



Draft Forward Work Programme 2016/2017

**The Consumer Council business plan for
the first year of our Corporate Strategy
2015-2021**

1. Introduction

- 1.1 The Energy (Northern Ireland) Order 2003, the Water and Sewerage Service (Northern Ireland) Order 2006 and 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 requires the Consumer Council to publish a Forward Work Programme (FWP) each year.
- 1.2 The legislation sets out that, "*The Council shall, before each financial year, publish a document (the "forward work programme") containing a general description of the projects which it plans to undertake during the year in the exercise of its relevant functions (other than projects comprising routine activities in the exercise of those functions).*"
- 1.3 This draft FWP lists the projects that we propose to do during 2016-2017 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.
- 1.4 The majority of the projects are major pieces of work which will span the business planning year. Comments or observations on the timing of projects are also welcome.
- 1.5 Comments should be sent to us by 17 March 2016 at the latest to keelin.kelly@consumercouncil.org.uk. Alternatively you can respond via <https://www.surveymonkey.co.uk/r/FFNFCL2>.
- 1.6 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 FWP. Please let us know before 2 March 2016 if you wish to attend.
- 1.7 A paper copy of the draft FWP 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

- 1.8 After reviewing consultation responses, we will publish, subject to final approval by the Department of Enterprise, Trade and Investment, a final FWP by 31 March 2016. 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 Who we are

2.1 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.

2.2 Our main statutory functions are to:

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

2.3 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:

- Who are disabled or chronically sick;
- Of pensionable age;

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.

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.

- With low incomes; or
 - Who reside in rural areas.
- 2.4 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.
- 2.5 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.
- 2.6 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 (UR) to a gas or electricity Company's licence is detrimental to the interests of consumers.
- 2.7 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.
- 2.8 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).

3 What we do

3.1 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

3.2 Consumer advocacy is 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 them. We will use our expertise, knowledge and insight to advise others, including government, on how consumer focused policies can work for the benefit of society, businesses and the UK economy. We will challenge current and proposed policies that unnecessarily restrict or impede consumer choice and we will work with government, regulators and business to help them to understand the benefits of doing so.

3.3 Our advocacy work has three main areas of focus:

- proactive advocacy on substantive issues which could improve how policy/markets function for the benefit of both current and future consumers;
- reactive advocacy, responding to requests for assistance on consumer related policy issues; and
- enhancing the capacity of business, regulators, government departments, and other organisations to design policies that identify and address the consumer rights issues in areas that they oversee.

Consumer Redress

3.4 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.

Consumer Empowerment

- 3.5 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. Confident consumers who feel empowered to make good choices, will 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.
- 3.6 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. 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).
- 3.7 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.

Our Purpose, Vision and Values

Our Mission:

3.8 We are committed to promoting and safeguarding the interests of consumers in Northern Ireland by empowering them and providing a strong representative voice to policy-makers, regulators and service providers.

Our Values:

- Ambition – We seek to deliver the best possible deal for consumers in Northern Ireland;
- Excellence – We will ensure our work is robust and considered, and bears comparison with the best;
- Commitment – We will provide consumers in Northern Ireland 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 seek to be trustworthy and trusted; and
- Objectivity – We will base our conclusions in evidence.

How we work

3.9 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.

3.10 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 Northern Ireland.

Consumer Principles

3.11 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.

3.12 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.

3.13 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

- 3.14 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.
- 3.15 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.
- 3.16 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.
- 3.17 The Utility Regulator’s licences for energy and water companies in Northern Ireland also use the term ‘customer’. Whilst in common English language use, these terms may be 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.
- 3.18 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.

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

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

4. Ministerial Review of the Consumer Council

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

4.2 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 Council must be focused on issues which are of regional significance to Northern Ireland;
- 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 Northern Ireland, 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.

5. The context for this business plan

5.1 In this section we briefly identify the situation at the time of developing this business plan.

Programme for Government

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

5.3 We recognise that this Forward Work Programme is being prepared in advance of a budget or PfG being agreed for the period covered, and that it may be subject to change as a result.

Key external developments during 2015-16

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

5.5 In December 2015, the Northern Ireland Statistics and Research Agency (NISRA) released a report on the Structure of the Northern Ireland Economy⁸. 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

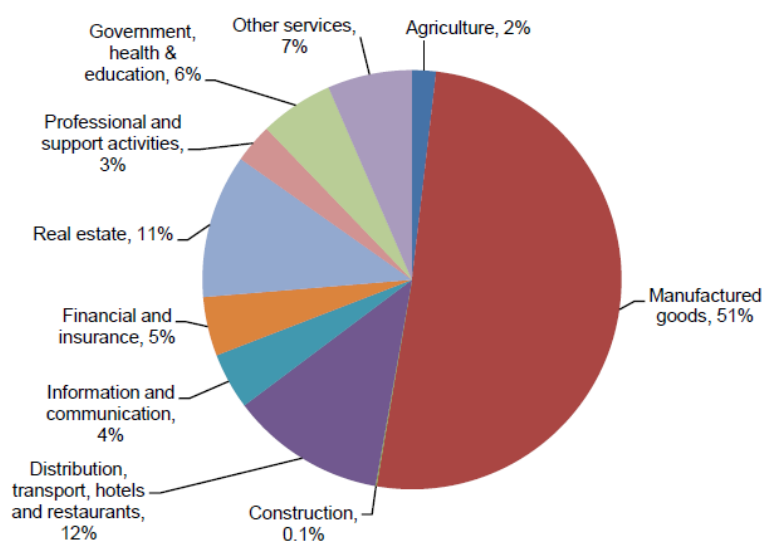
⁸ Structure of the NI Economy, NISRA, December 2015

<https://www.detini.gov.uk/sites/default/files/publications/deti/Structure-of-the-NI-Economy-2012.pdf>

- “External sales” including exports and sales to customers in Great Britain (GB) accounted for 30% of NI Final Demand.

5.6 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.

5.7 The makeup of this household spend is as follows:



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

- 5.8 The NISRA report highlights the importance of local domestic consumption of goods and services to the Northern Ireland economy. The role of 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 Northern Ireland.
- 5.9 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.
- 5.10 BIS estimates that the overall level of consumer detriment, as reported by consumers, in 2014 is estimated to be £4.15 billion per year in the United Kingdom⁹. These estimates exclude detriment of which consumers are not yet aware, for instance mis-selling.
- 5.11 Northern Ireland 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 population¹⁰.
- 5.12 The Consumer Council, and other agencies such as the Northern Ireland Trading Standards Service (NITSS) have a vital role in minimising this detriment by empowering, protecting consumers, and promoting their rights.
- 5.13 In October 2015, the Consumer Rights Act came into force. It represents a significant overhaul and strengthening of consumer rights and seeks to simplify, strengthen and modernise UK consumer law. The act consolidates three pieces of existing consumer legislation - the Sale of Goods Act, Unfair Terms in Consumer Contracts Regulations and the Supply of Goods and Services Act. The Act 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.

⁹ Consumer Engagement and Detriment Survey 2014, BIS.

¹⁰ Approximately £180pa per household in Northern Ireland.

- 5.14 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.
- 5.15 As part of these reforms the UK Government through BIS set up the Consumer Protection Partnership (CPP) to create a joined-up approach amongst UK consumer bodies.
- 5.16 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.
- 5.17 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), NITSS, 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.
- 5.18 In October 2015, with the support of CollaborationNI, the Consumer Council developed with Advice NI, Citizens Advice Bureau Northern Ireland, 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 Northern Ireland 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.

- 5.19 The Consumer Council also works closely with both DETI's Consumer Affairs team, the NITSS and NI Direct's Consumerline 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 NITSS provide complaints services in relation to goods and services, including scams.
- 5.20 The continued move towards digitalisation in retailing, banking, and government/public service provision will mean some consumers, especially older and low income groups will need continued advice and support to raise e-consumer skills and awareness on issues such as shopping safely and avoiding scams. We will continue to deliver this work with key partners including Digital Inclusion Unit (DFP), NITSS and the Police Service of Northern Ireland (PSNI) and through specific information campaigns and outreach work.
- 5.21 In May 2015, the Consumer Council contacted a number of youth organisations with a view to working together to increase young consumers' awareness about their consumer rights and responsibilities under the new Consumer Rights Act 2015, with a particular focus on the laws covering digital content. The first organisation to come back to us was Girlguiding Ulster. After a positive meeting it was agreed we would work in partnership to develop a resource that Group Leaders could deliver over the course of two-sessions to educate and inform Girl Guides aged 10-14. After completing the two-sessions, participants will receive a Guided Consumer badge and certificate. There are 160 Girlguiding units in NI and the project will reach approximately 2,700 young consumers.

Energy

- 5.22 The dominant issue for energy consumers in Northern Ireland in 2015 was the impact on their bills, with the continuing fall in wholesale energy costs across all the main fuels. The 68% of households that continue to use home heating oil saw their bills drop by 34%, whilst electricity dropped by 9% and natural gas dropped by 19%. Whilst this is a good news story the question lingers why the regulated fuels do not seem to reflect the falls in wholesale prices as closely as oil does.
- 5.23 Furthermore, the relatively high price of electricity for large Industrial and Commercial users remains a concern. The UR has sought to address this issue on an island wide basis with a welcome reduction in the SEM capacity pot.
- 5.24 DETI Minister, Jonathan Bell formed the Energy and Manufacturing Advisory Group to review the evidence on the effect of energy costs on the competitiveness of manufacturing industry in Northern Ireland, and identify effective policies, strategies and examples of industry good practice (locally and internationally) in reducing energy costs for manufacturing industry. It will be important that the group makes

proposals that not only benefit industry but do not have unintended consequences for domestic customers, especially as fuel poverty levels remain stubbornly high at 42% of households.

- 5.25 At the EU level, the integration of gas and electricity markets to help promote competition remains top of the agenda. To meet the requirement to comply with the EU target model, UR is aiming to deliver the new wholesale electricity market, the I-SEM, on the island of Ireland by the end of 2017. The Consumer Council will be working with them to ensure these reforms benefit NI domestic and business customers.
- 5.26 The energy market in Great Britain was referred to the CMA, by Ofgem, for a full investigation in June 2014. Since then, the CMA has published its provisional findings in July 2015, with a final report expected in April 2016. Given UR's ongoing review of the retail energy market in Northern Ireland, the Consumer Council will monitor the findings that emerge from the CMA inquiry, to see if anything can be learnt to benefit consumers in Northern Ireland.
- 5.27 Two new electricity suppliers¹¹ entered the market in 2015, and new products, tariffs and offers extended choice for consumers with savings of over £100 per year available at one point to some domestic electricity consumers¹². The Consumer Council continued its 'Switch & Save' campaign to raise consumers' awareness of the benefits of shopping around for all domestic fuels. We have so far carried out 35 public events within communities across Northern Ireland. As a result of all these developments domestic electricity switching rates showed an increase in 2015, after three years of decline.
- 5.28 These positive developments in the domestic electricity market, along with the CMA energy inquiry in GB and UR's own review of competition, have brought into focus the issue of the future of price regulation. The energy sector will continue to consider this issue as UR prepares to report on its review in 2016. NI has the opportunity to learn lessons from both GB and our own recent experience, and encourage competition where it benefits consumers, but also recognise that unique NI market characteristics may limit its ability to deliver benefits in NI.
- 5.29 Further adding to the issue of costs for consumers is the issue of the support for renewable energy across the UK. Decisions made in Westminster for the GB market have affected large scale renewable energy projects in Northern Ireland. Final decisions are still to be made on both the timing of the ending of the Northern Ireland Renewable Obligation (NIRO) and whether NI should join in the UK Contract for Differences (CfD) regime. Retaining the 2017 NIRO closure date for all wind

¹¹ Click Energy and Open Electric.

¹² Consumer Council, Electricity Comparison Table, 11 January 2016

projects would add c.£5 to each NI domestic bill each year for the next 20 years, whilst inclusion in the CfD would more than triple the amount domestic electricity consumers pay to support renewable energy generation from £17.25 a year (currently paid under NIRO) to c.£54 a year by 2020. Unfortunately, the CfD competitive regime operates across the whole of the UK, which means that its costs come with no guarantee that renewable projects will be deployed in NI.

- 5.30 Consumer choice was given a boost in 2015 with real progress being made in getting the Gas to the West project up and running and the welcome announcement that the gas network is to be extended further into East Down. Consumers in Strabane should be able to connect to gas by late 2016, but there is plenty of work to be done to ensure these projects deliver real benefits in particular for households who are in fuel poverty.
- 5.31 At 42% of households, fuel poverty in NI remains the highest in the UK. The Department for Social Development (DSD) new Affordable Warmth scheme aims to target the fuel poor by providing energy efficiency grants. In addition, DETI has been developing its plans for its 'Energywise' scheme which will replace the Northern Ireland Sustainable Energy Programme (NISEP) in 2017. We will work with both DETI and DSD on these schemes to help consumers to gain energy efficiency savings, which in turn should have an impact on levels of fuel poverty here in Northern Ireland.
- 5.32 DETI initiated its mid-term review of its Strategic Energy Framework in 2015, and we look forward to its findings due early in 2016. This year we also look forward to working with DSD as it prepares its new Fuel Poverty Strategy. With the commencement of the NI House Condition Survey (HCS), by 2017 we will finally be able to evaluate the impact that energy price changes and energy efficiency schemes have had on fuel poverty in NI.

Financial Services

- 5.33 The Consumer Council will continue to work in partnership with the CMA, Financial Conduct Authority, Financial Services Ombudsman, LINK, Money Advice Service, and the Financial Capability Partnership, on Financial Service issues. We provided submissions to the CMA's retail banking investigation, the FCA's two market studies into credit cards, and the mortgage market.
- 5.34 We will also be progressing recommendations that derived from our work on financial inclusion and the role of community banking; and will continue our work with LINK to ensure disadvantaged areas in NI have access to free to use cash machines.

- 5.35 We will continue our role with the NICVA Affordable Credit Working Group. This will identify and set up an affordable lending scheme for low income and financially excluded consumers across NI.
- 5.36 Consumers here still face high costs for car insurance. We will continue to facilitate the NI Assembly's All Party Group on Private Motor Insurance in NI, and help to produce a report highlighting the various issues and recommendations to provide greater protection to consumers.

Food

- 5.37 In food policy work, the Consumer Council in partnership with the Food Standards Agency (FSA) will soon publish a report which looks at the balance between healthy and less healthy food promotions used by supermarkets and other food retailers. The main focus of this research is how retailers can promote healthier foods and make them more affordable. This work will be taken forward via a bi-annual food retailer forum, led by FSA in partnership with food retailers and the Consumer Council.
- 5.38 The Consumer Council is also working to progress recommendations stemming from a joint piece of research in partnership with Safefood and FSA which looks at the cost of a minimum essential healthy food basket.

Postal Services

- 5.39 At an EU level, much focus has been placed on the Digital Single Market Strategy. Almost 4bn parcels are ordered online and delivered every year across Europe, but the potential for e-commerce is much greater. High prices of cross-border parcel delivery are a real problem. The EC announced that it will work on improving regulatory oversight in the parcel sector and look into the issue of price transparency, including the prices of small shipments. This is of particular interest to Northern Ireland consumers, given our unique location within the UK and sharing a land border with the Republic of Ireland.
- 5.40 Postal services have a significant value to communities, consumers and businesses across NI. The most notable and valuable is the Universal Service Obligation which is undertaken by Royal Mail and offers consumers and business access to uniform and affordable pricing across the UK. However, the mail market continues to face challenges with declining letter volumes. Royal Mail is now fully privatised and strategic discussions focus on the sustainability of the Universal Postal Service in today's competitive environment.

- 5.41 The EC notes that the postal market continues to evolve rapidly, and ongoing close monitoring and further analysis are needed. It is universally acknowledged that letter volumes will continue to decline and parcel volumes will continue to be an area of growth, driven primarily by consumers through online shopping. The parcel segment of the market is the most competitive part of the wider postal market and is where consumers here should be benefiting from more innovation, lower prices and a better delivery experience. Despite the existence of competition consumers here experience detriment in the form of higher delivery prices, longer delivery times and goods/products withdrawn as some retailers located in GB do not deliver to NI. The Consumer Council has commenced work on this area in 2015 in conjunction with other UK Consumer Advocacy bodies, BIS and NI MPs. This work is likely to continue into 2016/17.
- 5.42 Unlike Royal Mail, Post Office Ltd remains in public ownership. However, the Post Office network continues to act as an access point to the Universal Postal Service.
- 5.43 The UK government has committed over £2 billion until 2018 to change how the network delivers its services and to make sure there is no programme of post office closures across the UK. The Consumer Council has been given a key role to review each Network Transformation proposal in Northern Ireland and discuss consumer concerns with Post Office Ltd before it reaches a final decision. During 2014-15, in 72% of those cases where the post office was relocating we worked collaboratively with Post Office Ltd to secure improvements which have benefited consumers. This work will continue until the end of the programme in 2018, to ensure consumers have reasonable access to postal services across NI.

Transport

- 5.44 In 2015, with public expenditure cuts funding for public transport was reduced. Translink introduced a plan to deliver efficiency measures and cost reductions, as well as an above inflation fare increase across all services. It undertook a major public consultation exercise in relation to service reductions and the Consumer Council worked closely with Translink in its development of how best to engage with consumers and ensure that the views of passengers were reflected when services were reduced. The programme of service reductions has focused on those services with relatively low passenger numbers, therefore, any further action to reduce services is likely to have an impact on a significantly larger number of passengers.
- 5.45 A Service Agreement was signed, in October 2015, between DRD and Translink for the provision of public passenger transport services. Included in the agreement are key performance obligations regarding overall customer satisfaction, customer satisfaction with punctuality, and value for money.

- 5.46 In December 2015, a memorandum of understanding was agreed between DRD and the Consumer Council, placing responsibility on the two organisations to openly engage with each other and share information. This helps ensure that the Consumer Council, as the consumer representative, is consulted on any major decisions affecting bus and rail passengers.
- 5.47 NI consumers depend on air travel to access GB destinations and further afield. Airport capacity remains a major concern for UK airports and in July 2015, the Airports Commission gave its final report to the UK Government about how to address the issue in the short, medium and long term. A decision is expected in the summer of 2016. Regardless of the Government's overall decision on increasing UK airport capacity, the main issue for NI consumers is continued access to the UK's hub airport.
- 5.48 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 sign up voluntarily to ADR is 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 monitor how this develops in 2016 and the impact on consumers.
- 5.49 In 2015, the Consumer Council worked with P&O Ferries, Port of Larne Harbour and Stena Line to develop the first seaport access audit. In early 2016, we will conduct a walking audit with a group of passengers with a disability or reduced mobility to provide feedback to ferry operators on the special assistance services provided.

Water

- 5.50 Our core aim in promoting and safeguarding the interests of consumers for the NI water sector remains getting water and sewerage services that are fair, affordable and sustainable.
- 5.51 NI Water continues to progress in becoming more customer focused and delivering efficiencies. Targets for delivery have been set through the regulatory Price Control process PC15 (2015-2021). This will involve the development of new ways to deliver services, new ways to measure consumers' satisfaction and how NI Water reacts quickly to consumer need.

- 5.52 Public expenditure pressures continue to be a challenge and there is concern that the inability to fully finance PC15 will have a regressive impact on the services NI Water can deliver to consumers.
- 5.53 DRD is developing the Long Term Water Strategy to provide the framework for sustainable water use in NI until 2039. DRD is also leading on the development of a strategic drainage plan for greater Belfast. Called the Living with Water Programme, it will look to protect against flooding, enhance the environment and enable economic growth.
- 5.54 We are entering the next EU Water Framework Directive (WFD) cycle. New river management plans have been published with steps outlining how the targets in the WFD will be met.
- 5.55 Unfortunately, the flooding in December 2015 and January 2016, following Storms Desmond, Eva and Frank brought misery to many. In December 2015, the Rivers Agency's Flood Risk Management Plans were published and showed the flood hazards in the 20 most at risk areas in Northern Ireland. As a member of the Regional Community Resilience Group, the Consumer Council will continue to work to help households and communities be more resilient.

6 Corporate Strategy 2016-2021

6.1 In parallel to this Draft Forward Work Programme, the Consumer Council is developing its Corporate Plan for the period 2016-2021. This will be the Consumer Council's fourth corporate plan, and it will provide the strategic direction for the next four years.

6.2 In this business plan we have set out the most significant activities that will help us to meet our strategic objectives. They are based around five main objects:

- Objective 1: To Empower Consumers
- Objective 2: To Represent Consumers
- Objective 3: To Protect Consumers
- Objective 4: To Understand the Needs of Future Consumers
- Objective 5: To Provide Value for Money and Good Governance

7 List of business plan projects

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.

Ref	Project description	Anticipated outcome/s	Timing
1	Develop partnerships with advisory organisations to ‘train the advisor’ model for consumer empowerment. A systematic approach to train advisory organisations such as CABNI, Advice NI, Disability Action, Macmillan Cancer Support and Save the Children on consumer empowerment issues and the statutory role of the Consumer Council.	An increase in consumer education within Northern Ireland and a greater understanding of the statutory complaints and advocacy role of the Consumer Council throughout the advice sector. In addition, this should mean an increase in Stage 2 complaints referred from partner organisations and an increased evidence base for policy interventions.	Throughout 2016/17
2	Develop advice videos to be used on the Consumer Council website and on social media in the areas of energy, food, postal services, transport, water and sewerage, consumer rights, shopping safely online, and how to make a complaint. The Consumer Council has a good range of information leaflets. This project will look to take this resource further by supporting consumers to interpret and apply consumer information so that they can choose effectively and assert their rights.	To support consumers who need help to interpret or apply consumer information. The impact of the provision of this advice will be monitored by the expected increased usage of the Consumer Council website and social media pages.	By December 2016
3	Develop educational partnerships with the education and youth	To develop education programmes	Throughout 2016/17

	sector to produce consumer education resources on a range of consumer issues. The activities will be designed for educators/group leaders to use to raise awareness of consumer rights and responsibilities and for learners to develop the skills and confidence to deal with consumer issues.	with educational and youth sectors to develop consumer skills and confidence. Build on the success of our work with the Girl Guides Association; we aim to work with at least 2 education and youth sector partners throughout 2016/17.	
4.	<p>Develop consumer rights campaigns based around:</p> <ul style="list-style-type: none"> • Scams Awareness Month (July 16); • Summer Holiday Travel (Summer 16); • Gas Safe Week (September 16); • European Mobility Week (September 16); • Energy Savings Week (October 16); • National Consumer Week (November 16); • Cyber Monday/Black Friday (November 16); • Christmas Shopping and returns (December 16-January 17); • World Water Day (March 17); and • World Consumer Rights Day (March 17). 	To develop consumer rights awareness campaigns with partners such as the CPP and CRINI to highlight topical consumer issues. The impact of these campaigns will be monitored by increased usage of the Consumer Council website and social media pages. In addition, we plan to undertake an independent feedback survey to monitor consumer awareness.	Throughout 2016/17

Objective 2: To Represent Consumers

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

Ref	Project description	Anticipated outcome/s	Timing
1	To undertake a consumer “parliament” to allow consumers from across Northern Ireland to have their say on the issues that matter to them.	To hear the views of consumers from across Northern Ireland and provide a forum for them to discuss concerns they have. It will enable consumer issues to be identified and debated. The event will also provide an opportunity to offer consumers education and advice. Following the event a report will be produced highlighting consumer recommendations for policy-makers and regulators.	By December 2016
2	To produce a report on the needs of low income consumers. The Consumer Council, under the Energy Order 2003, Water and Sewerage Order 2006 and the Public Order Act 2014, has a duty to have regard to consumers who are on low income. We will aim to work in partnership with Save the Children and their Families and Schools Together (FAST) Programme to develop an evidence based report on the specific needs of low income consumers in Northern Ireland.	The report will highlight the specific needs of low income consumers in Northern Ireland, and action plans will be developed to address areas of concern.	By March 2017
3	To produce a report on the needs of disabled and chronically sick consumers. The Consumer Council, under the Energy Order	The report will highlight the specific needs of disabled and	By March 2017

	2003, Water and Sewerage Order 2006 and the Public Order Act 2014, has a duty to have regard to disabled and chronically sick consumers. We will aim to work in partnership with organisations such as Disability Action and the Long Term Conditions Alliance to develop an evidence based report on the specific needs of disabled and chronically sick consumers in Northern Ireland.	chronically sick consumers in Northern Ireland, and action plans will be developed to address areas of concern.	
4	Produce a report on the differences between consumers in Northern Ireland versus those in Great Britain. The Ministerial Review called on the Consumer Council to have a greater focus on issues that are of regional significance to Northern Ireland. The aim of this report is to look at the similarities and differences between NI consumers and their counterparts in the rest of the UK.	To produce a report which highlights the specific differences between consumers in Northern Ireland and the rest of the UK, and to develop action plans to address areas of concern.	By March 2017
5	In line with our responsibility under Civil Aviation (Access to Air Travel for Disabled Persons and Persons with Reduced Mobility) Regulations 2007, we will work with the 3 NI Airports and disability groups to update the work that was undertaken during our 2014 review.	To produce a report on disability or reduced mobility access with the 3 NI Airports (City of Derry Airport, Belfast International Airport, and George Best Belfast City Airport).	By December 2016
6	To undertake proactive consumer advocacy work around the emerging issues such as: <ul style="list-style-type: none"> • Strategic Energy Framework Review; • I-SEM; • Energy Price Controls; • Fuel Poverty Strategy; • Gas Network Extensions; • Renewables; • Energy Efficiency; • Ofcom Review of Postal Regulation 2016; • Ofcom Parcels; • Review of the Social Value of the Post Office Network; 	To proactively advocate on behalf of consumers and identify areas in how policy and regulation could improve for the benefit of both current and future consumers. In doing so the Consumer Council would work in partnership with government, regulators and other organisations to help design policies that identify and address the consumer rights issues in areas that they oversee.	Throughout 2016/17

	<ul style="list-style-type: none">• Post Office Network Transformation Programme;• Review of NI Water's Scheme of Charges;• Consultation on Long Term Water Strategy Action Plans;• Consultation on Water Resource and Resilience Plan;• Review NI Water PC15 monitoring plan for new customer measures and satisfaction surveys;• Belfast Rapid Transport;• Translink Ticketing Review; and• Airport Capacity		
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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 Northern Ireland.

Ref	Project description	Anticipated outcome/s	Timing
1	To work with the Utility Regulator, and energy companies/NI Water on their consumer protection strategy, and highlight the statutory role of the Consumer Council's complaint function. The strategy will have a particular focus on vulnerable consumers who tend to benefit least from competitive markets.	To develop a strategy in partnership with the Utility Regulator which will protect all regulated energy and water consumers, and capitalise on the Consumer Council's statutory complaints role.	Throughout 2016/17
2	Undertake joint research with Citizens Advice Bureau across the UK on the implementation of the Alternative Dispute Resolution (ADR) and its impact on consumers.	To produce a joint report on the implementation of ADR on consumers in the UK and to develop action plans to address areas of concern.	By March 2017
3	To review the implementation of the ADR for NI airline passengers. From June 2016, airlines will be expected to provide access to an ADR scheme for complaints that they have been unable to resolve. If a sufficient number of airlines agree to provide ADR, the Civil Aviation Authority will withdraw its complaint resolution service. This means that some passengers may not have access to resolving complaints that airlines do not uphold, other than resorting to court action.	To produce a report on the impact of ADR on NI's air passengers and to develop action plans to address areas of concern.	By March 2017
4	To monitor consumer prices and service in: <ul style="list-style-type: none"> • Energy and Water Prices/Tariff Reviews; • Translink Fare Reviews and Passenger Charter; • Air/Sea price monitoring; • Royal Mail's Universal Service Obligation; and 	To monitor and report on the cost of living in Northern Ireland, using a bi-annual income tracker and other indicators such as the Utility Regulator's transparency reports.	Throughout 2016/17

	<ul style="list-style-type: none">• Consumer Outlook Index.		
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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 Northern Ireland. 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.

Ref	Project description	Anticipated outcome/s	Timing
1	To develop a Consumer Council strategy for future consumers.	To develop a future consumer strategy and action plans which address the issue of sustainability and efficient consumption.	By December 2016
2	To educate consumers on sustainable consumption. To work in partnership with organisations such as WRAP, Energy Savings Trust, Waterwise and Sustrans to advise consumers on the financial and environmental savings that can be made from sustainable resource consumption.	To develop consumer information and advice on sustainable consumption highlighting the financial and environmental savings that consumer can make.	Throughout 2016/17
3	To work with InvestNI and NI Water to promote the Water Champions award. Water Champions is an award aimed at helping businesses, farms and schools improve water efficiency and save money on bills.	To gain a further 25 Water Champions to help reduce the cost of water to businesses, farms and schools.	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.

Ref	Project description	Anticipated outcome/s	Timing
1	To develop a new website. The current contract for the Consumer Council website ends in March 2017. This project will review the current website and ensure that one is developed to meet the needs of consumers and the new Corporate Plan.	The development of a new consumer focused website for 1 April 2017.	By March 2017
2	To develop a Social Value Framework Model that will provide a structure to develop robust and measurable performance indicators on the social value of the work of the Consumer Council.	To develop a framework to identify and measure the social value of the work of the Consumer Council.	By March 2017
3	To review the structure of the Consumer Council. Following the Ministerial Review and the development of a new Corporate Plan 2016-2021, this project will review the internal structures of the Consumer Council to ensure it meets the needs of consumers today.	To ensure the Consumer Council is structured to meet the needs of the new Corporate Plan and the needs of consumers today.	By July 2016
4	To gain the Customer Service Excellence Award. The UK and NI Governments want public services that are efficient, effective, excellent, equitable and empowering, with the citizen always and everywhere at the heart of service provision. With this in mind the Customer Service Excellence Award provides the Consumer Council with a practical tool for driving customer-focused change within the organisation.	To achieve the Customer Service Excellence Award accreditation.	By March 2017
5	To standardise the Consumer Council's Human Resources functions to HR Connect and participate in the NI Government's HR Centre of Excellence project.	To maximise efficiencies and move to HR Connect.	By March 2017
6	To maximise our performance, impact and overall effectiveness	To receive a unqualified audit	Throughout 2016/17

	and efficiency, both internally and externally via internal reviews and audits and implementation of agreed recommendations.	report from the Northern Ireland Audit Office, and implement recommendations from internal audit.	
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Annex 1 Acronyms

ADR	Alternative Dispute Resolution
BIS	Department for Business, Innovation and Skills
CAA	Civil Aviation Authority
CABNI	Citizens Advice Bureaux Northern Ireland
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
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 Service
FSA	Food Standards Agency
FWP	Forward Work Programme
GDP	Gross Domestic Product
HCS	House Conditions Survey
I-SEM	Integrated Single Electricity Market
LINK	UK's cash machine (ATM) network
NDPB	Non Departmental Public Body
NICVA	Northern Ireland Council for Voluntary Action
NIRO	Northern Ireland Renewable Obligation
NISRA	Northern Ireland Statistic and Research Agency
NITSS	Northern Ireland Trading Standards Service
OFCOM	The Office of Communications
OFGEM	The Office of Gas and Electricity Markets
PC	Price Control
PfG	Programme for Government
PSNI	Police Service of Northern Ireland
PSR	Payments Systems Regulator
SEM	Single Electricity Market
UR	The Utility Regulator
WRAP	Waste and Resources Action Programme