



The Consumer Council for Northern Ireland's response to the Communications Consumer Panel (CCP) & Advisory Committee for Older and Disabled People (ACOD) consultation on its draft strategic plan 2021-22.

30 March 2021

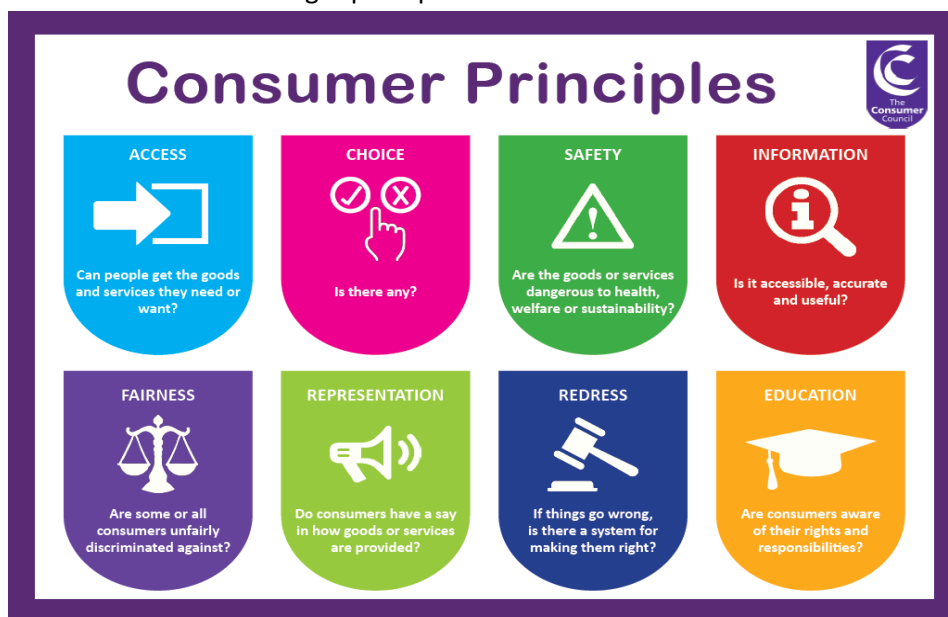
1. Introduction

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. We also have specific statutory duties in relation to energy, postal services, transport, and water and sewerage.

2. Communications Consumer Panel's draft strategic plan 2021-22

2.1 The Consumer Council welcomes the opportunity to respond to the Communications Consumer Panel (CCP) & Advisory Committee for Older and Disabled People (ACOD) consultation on its draft strategic plan 2021-22. As the statutory consumer body for consumers' across Northern Ireland (NI) we look forward to working with the CCP & ACOD throughout 2021 -22 to ensure the voice of the NI consumer is heard by policy makers in the communications market.

2.2 The Consumer Council uses eight consumer principles to set a consumer-focused framework within which we work. These eight principles are outlined below.



2.3 The Consumer Council recommends that the CCP & ACOD considers these eight principles as they will support the CCP with its delivery of the strategic goals to ensure there is:

- Ubiquitous availability of communications services;
- Excellent standards of service and of customer service;
- No consumer 'left behind' regardless of circumstances; and
- Prevention of consumer harm – including citizens and micro businesses.

2.4 We agree that it is important for CCP & ACOD to retain and carry over the strategic goals highlighted above from 2020-21. Equally it is vitally important that the Consumer Council and the CCP & ACOD work together throughout 2021-22 to protect NI consumers so we can make sure consumer detriment in the communications market is prevented or dealt with where it already exists.

2.5 The Consumer Council believes there is significant risk of consumer harm in today's world. The COVID-19 pandemic highlights the importance and reliance of NI consumers on communication networks and the pandemic has made NI consumers more vulnerable especially with the reduction in their income and increasing bills. In this context, the Consumer Council welcomes the CCP & ACOD focus on:

- Equality of access and usability of communications services that are resilient, secure and affordable;
- Excellent standards of service and of customer service; and
- Prevention of consumer harm.

Equality of access and usability of communications services that are resilient, secure and affordable

2.6 It is vital that all consumers have equality of access to all communication networks. These services must also be affordable to all.

2.7 There are areas where the CCP & ACOD can focus its lobbying efforts along with the Consumer Council to ensure consumers get the right level of access to essential communication services. For instance one area is access to communication services in rural areas. Rural consumers across NI are experiencing a poorer level of service for broadband compared to those consumers living in urban areas¹. This needs addressed so rural consumers receive improved access to broadband.

2.8 Additionally, rural consumers across NI do not compare favourably to UK consumers for access to superfast broadband and fixed line broadband speeds². While we welcome the investment that is taking place to improve the situation which will benefit rural consumers³, it is essential that this investment delivers and quickly improves broadband access in rural areas so that rural NI consumers are not left behind. This will help ensure equality of access.

¹ https://www.ofcom.org.uk/__data/assets/pdf_file/0022/209443/connected-nations-2020-ni.pdf

² https://www.ofcom.org.uk/__data/assets/pdf_file/0022/209443/connected-nations-2020-ni.pdf

³ https://www.ofcom.org.uk/__data/assets/pdf_file/0022/209443/connected-nations-2020-ni.pdf

2.9 Affordability is also an essential feature for all NI consumers regardless of the type of communication service they use. NI consumers must be able to afford their communication bills or expenditure. With this in mind, the CCP& ACOD should be aware of the pressures on household budgets across NI. To help illustrate this point, consumers in NI already have the lowest level of disposable income in the UK⁴ which means there is a disproportionate effect on their household budget and greater risk of affordability issues developing. We discuss this in more detail below as affordability and debt are captured as part of the excellent standards of service and of customer service strategic goal.

Excellent standards of service and of customer service

2.10 Recent research shows also the negative impact of the pandemic with income levels reducing for many consumers while their spending on food and energy is increasing⁵. This can create difficult choices for consumers.

2.11 Indeed, low income consumers are facing significant difficulties which includes finding themselves in debt. The Consumer Council's research shows that debt is a building up in the longer term with advice agencies saying that it typically takes two years for debt to become problematic. The CCP & ACOD will need to factor this issue into its strategic plan for this year and in future years. The Consumer Council is keen to offer more insight into this area and we would welcome further discussion on this area in the coming months as the debt issues facing NI consumers becomes clearer.

2.12 Additionally, it will be critical for the CCP & ACOD and the Consumer Council to apply pressure to service providers and the regulator to make sure consumers get the practical support they need especially those in vulnerable circumstances that are struggling with their communication bills.

2.13 Finally, service providers and the regulator will also need to fully understand that consumer debt will cut across a number of aspects of a consumer's life. Consumers will be struggling with mortgage or rent payments, paying for food, energy bills and buying clothes. This will need to be taken into account by the industry and regulator when consumers are seeking support with unaffordable communication bills that have resulted in debt.

Prevention of consumer harm

2.14 The Consumer Council welcomes the focus on this strategic goal and the need to protect consumers from scams across the various communication networks. This is a key area of concern for the Consumer Council and we look forward to further discussions with the CPP & ACOD throughout 2021-22 on how best to deal with this issue in the communication market so consumers are better protected from becoming victims of crime.

2.15 The level of consumer detriment is alarming. In 2020, approximately 3,800 NI consumers reported falling victim to a scam which resulted in the collective loss of £5.3 million. Nearly all (96%) of these scams took place with fraudsters using a communication platform.

⁴ [ASDA Income tracker](#) - £118 weekly discretionary income in NI compared to £217 in the UK.

⁵ The Consumer Council. Impact of COVID-19 on low income consumers. March 2021.

Furthermore, so far this year 1,400 NI consumers have reported scams which has resulted in the collective loss of £770,000. Again nearly all (98%) of these scams were carried out using a communication platform. It is clear the essential role communication providers and the regulator must play in tackling this issue.

- 2.16 The Consumer Council understands that the CCP & ACOD has raised concerns about low consumer awareness of the switchover of telephone services to a digital platform with Ofcom. The Consumer Council agrees that improved consumer awareness of the switchover is essential and supports the CCP & ACOD proposed activity in this area. Consumers must be fully aware of this switchover and how it might affect them.

3. Conclusion

- 3.1 The Consumer Council welcomes the CCP & ACOD draft strategic plan 2021-22 which focuses on equality of access and usability of communications services that are resilient, secure and affordable; excellent standards of service and of customer service; and the prevention of consumer harm. It is vital that The Consumer Council and the CCP & ACOD work together throughout 2021-22 to protect all consumers across NI especially the most vulnerable consumers.
- 3.2 If you would like to discuss this response please contact Michael Legg, Interim Head of Postal Services Policy. Details provided below.

Consumer Council Contact: Michael Legg
Email: Michael.Legg@consumercouncil.org.uk
Telephone: 02890251641
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