



Communications Consumer Panel Strategic Plan for 2022/23

THE CONSUMER COUNCIL RESPONSE

30 March 2022

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1. EXECUTIVE SUMMARY

The Consumer Council is pleased to respond to the Communications Consumer Panel consultation on its proposed strategic plan for 2022/23.

The Consumer Council looks forward to continuing to build a collaborative relationship with the Communications Consumer Panel, as we did throughout 2021/22, to represent and protect consumers. We welcome the opportunity to develop the same productive approach to discussing, sharing insight, and best practice on how to reduce consumer harm in the communication and postal market.

We support the Communications Consumer Panel's broad themes around inclusivity, vulnerability and resilience, and the strategic priorities that the Communications Consumer Panel proposes to continue to focus on throughout 2022/23.

We are also supportive of the four key policy areas that the Communications Consumer Panel is proposing to focus on throughout 2022/23 which are:

- **Affordability and debt**

Communication services must be affordable to everyone and it is vital that those consumers experiencing financial vulnerability, debt and who are unable to pay their mobile and broadband bills receive adequate support from industry. We look forward to continuing our work with the Communications Consumer Panel to ensure these vulnerable consumers are better protected.

- **Postal services**

Consumers must have access to an affordable and reliable postal service. It is also important the parcel market works better for consumers including those in Northern Ireland and the Highlands and Islands. We agree that wherever consumers live in the UK or whatever their characteristics, the wider postal market must deliver equitable consumer outcomes for everyone.

- **Migration to VoIP**

We support the Communications Consumer Panel's focus on the migration from the Public Switched Telephone Network (PSTN) to Voice over Internet Protocol (VoIP) technology. Vulnerable consumers must be supported during the switch over to VoIP.

We believe that a strategic campaign to improve consumer awareness levels of the switchover and how communication providers can offer support is needed to prevent harm, and is a key starting point to help avoid consumer detriment.

- **Digital privacy and ethics**

Consumers must be able to go online with confidence. They must also trust that they will be safe from online scams, inappropriate collection and use of their personal data, the risks associated with targeted advertising and illegal content. Online service providers must be accountable and prevent consumer harm. Additionally, regulators must fully protect consumers to ensure online environments are safe. This will be of fundamental importance if digital markets are to deliver good outcomes for consumers across the UK. We look forward to working with the Communications Consumer Panel throughout 2022/23 in this area.

It is clear consumers across the UK are facing significant challenges in the communication and postal markets. It is vital that all consumer bodies work together to protect and empower all consumers

across the UK, and to advocate on their behalf so government, regulators and industry make the right decisions that benefit consumers.

2. ABOUT US

The Consumer Council was established in April 1985 as a non-departmental public body (NDPB) under the General Consumer Council (Northern Ireland) Order 1984 (The Order). We operate under the Department for the Economy on behalf of the Northern Ireland Executive.

Our vision is to protect and empower consumers in Northern Ireland by ensuring the legislation and regulation for consumer protection works effectively for consumers here.

Our mission is to be the trusted go-to organisation for Northern Ireland consumers, working with governments and stakeholders to inform policy and decision making, using our research, insight and expertise to deliver positive outcomes for consumers.

We have statutory duties in relation to consumer affairs, energy, postal services, transport, water and sewerage, and food accessibility. These include responding to enquiries, investigating complaints, carrying out independent research, educating and empowering consumers, and advising government on matters relating to consumer affairs.

Our non-statutory functions educate and empower consumers against unfair or discriminatory practices in any market including financial services. We are also a designated super-complaints body under the Enterprise Act 2002 and the Financial Services and Markets Act 2013.

As an insight-led evidence based organisation, we:

- Provide consumers with expert advice and confidential guidance.
- Engage with government, regulators and consumer bodies to influence public policy.
- Empower consumers with the information and tools to build confidence and knowledge.
- Investigate and resolve consumer complaints under statutory and non-statutory functions.
- Undertake best practice research to identify and quantify emerging risks to consumers.
- Campaign for market reform as an advocate for consumer choice and protection.

We have responsibilities under the Rural Needs Act 2016 and Section 75 of the Northern Ireland Act 1998 to ensure government policies recognise consumer needs in rural areas, and promote equality of opportunity and good relations across a range of equality categories.

We represent and campaign on behalf of all Northern Ireland citizens, in particular those in vulnerable circumstances, and pay particular regard to consumers:

- who are disabled or have long term health conditions
- who are of pensionable age
- who are on low incomes
- who live in rural areas

We use a set of eight guiding principles developed by the United Nations to assess where the consumer interest lies, and develop and communicate our policies, interventions and support. These provide an agreed framework through which we approach regulatory and policy work.

Figure 1: Consumer Principles



The principles ensure we apply a consistent approach across our statutory and non-statutory functions, and in all our engagement with consumers and stakeholders.

They serve to protect consumers, setting out the minimum standards expected from markets when delivering products or services in Northern Ireland. They also frame our policy position and approach to resolving consumer disputes with industry, offering a straightforward checklist to analyse and validate outcomes, in particular among vulnerable groups.

3. RESPONSE TO CONSULTATION

The Consumer Council is pleased to respond to the Communications Consumer Panel's consultation on its strategic plan for 2022/23.

We look forward to continuing to build a positive relationship with the Communications Consumer Panel and welcome future opportunities to engage on key consumer issues throughout 2022/23.

We agree with the Communications Consumer Panel that it is vital to work collaboratively to ensure consumers, citizens and micro businesses have a voice in key policy discussions and that markets better meet their needs, and reduce the risk of harm.

This approach is crucial taking account of the important role the communication and postal market has played throughout the COVID-19 pandemic. Alongside this, consumers are currently facing significant challenges with the cost of living crisis across the UK and micro businesses will be under increasing cost pressures too.

It is essential that we work together, sharing experiences and insight, and best practice on how to reduce consumer harm. This also creates the opportunity for all consumer bodies to identify cross cutting issues and, where relevant, to support each other in our call for robust consumer protection frameworks.

Themes and Strategic Priorities

The Consumer Council supports the broad themes around inclusivity, vulnerability and resilience that the Communications Consumer Panel proposes to continue to focus on throughout 2022/23.

We are also pleased that the Communications Consumer Panel's strategic priorities¹ will focus on ensuring that:

- consumers have access to basic, secure, affordable, reliable and resilient communications services;
- online environments are safe for consumers;
- consumers are able to get online and are confident in interacting in digital markets;
- communications providers make their services accessible to all consumers;
- consumers, especially those in vulnerable circumstances receive the right support from providers, including when they are experiencing problems;
- products and service are designed in a way that meets consumer needs at the outset including for those with a disability; and
- there are improvements to the level of customer service that consumers receive and to their complaint handling experience through customer charters.

¹ Universal availability of communications services as a right for all. Excellent standards of service and of customer service for everyone, by design and throughout the customer lifecycle. Listening to the consumer voice: getting to know consumers and their experiences so that lessons can be learnt.

It is vital that consumer bodies protect and empower all consumers across the UK, and work together where relevant to advocate on their behalf so government, regulators and industry make the right decisions that benefit consumers.

Policy Areas

We are supportive of the four key policy areas that the Communications Consumer Panel is proposing to focus on throughout 2022 which are:

- Affordability and debt;
- Postal services;
- Migration to VoIP; and
- Digital privacy and ethics.

We believe the Communications Consumer Panel has identified appropriate policy issues for it to focus on throughout 2022/23. We discuss each area below.

Affordability and debt

We agree communication services must be affordable to everyone. It is vital that Ofcom and the market take account of the affordability issues facing consumers, especially for those that are experiencing financial vulnerability, debt and are unable to pay their mobile and broadband bills.

The Consumer Council made a number of suggestions in its response to Ofcom's review of measures to protect people in debt or at risk of disconnection². Overall, we believe that Ofcom should move towards a more robust rules approach to protect vulnerable consumers and away from voluntary guidance. This will ensure there is a consistent approach across the communication sector, creating a supportive environment which will lead to more effective and efficient interventions that reduce the risk of consumer harm, resulting in better outcomes for consumers.

We look forward to continuing our work with the Communications Consumer Panel to ensure that consumers are better protected when they are experiencing affordability and debt related issues.

Postal services

We support this work. Adequate, affordable and reliable access to the postal service and parcel services is vital for all consumers. Indeed, it is important the parcel market works better for consumers, including those areas such as Northern Ireland and the Highlands and Islands that experience specific postal related issues. Consumer bodies must collectively continue to engage with each other and advocate for a better consumer experience.

Our recent research shows that Northern Ireland consumers still experience delivery related restrictions when they buy goods online³. For instance, over the last 12 months:

- 43% have been told by the online retailer that it does not deliver to Northern Ireland;
- 34% have experienced a delayed delivery due to living in Northern Ireland;
- 29% experienced the withdrawal of free delivery as they live in Northern Ireland;
- 27% say next day delivery was not available; and
- 25% had to pay a higher delivery price to get the item delivered.

² The Consumer Council response to Ofcom's review of measures to protect people in debt or at risk of disconnection. September 2021.

³ Social Market Research. Consumers' views on and experience of the postal service. February 2022.

Our research also shows that those consumers in Northern Ireland with a disability are significantly more likely to experience delivery related issues including:

- Delayed parcel delivery (41% of those with a disability compared to 35% without a disability);
- Parcels being lost (22% of those with a disability compared to 10% without a disability);
- Parcels arriving damaged (22% of those with a disability compared to 14% without a disability);
- Parcels being left in unsecure locations (25% of those with a disability compared to 17% without a disability); and
- Parcels being left in an inaccessible location (5% of those with a disability compared to 1% without a disability)⁴.

In this context, wherever consumers live in the UK or whatever their characteristics, the wider postal market must deliver equitable outcomes that ensure they receive a good quality of service.

Migration to VoIP

We support the Communications Consumer Panel's focus on the migration from the Public Switched Telephone Network (PSTN) to Voice over Internet Protocol (VoIP) technology. It is vital that vulnerable consumers are supported during the switch over to VoIP.

We note the findings from previous research commissioned by the Communications Consumer Panel⁵ which shows low consumer awareness of the VoIP switchover. The potential negative effect on vulnerable older consumers, those with a disability, those with cognitive impairments and those with low digital literacy levels is a concern. Communication providers must fully support consumers throughout this switchover process.

Indeed, our recent research reinforces the low awareness of this important change among consumers in Northern Ireland. It shows that two thirds (67%) of consumers across Northern Ireland are not aware that the copper telephone network will be completely replaced by a digital network by 2025. However, nearly nine in 10 (85%) say the government and/or telecoms providers should make people more aware of this switchover and what it means. Additionally, 62% say they would like to learn more about the switchover through TV advertisements⁶.

We believe that a strategic awareness raising campaign to improve consumer awareness levels of the switchover and how communication providers can offer support is critical.

Digital privacy and ethics

We are pleased that the Communications Consumer Panel proposes to focus on digital privacy and ethics so consumers can go online with the confidence and trust that they will be safe from harm; including online scams, inappropriate collection and use of personal data, the risks associated with targeted advertising and illegal content.

Digital markets must work in the consumer interest and the regulatory framework must protect consumers from harm. Indeed, our Consumer Insight research shows that those who were targeted by scams were predominantly targeted by email (68%), telephone call (54%) and text message (48%)⁷. It is vital that regulators and the industry establish how they can prevent communication

⁴ Caution - Low base.

⁵ The Communications Consumer Panel. Switchover from analogue to digital telephony: UK consumer and micro-business reactions. August 2021. Base size: 46 qualitative in-depth interviews across the UK.

⁶ Social Market Research. Digitalisation and Broadband. January 2022.

⁷ Base size: 419 all those targeted by a scam in the last three years.

platforms being used to facilitate scam activity. There must be more effort applied to preventing scams at the outset.

Our research also shows that Northern Ireland consumers have concerns about privacy, online security and the sophistication of online scams and fraud⁸. This underlines the importance of the Communications Consumer Panel focusing on this area.

Furthermore, online service providers must be accountable to ensure they behave appropriately, protect consumer privacy and to ensure they play their part in preventing consumer harm. There must be a safer online environment for all citizens.

Regulators also have a pivotal role to play to ensure they fully protect consumers. They must have adequate powers, and the resources to ensure online environments are safe.

Addressing these digital privacy, ethics and online harms will be of fundamental importance if digital markets are to deliver good outcomes for consumers across the UK. Indeed, considering the nature of the online ecosystem there is the need for regulators to build effective relationships at an international level when protecting consumers from online harms.

We look forward to working with the Communications Consumer Panel throughout 2022/23 on these issues.

⁸ Perceptive Insight. Impact of Digitalisation on Northern Ireland consumers. March 2021.

4. CONCLUSION

The Consumer Council supports the Communications Consumer Panel proposals it has outlined in its strategic plan for 2022/23.

We agree communication services must be affordable to everyone. Those that are experiencing financial vulnerability, debt and are unable to pay their mobile and broadband bills must receive adequate support.

Consumers must also have access to an affordable and reliable postal service. Additionally, we agree that wherever consumers live in the UK or whatever their characteristics, the wider postal market must deliver equitable consumer outcomes including in Northern Ireland and the Highlands and Islands.

Vulnerable consumers must be supported during the change to VoIP. Consumer awareness of the switchover is too low which increases the risk of harm. A strategic campaign to improve consumer awareness levels of the switchover and how communication providers can offer support is needed to prevent harm from developing in this area.

Digital markets must be accountable and prevent consumer harm. Regulators must fully protect consumers to ensure online environments are safe, and they must have the resources to achieve this. The desired outcome must mean consumers are able to go online with the confidence and trust that they will be safe from online scams, inappropriate collection and use of personal data, the risks associated with targeted advertising and illegal content.

We look forward to working with the Communications Consumer Panel throughout 2022/23 on the key policy issues identified in its strategic plan, and advocating for greater consumer protection in the communication and postal markets.

5. CONTACT INFORMATION

To discuss our response in more detail, please contact:

Michael Legg
Head of Postal Services Policy
E: michael.legg@consumercouncil.org.uk
T: 02890 251641

The Consumer Council consents to this response being published.