



**Citizens Advice: Protecting consumers in a changing world: The Citizens Advice draft consumer work plan 2018-19.**

**Contact: Kellin McCloskey**

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## **1. Who we are and what we do?**

- 1.1 The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland (NI).
- 1.2 The Consumer Council has specific statutory duties in relation to energy, postal services, transport, and water and sewerage. These include considering consumer complaints and enquiries, carrying out research and educating and informing consumers.

## **2 The Citizens Advice draft consumer work plan 2017/18**

- 2.1 The Consumer Council is pleased to be able to offer comments on Citizens Advice draft consumer work plan 2018-19. We believe the draft consumer work plan demonstrates a comprehensive approach with exceptional clarity of purpose.
- 2.2 There is much symmetry between the work of Citizens Advice and that of The Consumer Council. The Consumer Council would hope to build on the positive relationship with Citizens Advice in a bid to protect consumers in a changing world across the UK.
- 2.3 We have taken the opportunity to respond to this consultation by sector.

### 3 Post

#### **Securing the Brexit deal for consumers**

- 3.1 The Consumer Council welcome's Citizens Advice focus on Brexit. It is aware that Brexit is likely to have a significant impact on the postal and parcel industry. In particular, in NI our unique location means it is the only part of the UK to share a land border with another European country. Therefore, cross-border post, as outlined in our Border Post report<sup>1</sup>, is a key area of importance for NI consumers. The Consumer Council will share intelligence and undertake joint advocacy to ensure that all UK postal consumers' voices are heard during this important time.

#### **Understand the impact of potential changes to the Universal Service Obligation**

- 3.2 The Consumer Council welcomes Citizens Advice planned work to raise the impact and inform UK policy makers in their future approach to the Universal Service Obligation.
- 3.3 Royal Mail reports that the letters market fell in 2011-12 from 7.137 billion items posted annually to 4.578 billion items in 2016-17<sup>2</sup>. Despite this, access to universal postal services for NI consumers remains vitally important. Research<sup>3</sup> by The Consumer Council shows that almost one in three NI businesses believe their business could not survive without its postal service. Also the significant

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<sup>1</sup> [Border Post – A report on cross border mail delivery \(Nov 2017\)](#)

<sup>2</sup> [https://www.ofcom.org.uk/postal-services/information-for-the-postal-industry/monitoring\\_reports/interactive-data-2016-2017](https://www.ofcom.org.uk/postal-services/information-for-the-postal-industry/monitoring_reports/interactive-data-2016-2017)

<sup>3</sup> [The Consumer Council, Vulnerable Postal Consumer Report 2017-18](#)

majority of NI businesses that send letters (87%) use Royal Mail Universal Postal Services, and, for those that send parcels, again Royal Mail Universal Postal Services are the preferred service (72%).

- 3.4 The Consumer Council recognises the importance of the Universal Service Obligation and has committed to undertaking work in this area during 2018-19. We very much look forward to working closely with Citizens advice on this project to avoid duplication of work and better understand how any potential changes in Universal Service Obligation may impact consumers across the UK.

**Push for a parcel market the works for consumers**

- 3.5 We welcome Citizens Advice work on the parcel market, particularly the focus on the C2X parcel market. This is an important and growing market, which is seeing signs of increasing new entrants. With these changes come new challenges for consumers. The Consumer Council is not undertaking work in this area, but it is happy to support this important project and provide any input were you may feel it would be useful.

**Ensure consumers have access to redress, resolution and automatic compensation**

- 3.6 Information around complaint volumes are limited and for consumers the postal complaints landscape is complicated. In the year ahead we look forward to working with Citizen Advice and Citizens Advice Scotland to explore whether existing requirements

on postal services providers to publish data on the volume and nature of the consumer complaint they receive is sufficient. We also want to better understand consumers' perceptions, experiences and satisfaction of the processes involved with making postal complaints are reasonable in today's changing postal market.

### **Ensure consumers can effectively opt-out of marketing mail**

- 3.7 The Consumer Council welcomes the work Citizens Advice is proposing in this area, as some consumers can be dissatisfied with the level of marketing mail they receive. We therefore support this important project and are happy to provide any assistance as required from a NI perspective.

### **Ensuring consumer access to high quality Post Office network**

- 3.8 With the imminent conclusion of the Network Transformation Programme in March 2018, much focus must be placed on securing access to the post office network. For the network to be sustainable it must continue to meet the needs of the consumers it serves. With the absence of public data on consumer experience at post office branches, we welcome the work of Citizens Advice, and would be keen to provide assistance to this important piece of work.

### **Ensure vulnerable people are not disadvantaged when accessing post offices or receiving post**

- 3.9 The postal services continue to play an essential service for consumers particularly those with a disability, older consumers, low income consumers and those living in rural areas. The Consumer Council research<sup>4</sup> has found that receiving mail is still important for older consumers (92%, n = 243), low income consumers (88%, n = 287), those with disabilities (92%, n = 151) and those living in rural areas (88%, n = 258).
- 3.10 The Consumer Council is committed to working with stakeholders locally to explore how best consumers with learning difficulties can access and utilise the postal system using methods such as a JAM (Just a Minute) card<sup>5</sup>. We therefore welcome the work by Citizens Advice at exploring ways vulnerable consumers can access post office and postal services and is happy to work closely on this project to avoid any duplication of work and provide support or shared learning on this important area.

### **Ensure access to post for those with no permanent address**

- 3.11 The Consumer Council welcome Citizens Advices work in this important area particularly with the volumes of homeless people across the UK. We look forward to seeing the results of this work as the project progresses and how this might area could impact consumers in NI.

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<sup>4</sup> [The Consumer Council, Vulnerable Postal Consumer Report 2017-18](#)

<sup>5</sup> <https://www.nowgroup.org/jamcard>

## **Increase the uptake of Freepost**

3.12 The Consumer Council welcome Citizens Advices work in this important area. We look forward to seeing the results of this work as the project progresses and how this might area could impact consumers in NI.

## **4 Energy**

4.1 The Consumer Council welcome the comprehensive programme of activity on energy issues that is contained in the draft consumer work plan. Despite being a far smaller market, energy consumers in NI face many of the same issues as those in GB and both organisations can benefit consumers by learning from each other.

4.2 During 2017, we were fortunate to be able to meet with Citizens Advice staff and share knowledge and experience on energy issues, particularly on the issue of Price Caps. In GB the challenge is to ensure measures are in place to protect consumers, whilst in NI we are focusing on maintaining the price protection we already have. We look forward to continuing to work with Citizens Advice on this issue during 2018-19.

4.3 How energy is generated and consumed is developing fast. The Consumer Council welcomes the focus the work plan places on innovation and the potential benefit and detriment for consumers. NI has not yet embarked on a Smart Meter Programme and is adopting a 'wait and see' approach. We look forward to seeing the results of the research into this area and would welcome the

opportunity to learn from other research on new energy products and services.

4.4 We note that in the coming year, Ofgem will be deciding on network costs. Over the last two years, three network price controls and one System Operator price control have been determined by the Utility Regulator in NI. Two of these were appealed to the Competition and Market Authority (CMA). The Consumer Council represented consumers at each of the price controls and gave oral evidence to the CMA on one of the appeals. We would welcome the opportunity to mutually share knowledge on this issue with the Citizens Advice in GB.

4.5 With regard to switching energy supplier, consumers in NI share many characteristics with those in GB. The Consumer Council runs a campaign called 'Switch & Save' and we have an independent price comparison tool. We believe that independent and impartial price comparison tools that show the whole of the market are a powerful catalyst for switching. We support all the work Citizens Advice do in promoting switching and would welcome the opportunity to share experience and best practice.

4.6 We note the important work that Citizens Advice plans to do to protect and empower vulnerable consumers. In NI almost half of all natural gas and electricity consumers use prepayment meters. The Consumer Council intends carrying out research into this consumer



group during 2018-19 and would be happy to share this and other information with Citizens Advice.

## **5 Contact details**

- 5.1 If you wish to discuss any aspect of this response please contact Kellin McCloskey on 028 9025 1637 or by email on [kellin.mccloskey@consumercouncil.org.uk](mailto:kellin.mccloskey@consumercouncil.org.uk);



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