv. Respond appropriately to obligations placed on postal operators in respect of universal service provision.
- v. Respond appropriately to annual reports on loss, theft, damage or interference with mail, and measures to address shortcomings.
- vi. Scrutinise changes to post offices under the Network Transformation Programme.
- vii. Refer complaints that raise issues affecting postal consumers generally.
- viii. Have regard to the interests of consumers who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas.

The Council **may**:

- ix. Provide advice and information to Government departments; any Minister; Regulator; EU; any person with an interest in the issue about matters that are of interest to consumers in relation to postal services
- x. Make proposals to Government departments; any Minister; Regulator; EU; any person with an interest in the issue about matters that are of interests to consumers in relation to postal services
- xi. Represent the views of consumers to Government departments; any Minister; Regulator; EU; any person with an interest in the issue.
- xii. Obtain and keep under review information about consumer matters, information about the views of consumers on consumer matters, and information of such other description as may be prescribed by the Secretary of State.
- xiii. Facilitate the dissemination to consumers of advice and information about the Council and its functions in relation to consumers of postal service.
- xiv. Publish or otherwise make available information in any manner the Council thinks appropriate for the purpose of bringing it to the attention of those likely to be interested.

- xv. Investigate a complaint made by or on behalf of a consumer which appears to the Council to raise one or more issues of general relevance; any matter which appears to the Council to be, or to be related to, a problem which affects or may affect consumers generally or consumers of a particular description.
- xvi. Provide advice to a vulnerable designated consumer⁷⁴ or, if the complaint was made by another person on the designated consumer's behalf
- xvii. Make representations on behalf of a vulnerable designated consumer to the supplier about anything to which the complaint relates.
- xviii. Investigate any matter relating to the number and location of public post offices in Northern Ireland.
- xix. Prepare and publish a report in relation to any matter falling within the scope of its functions.
- xx. Prepare, publish and submit a report which has been directed by the Secretary of State, within a specified period.
- xxi. Issue advice or guidance to any person with a view to improving standards of service and promoting best practice in connection with the handling of complaints made by consumers or any other matter affecting the interests of consumers in relation to postal services.
- xxii. Publish advice or information about consumer matters if it appears to the Council that its publication would promote the interests of consumers.
- xxiii. Make arrangements to co-operate with and give assistance to any person if it considers that to do so would facilitate or be conducive to the exercise of its own functions.
- xxiv. Require Royal Mail/Post Office Ltd to supply it with any information requested.

The universal service provider (The Royal Mail) **shall** notify the Consumer Council of:

- i. The brand names of the universal service obligation products and services it provides;
- ii. The terms and conditions of those services (including prices).
- iii. Any proposed change to the information, at least one month in advance of the date on which it is to be implemented.

⁷⁴ Consumers in relation to postal services.

- iv. The latest delivery times for the UK and the specified collection times.
- v. Any changes it intends to make to its latest delivery times and its specified collection times not less than three months prior to the change being made.
- vi. Every re-classification of addresses that will result in the latest delivery time of an address becoming later and of every re-classification of access points that will result in an access point's specified collection time starting earlier, within one month of such a change.
- vii. Any statement of arrangements for premises more than 10km from access points and access arrangements for those facing mobility challenges.
- viii. Publish no later than three months from 31 March its annual UK wide performance statistics for all agreed universal service obligation products and services.

Consumer Protection Conditions

- ix. Each regulated postal operator must put in place arrangements to deal with complaints made through its complaints handling procedure in relation to any representation the Consumer Council makes on behalf of a vulnerable consumer. The regulated postal operator must take such additional steps as it considers necessary or appropriate with a view to assisting that vulnerable consumer and completing their consumer complaint in an appropriate and prompt manner.
- x. The universal service provider shall provide the Consumer Council and publish in such a manner as will ensure reasonable publicity for them, not later than two months from the end of the quarter to which they relate, with written quarterly reports which shall
 - (a) set out –
 - (i) the number of consumer complaints received during that quarter from relevant consumers which have not become completed complaints; and
 - (ii) the number of consumer complaints received during that quarter from relevant consumers which have become completed complaints.
 - (b) present the information referred to in paragraph (a) for the UK as a whole –
 - (i) broken down by no less than ten main categories of consumer complaint, and
 - (ii) showing the compensation that has been paid to relevant consumers in relation to consumer complaints that were found to be valid.

Essential Conditions

- xi. Regulated postal operators must submit to the Consumer Council annual reports not later than three months from the end of the year (being 31 March) to which those reports relate, which include:
 - a. the number of (or where precise numbers are not known, reasonable estimates of the numbers of) Code Postal Packets during the relevant year which were lost, stolen, damaged or interfered with;
 - b. details of any trends, patterns or other notable features (such as above average incident levels at certain premises) in relation to the incidence of loss or theft of, damage to, or interference with, Code Postal Packets; and
 - c. any remedial measures to achieve mail integrity objectives and reduce levels of loss, theft or damage.
- xii. Regulated postal operators must submit to the Consumer Council with each annual report, a statement of the measures that the regulated postal operator intends to take to remedy any failures or patterns of failure to achieve the Mail Integrity Objectives and to reduce the numbers of Code Postal Packets lost, stolen, damaged or interfered with.

F. Transport

The Consumer Council **shall**:

- i. Consider and, where it appears to it to be desirable, make recommendations with respect to any matter affecting road or railway passenger transport services and facilities in Northern Ireland and services and facilities provided for passengers travelling to and from Northern Ireland.
- ii. Establish a group in connection with the exercise of its functions in relation to transport.
- iii. Consult on, and publish, a transport work programme.
- iv. Consider and (if desirable) make recommendations about any matter affecting passenger transport services to, from or within Northern Ireland.
- v. Investigate complaints under Regulation (EC) No. 1107/2006 covering access to air travel by disabled people and people with reduced mobility.
- vi. Investigate complaints under Maritime Passenger EU Regulation 1177 concerning the rights of passengers when travelling by sea and inland waterways.

- vii. Make arrangements with DRD to agree cooperation and the exchange of information, and the consistent treatment of transport matters affecting both organisations, set out in a memorandum that is laid in the Assembly.
- viii. Respond appropriately to consultation by DRD on proposals to grant a bus service.
- ix. Respond appropriately to consultation by DoE on proposals regarding taxis.
- x. Respond appropriately to consultation by airports on proposals affecting users.

The Consumer Council has the following **powers** in relation to Transport:

- Airport operators in Northern Ireland shall consult the Consumer Council on any matter concerning the management or administration of the airport which affects consumers.
- DoE shall take into consideration any recommendation in relation to taxis made by the Consumer Council.
- DoE before publishing any information in regards to taxis should consult the Consumer Council.

G. Water and Sewerage

The Consumer Council **shall**:

- i. Establish a group in connection with the exercise of its functions in relation to water and sewerage.
- ii. Consult on, and publish, a water work programme.
- iii. Obtain information about consumer matters and the views of consumers.
- iv. Investigate complaints.
- v. Respond appropriately to obligations placed on the licence holder (NI Water) in respect of consulting on any significant change to policy or practice affecting customers, consulting on the development of customer Codes of Practice, and meeting with the Council.
- vi. Have regard to the interests of consumers who are disabled or chronically sick, of pensionable age, with low incomes, or reside in rural areas.

The Council **may**:

- vii. Make proposals, or provide advice and information, about consumer matters; and

represent the views of consumers on such matters, to public authorities, companies (NI Water) and other persons whose activities may affect the interests of consumers.

- viii. Provide information to consumers about consumer matters in such form as appears to the Council to be most useful to the recipients. This power may be exercised by publishing information in any manner the Council thinks appropriate for the purpose of bringing it to the attention of those likely to be interested; or furnishing information to any consumer (whether in response to a request or otherwise).
- ix. Publish any advice and information about consumer matters (including information about the views of consumers on such matters) that would promote the interests of consumers.
- x. Direct the Utility Regulator; or NI Water to supply to it with information that it may require for the purpose of exercising its consumer functions.
- xi. After investigating a complaint make a report to the Utility Regulator or DRD.
- xii. Investigate any matter which appears to it to be a matter relating to the interests of consumers, and make a report to the Utility Regulator, DRD, the Competition and Markets Authority or any other relevant public body.

Through the Utility Regulator's licences to NI Water the Consumer Council has in general the following powers:

- xiii. The Licensee shall consult with the Consumer Council on its Code of Practice and complaints handling procedures.
- xiv. The Licensee shall consult with the Consumer Council in relation to its policies for the conduct of its business activities relating to the supply of water and the provision of sewerage services.

7. ANNEX 2: CONSUMER SURVEY

A survey was conducted in May 2015 with 1,000 consumers.

The questions asked and the responses gained were as follows:

Question 1: How consumers would like us to engage with them:

1. Local TV/Radio - 33%
2. Facebook/Twitter - 25%
3. NI Daily Newspapers - 16%
4. Consumer Council Website - 15%
5. Local Weekly Newspapers - 14%

Question 2: The priorities for the Consumer Council over the next three to five years

1. Advising consumers on water/energy efficiency to save money on bills - 18%
2. Complaint handling re energy, water, food, transport and postal services -15%
3. Ensuring companies/providers give fair price to consumers - 11%
4. Protection of consumer through rules/regulations - 10%
5. Helping businesses improve customer service – 7%
6. Promote competitive markets - 7%

Question 3: Ways that the Consumer Council can help consumers

1. Educating consumers in how to shop around for best deal - 32%
2. Listen to consumers and stay alert to emerging issues and trends - 27%
3. Maintain a high level of quality in handling complaints - 24%
4. Work in partnership with other organisations to get the best outcome for consumers in relation to price, customer service and complaint handling - 22%
5. Encouraging traders, providers and government to be open and transparent - 21%
6. Ensure an effective, efficient service with value for (taxpayers') money – 21%

8. ANNEX 3: External Stakeholders Consulted

Name	Role	Organisation
Brian Ambrose	CEO	Belfast City Airport
Treasa Anderson	Segment Marketing Manager	Bank of Ireland
Nisha Arora	Director	CMA
Pat Austin	Director	NEA
Ivan Bell	Director	Phoenix Natural Gas
Alex Boyle	Principle Officer Road Safety Branch	DOE
Nigel Brady	Director	Bryson Energy
Oliver Butler	Regulation Manager	Royal Mail
Carolyn Brown	Northern Ireland Policy Manager	Federation of Small Businesses
Linda Brown	Director	IoD
Mary Buffee	Head of Consumer Affairs	LINK
Pól Callaghan	Operations Director	Citizens Advice
Brian Carlin	Director of Commercial Development	Belfast International Airport
Paul Carlisle	Committee Clerk	Regional Development Committee
David Cartmill	CEO	Chief Executives Forum
Trevor Clarke MLA	Chair	Regional Development Committee
Colin Clements	Senior Drinking Water Inspector	Drinking Water Inspectorate
Philippa Cook	Team Outreach	Financial Ombudsman Service
Aodhán Connolly	Director	NIRC

Chris Conway	Group Chief Executive	Translink
Martin Coppack	Head of Consumer Engagement	FCA
Rob Cope	Clerk	NI Affairs Committee
Fergus Cooper	Head of Country	Save the Children
Trevor Cooper	Head of Finance	DETI
Meabh Cormacain	Policy and Communications Co-ordinator	NIRIG
John Cunningham	Operations and Marketing Manager	Electric Ireland
Holly de Winne Webb	Billing Manager	Firmus Energy
Nicola Deaney	General Manager	Open Electric
Maureen Delaney	Customer Relations Manager	Power NI
Peter Dixon	Chairman	Phoenix Energy Holdings
Kevin Doherty	CEO	Disability Action
Sean Doolin	Regulation Manager	Electric Ireland
Richard Donnan	Managing Director	Ulster Bank
Ciaran Doran	Director of Operations for Transport	DRD
Anne Marie Duffy	Consumer Support Manager	Firmus Energy
Mark Ennis	Chairman of SSE (Ireland) and Chairman of Invest NI	SSE and InvestNI
Dr Sinead Furry	Lecturer in Consumer Studies	Ulster University
Mark Gibson	Senior Stakeholder Manager	Post Office Limited
Jenny Hall	Regulation Manager	Royal Mail
Fiona Hannon	Head of Regulation	SSE Airtricity
Alistair Hamilton	CEO	InvestNI
Andrew Hamilton	Permanent Secretary	DSD
Rod Haskins	Operations Director	Belfast International Airport

Roger Henderson	Director	NIE Networks
Jed Hodgson	Manager, Partnership and Intelligence Gathering	FCA
Maeve Hully	Chief Executive	Client and Patient Council
Janet Hunter	CEO	Housing Rights Association
Maria Jennings	Director	Food Standards Agency NI
Sean Johnson	Principle Officer Transport Projects	DRD
Glenn Jordan	Director	Law Centre NI
Stephen Kelly	CEO	Manufacturing NI
Graham Keddie	Managing Director	Belfast International Airport
Jackie Kerr	Director	DETI
David Keys	Customer Relations Manager	NIE
Professor Christine Liddell	Professor of Psychology and Distinguished Community Fellow	Ulster University
Paddy Larkin	Managing Director	Mutual Energy
Simon Little	Dansk Bank	Corporate Affairs Manager
David Livingstone	Head of Service	Northern Ireland Trading Standards Service
Trevor Lunn MLA	MLA	Alliance Party
Eddie Lynch	CEO	Age Sector Platform
Sean Lynch MLA	Deputy Chair	Regional Development Committee
Chris Lyttle MLA	Deputy OFMDFM Chair	Alliance Party
Linda MacHugh	Director, Water Policy and Sewerage	DRD
Sean McAleese	Customer Service Delivery Director	NI Water
Seamus McAleavey	CEO	NICVA

Eleanor McEvoy	Chief Executive	Budget Energy
Duncan McCombie	Director	EST
Andrew McCormick	Permanent Secretary	DETI
John McCormick	Communications Manager	CarersNI
Robin McCormick	Managing Director	SONI
Peter McClenaghan	Regulation Manager	Firmus Energy
Stephen McCully	Managing Director	Power NI
Oliver McHugh	Fuel Poverty Coordinator	DSD
Professor Neill Gibson	Director of the Economic Policy Centre	Ulster University
Dan McGinn	Corporate Affairs and Communications Manager NI	Ulster Bank
Pasty McGlone MLA	MLA and Chair of the ETI Committee	SDLP
Angela McGowan	Chief Economist	Danske Bank
John McGrath	Deputy	DRD
John McGrillen	CEO	Tourism Northern Ireland
Jonathan McKee	Director of Business Development	Rivers Agency
Heather McKee	Community Planning Manager	Down, Newry, Mourne Council
Pauline McKiernan	Sustainability and Community Affairs Manager	Ulster Bank
Michael McKinstry	Managing Director	Phoenix Natural Gas
John McMullan	CEO	Bryson Charitable Trust
Jannie Maher	Northern Ireland Manager	Money Advice Service
Stephen Martin	Head of Department	
Niall Martindale	Business Planning and Regulatory Affairs Manager	Phoenix Natural Gas
Peter May	Permanent Secretary	DRD

Ian Maxwell	Information Manager, Water Policy and Sewerage	DRD
John Mills	Head of Energy Division	DETI
Liz Mitchell	Director of Development and Capacity Building	Institute for Public Health in Ireland
Professor Wilfred Mitchell	Director	Federation of Small Businesses
Liam Mulholland	Head of Customer Services	NI Water
Andrew Murray	Head of Transport NI	DRD
Marc Norris	Director	Open Electric
Steven Nyquist	Service Delivery Manager, Account Services	NI Water
David O'Neill	Senior Drinking Water Inspector	Drinking Water Inspectorate
Roger Pollen	Head of External Affairs NI	Federation of Small Businesses
Jenny Pyper	CEO	Utility Regulator
Tom Reid	Director of Policy	DRD
Carol Rice	Consumer Protection Partnership	BIS
Glynn Roberts	Chief Executive	NIIRTA
Linda Robinson	Chief Executive	AgeNI
Richard Rodgers	Board Member	Utility Regulator
Ciaran Rogan	Marketing Executive	Translink
Eugene Rooney	Deputy Permanent Secretary	DETI
Jonathan Rose	Director	Ofcom
Paul Stapleton	General Manager	Electric Ireland

Michael Scott	Managing Director	Firmus Energy
Kevin Shiels	Director	Utility Regulator
John Simms	Principle Officer Air Access and Agri Foods	DETI
William Steel	Regulation Manager	Power NI
David Strachan	CEO	Translink
Bob Stronge	CEO	Advice NI
Nicholas Tarrant	CEO	NIE
Morag Turnbull	Deputy Director of Communications	Royal Mail
Patrick Thompson	Head of NI Energy Saving Trust	EST
Dr Daniel Vandenburg	Consumer Intelligence Analyst for the Consumer Protection Partnership	Citizens Advice
Sara Venning	CEO	Northern Ireland Water
Caroline Wayman	Chief Ombudsman & Chief Executive	Financial Ombudsman Service
Laura Whiskerd	Senior Associate	FCA
Sharleen Winning	Customer Manager	Firmus Energy
Susanne Wylie	Chief Executive	Belfast City Council

9. ANNEX 4: Acronyms

ADR	Alternative Dispute Resolution
BIS	Department for Business, Innovation and Skills
CAA	Civil Aviation Authority
CABNI	Citizens Advice Bureaux Northern Ireland
CCEA	Council for the Curriculum, Examinations and Assessment
CfD	Contract for Difference
CMA	Competition and Markets Authority
CPP	Consumer Protection Partnership
CRINI	Consumer Rights Initiative Northern Ireland
DETI	Department of Enterprise, Trade and Investment
DFP	Department of Finance and Personnel
DFT	Department for Transport
DRD	Department for Regional Development
DSD	Department for Social Development
EU	European Union
EC	European Commission
FAST	Families and Schools Together
FCA	Financial Conduct Authority
FOS	Financial Ombudsman Services
FSA	Food Standards Agency
FWP	Forward Work Programme
GDP	Gross Domestic Product
GoCo	Government Owned Company
HCS	House Conditions Survey
I-SEM	Integrated Single Electricity Market
LINK	UK's cash machine (ATM) network
NDPB	Non Departmental Public Body
NIAO	Northern Ireland Audit Office
NICVA	Northern Ireland Council for Voluntary Action
NIEN	Northern Ireland Electricity Networks
NITHC	Northern Ireland Transport Holding Company
NIOF	Northern Ireland Oil Federation
NIR	Northern Ireland Railways
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
OFT	Office of Fair Trading
OPA	Overall Performance Assessment
PC	Price Control
PfG	Programme for Government
POL	Post Office Limited
PSNI	Police Service of Northern Ireland
PSR	Payments Systems Regulator

PwC	PricewaterhouseCoopers
RTS	Regional Transport Strategy
SEF	Strategic Energy Framework
SEM	Single Electricity Market
SSE	Scottish and Southern Energy
UR	The Utility Regulator
WFD	Water Framework Directive
WRAP	Waste and Resources Action Programme