



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	DETI Consultation on the Future Arrangements for Consumer Representation in Northern Ireland
Date:	Friday 10 th January 2014
Reporting Officer:	Peter McNaney, Chief Executive
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1. Purpose

The purpose of this report is:

- To bring to the attention of the Strategic Policy & Resources Committee, details of a consultation document from the Department of Enterprise, Trade and Investment (DETI) on the future arrangements for consumer representation in Northern Ireland;
- To bring to Members' attention subsequent correspondence received from the Consumer Council for Northern Ireland (CCNI) and the Northern Ireland Public Service Alliance (NIPSA); and
- To allow Members to decide the most appropriate response they would like to make.

2. Background Information

In October 2012, the DETI commissioned an independent review of the efficiency and effectiveness of the CCNI. The review took account of the changing consumer landscape in Great Britain, and the views of a wide range of stakeholders. A report has now been published setting out the review's conclusions, and its recommendations for the exercise of the consumer representation function in Northern Ireland (Appendix 1).

The report recognises that the CCNI has been responsive to consumers, and has been effective as an organisation. However it concludes that the political and consumer landscape has changed significantly since the CCNI was created in 1985. At present, there is now:

- Locally accountable government in Northern Ireland post-Devolution;
- The existence of numerous local and regional advice bodies;
- A Utility Regulator to protect consumer interests in the energy and water sectors;
- An effective Trading Standards Service for Northern Ireland; and,
- Much greater retail competition on the High Street.

In that context, the report concludes that "*the continued existence of the CCNI is no longer essential to consumers, nor may not be the most cost-effective mechanism for consumer representation in Northern Ireland*". However, the Report recognises that "*the CCNI provides certain functions in relation to the regulated industries that are not currently exercised by another*

body, but must continue to be exercised".

Before coming to a decision, the DETI are consulting (Appendix 2) on the most appropriate arrangements for the future delivery of consumer representation in Northern Ireland, which include the following three delivery options:

- 1. Continuation of the current CCNI model of a non-departmental public body to represent the consumer;**
- 2. The establishment of an independent consumer representative body outside government; and**
- 3. The transfer of the consumer representation role, including the regulated industries role, to an existing non-government advice body.**

The closing date for responses to the consultation paper is 17th January 2014.

NILGA have indicated that they are preparing a response to the consultation for consideration by their Executive Committee on 10 January 2014. Their draft report recommends "that none of the proposed models for future arrangements outlined in the consultation document are fully appropriate, and that more work is required by the Department before a decision is reached on this matter". Furthermore, NILGA also highlight that the Review commissioned by DETI was too limited in scope and further work is needed to re-evaluate advice services across Northern Ireland in order to map out areas of duplication and potential gaps in service provision.

3. Correspondence from CCNI

In response to the DETI consultation, the CCNI prepared a briefing document setting out their position, the structure that is currently in place and how it best serves the specific needs and concerns of Northern Ireland consumers. The report (Appendix 3) highlights the CCNI's belief that strengthening it, rather than a diluted or externally funded body, is the best model for consumer representation in Northern Ireland. Furthermore, they recommend consultees to support them in their view that "*a strengthened Option 1 is the best way forward for consumers*".

In addition, the CCNI are seeking local councils to each pass a resolution in support of the organisation as follows:

"The Council recognises the vital role that the Consumer Council for Northern Ireland undertakes to protect consumer interests and believes that its current structure and role be maintained and strengthened".

4. Correspondence from NIPSA

Correspondence received from NIPSA highlights the "*invaluable service that the CCNI has provided for Northern Ireland citizens for almost 30 years*". NIPSA supports option 1 of the 3 options set out by the DETI – "that is the retention of CCNI as an NDPB to continue to provide strong, independent and cost effective representation for NI consumers". In addition, NIPSA requests that Belfast City Council (BCC) supports the CCNI and passes the aforementioned resolution outlined in section 3.

A short paper detailing why NIPSA believes the CCNI should be retained and indeed strengthened is attached at Appendix 2.

5. Current Advice Services in Belfast

- BCC provides free specialist advice to consumers and traders in Belfast through the Consumer Advice Centre (which is resourced through the Health & Environmental Services department). This includes advice on issues including consumer rights, faulty goods, home maintenance and repairs, shopping complaints, holiday complaints and consumer credit purchases.
- In addition, BCC's Development department provides funding of c. £850k per annum through the Community Support Programme towards local advice providers across Belfast, who provide free, confidential and independent advice within our communities on a range of issues including benefits, consumer, debt, employment and housing issues.
- In recent years, the local advice providers that BCC support have experienced a significant increase in the number of people accessing their services. This trend is likely to continue with the introduction of Welfare Reform.
- It should be noted that the role of the council's Consumer Advice Centre and the local advice providers is quite different from the role of the CCNI. The CCNI, which is based on the Hollywood Road, represents consumers in the areas of transport, water and energy.

Recommendations

Members are asked to:

- i. Consider whether or not to pass the resolution suggested by the CCNI;
- ii. Consider a response to one of the options highlighted in DETI's consultation on the future arrangements for consumer representation in Northern Ireland; and/or
- iii. Refer to party groups for party political responses.

Documents Attached

Appendix 1	DETI report on future arrangements for consumer representation in NI
Appendix 2	DETI consultation response template
Appendix 3	CCNI briefing on DETI consultation
Appendix 4	Why NIPSA believes the CCNI should be retained