

Consultation: Utility Regulator Draft Forward Work Programme 2015-2016 Date: 27 January 2015 Contact: Kathy Graham Our (PID) reference number: 2141 PD20010

Introduction

The General Consumer Council for Northern Ireland (the Consumer Council) is an independent consumer organisation, working to bring about change to benefit Northern Ireland (NI) consumers. Our aim is to *'make the consumer voice heard and make it count'*.

We have a statutory remit to promote and safeguard the interests of consumers and have specific functions in relation to energy, water, transport and food. These include considering consumer complaints and enquiries, carrying out research and educating and informing consumers. In addition, from April 2014, we have taken on responsibility for representing consumers in respect of postal services in NI.

The Consumer Council is also a designated body for the purposes of supercomplaints, which means that we can refer any consumer affairs goods and services issue to the Competition and Markets Authority, where we feel that the market may be harming consumers' best interests. In addition, we have 'supercomplainant' status for financial services, with powers to bring supercomplaints on financial matters to the Financial Conduct Authority (FCA).

In taking forward our broad statutory remit we are informed by and representative of consumers in NI. We work to bring about change to benefit consumers by making their voice heard and making it count. To represent consumers in the best way we can, we listen to them and produce robust evidence to put their priorities at the heart of all we do. The Consumer Council is pleased to respond to the Utility Regulator's consultation on its draft Forward Work Plan (dFWP) for 2015-2016.

We are pleased that the dFWP has a strong consumer focus and will attempt to address many key issues for consumers. Each project has the potential to deliver improvements for consumers. The continued clear articulation of these benefits throughout the year will be beneficial to all. Many of the projects proposed link well with the Consumer Council's proposed work programme¹ and we look forward to working with the Regulator on a number of these.

Our two organisations enjoy cross utility working and the advantages this can bring. We are already witnessing this in the advances made in consumer engagement planned for GD17 and RP6 following the strong ongoing collaborative working for PC15 through the CEOG structures. We look forward to maximising the benefits for consumers of the increased focus on cross utility and close collaborative working between our organisations.

For many of the projects outlined in the dFWP we will look to and expect specific engagement with the Regulator. We will provide detailed comment and contribution during our work with the Regulator on these projects. We have set out below some high level comment on the dFWP.

¹ Consumer Council draft Forward Work Programme for 2015/16: <u>http://www.consumercouncil.org.uk/publications/consultation-on-our-business-plan-for-201516/</u>

We are glad to see that the completion of a new Consumer Protection Strategy is a flagship project, and that this will contain an implementation plan for projects that can protect vulnerable consumers. The dFWP notes how the area of appeals, complaints and disputes has expanded during 2014 and that the Regulator foresees "that compliance and enforcement matters will continue to be a growing focus for regulation in the coming period". Our own dFWP contains the objective to provide an effective complaints service and we look forward to working closely with the Regulator to resolve individual issues and improve both the method and final outcomes of these complaints.

Energy

All the energy activity of the Regulator impacts on NI consumers either directly or indirectly and as such the Consumer Council is interested in all the activity contained within the dFWP. We would like to highlight activities which we have identified as being the most urgent and as having the most material impact on consumers. We will also highlight issues where we already have, or intend to work in partnership with the Regulator in the coming year.

Business Plan Projects:

 GD17 and RP6 Price Controls. During the development of the current gas and electricity Price Controls, the Consumer Council called for greater consumer engagement in the process. We have already started working with the Regulator and the industry on the new Price Controls. We look forward to continuing this engagement in the coming year and urge the Regulator to ensure that engagement continues throughout the process;

 Progress arrangements to close NISEP. This will remove £8m of annual funding for measures to tackle fuel poverty with no replacement scheme yet identified. Both DETI and the Regulator should urgently review the decision to end NISEP or ensure that an effective replacement is found. Through our membership of the Fuel Poverty Coalition, the Consumer Council would contribute to this review.

Additional Projects:

- Tariff comparison/website accreditation. The Consumer Council currently produces electricity and gas price comparison tables that are available on our website. We have identified this as an area to develop and have included it in our work plan for next year. We note that the Regulator has a project to 'investigate and implement optimum arrangements for regulatory oversight of a new switching/tariff consumer-focused website' but this is currently to be progressed only if additional resources become available. Given such resourcing issues we would welcome the opportunity to work closely with the Regulator to bring this work together and help the Consumer Council deliver this key element of consumer information;
- Energy consumer education programmes. The Consumer Council currently provides a wide range of information for consumers on the energy market through our website, publications and direct contact through outreach sessions. Last year we ran a 'Switching Week' and organised two flagship 'Switch & Save' events in

Belfast and Derry/Londonderry in which the Regulator participated. Our Work Programme for next year includes a project to continue, and if resources allow, expand this activity. We would welcome the opportunity to progress this work in partnership with the Regulator;

 Develop Codes of Practice on Energy Theft (to include meter tampering). This is an issue that impacts on all consumers as they ultimately pay for the cost of energy theft. There are different facets to this issue and it is essential that it is tackled with input from consumers and the energy industry as well as the Regulator. The Consumer Council has already identified this as a project within our own Business Case, which is currently out for consultation. We look forward to working with the Regulator on this issue.

<u>Water</u>

While the dFWP outlines only three water specific projects we do not underestimate the level of work involved.

- Our initial high level views on the mid-term review of PC15 were provided in our response to the Regulator's PC15 draft determination. We look forward to ongoing engagement and consultation as this flagship project is developed over the year;
- Strategic planning for the water sector has long been supported by our organisations, both of which have contributed to its development. We look forward to working closely with the

Regulator and other stakeholders as the LTWS, Water Bill and SuDS continue to be progressed.

Overall the Consumer Council welcomes the dFWP and the work outlined within it. We look forward to working closely with the Regulator over the coming year and value the commitments made throughout the FWP to work in partnership.

Yours sincerely

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The Consumer Council

Making the consumer voice heard and making it count

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