



BIS consultation on the supply of goods, services and digital content

1 Introduction

- 1.1 The Consumer Council (CCNI) 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.
- 1.2 We have a statutory remit to promote and safeguard the interests of consumers in Northern Ireland and we 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.
- 1.3 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.
- 1.4 CCNI is a designated body for the purposes of supercomplaints, which means that we can refer any consumer affairs goods and services issue to the OFT, where we feel that the market may be harming consumers' best interests.
- 1.5 We appreciate the opportunity to participate in this BIS consultation on a new consumer rights bill regarding the supply of goods, services and digital content. We hope that you will find our comments useful and that our views will be reflected in the final decision making process.
- 1.6 This response includes our views on:
 - General issues relating to BIS proposals;
 - Goods, services and digital content;
 - Educating and informing consumers;
 - Consumer proficiency; and
 - Retailers' role in providing information on consumer law.

2 General issues relating to the proposals

2.1 BIS intentions

CCNI acknowledges BIS's intention is to simplify and clarify consumer rights and remedies and consolidate them into one consumer rights bill. We agree that UK consumer law while generally good, does have some aspects that can be complex for consumers to understand. It is therefore important to ensure that consumer protection rules are simple and coherent so that consumers are provided with a better understanding of the rights and the remedies available to them.

2.2 Enforcement issues

We believe that any new law must enhance consumer rights, not reduce them. The proposals are only the start of the process of change and although the consultation process will help to future proof the proposed regulations the practical outworkings will emerge in due course when consumers and businesses start to operate under the new measures.

Our colleagues in Trading Standards Service are well placed to comment on the enforcement implications of the proposed changes. CCNI's role is to inform and empower consumers so they will gain confidence from knowing their rights and being aware that there is a robust protection regime in place should businesses break the law.

3 Goods, services and digital content

3.1 Goods

CCNI agrees it is important that the bill allows for flexibility for a trader and consumer to consent to extend the proposed 30 day period to reject goods. This would allow for special circumstances where goods will not be used for some time following their purchase, such as when goods bought in preparation for the arrival of a new baby, moving into a new home and buying Christmas or other presents.

3.2 Services

We acknowledge attempts to increase consumer protection by clarifying the nature of consumers' rights and remedies in relation to the supply of goods as it is currently a fairly complex area of law for consumers to understand.

3.3 Digital material

We agree that the law on digital content needs modernised for the 21st century to ensure better protection for consumers buying digital material.

4 Educating and informing consumers

4.1 CCNI's commitment to consumer education

CCNI's ongoing commitment to consumer education allows us to take BIS proposals into account when developing our future yearly operating plans.

We are committed to raising awareness of consumers' legal rights and delivering consumer education to all ages. Our commitment is reflected in our vision statement of a future society of informed and responsible consumers in which everyone is treated fairly. Our Corporate Plan 2011 – 2015 has identified Informing and Empowering Consumers as one of our high level objectives.

We have already developed strong links with schools, adult learners, community and voluntary groups and businesses to raise awareness of consumers' legal rights, signpost to sources of expert consumer advice and to boost skills that enable consumers to deal confidently with their complaints about faulty goods or poor service.

4.2 information campaign

CCNI believes that a major information campaign will be needed to alert consumers to their rights and remedies in the proposed Bill. Properly informed consumers are confident consumers who are more likely to make effective purchasing decisions. However quality of information is more important than quantity and BIS should ensure that consumers are provided with the right information in the format most suited to their needs.

4.3 Shoppers Rights Card

We suggest that BIS considers developing a new resource based on CCNI's Shoppers Rights card which has been adapted for consumers in Wales, Scotland and the Republic of Ireland. The card offers a model to communicate key consumer law information in a practical and durable format which can be kept in purses or wallets to give individuals confidence to assert basic consumer rights when faced with shoddy goods or services.

CCNI is willing to work at UK level with Government, consumer protection organisations, regulators and education stakeholders to develop a co-ordinated, cost effective approach to developing consumer education initiatives such as the Shoppers Rights Card to suit a variety of audiences and provide consumers with accessible information on the new Bill's rights and remedies.

5 Consumer proficiency in Northern Ireland

5.1 Consumer education helps raise consumer proficiency

Consumer education is fundamental to increasing consumer proficiency which is defined as awareness of consumer rights and having the skills and confidence to seek redress when things go wrong. Consumer proficiency is one of the twin pillars underpinning our current operational plan and we survey consumer proficiency levels at regular intervals¹ to gain insight into consumers' ability to look after themselves in an increasingly complex marketplace and changing economic circumstances. .

5.2 NI consumer proficiency research 2012

The key findings from our recent report Canny Consumers? Are consumers standing up for their rights?² show that consumers are willing to stand up for their rights and complain when they experience problems. Nine out of ten consumers go back to the business to sort out their complaint. The majority (9 out of 10) proactively compare prices and shop around and 2 in 3 (64 per

¹ CCNI has measured consumer proficiency levels every four years since 1999.

² Published September 2012 - download at www.consumer council.org.uk/publications/

cent) have changed their buying behaviour as a result of the economic downturn.

However only half of consumers (52 per cent) feel well informed about their rights and 22 per cent are unsure where to turn for expert consumer advice – particularly those aged 45-54 and those living on a low income.

5.3 CCNI's action plan to raise consumer proficiency

CCNI is committed to working to increase consumer proficiency levels by 2015. Our action plan which has already factored in scope for the BIS proposals includes:

- Expanding our consumer education role especially amongst the young;
- Helping to boost consumer proficiency by undertaking proactive and targeted outreach work, focusing our attention on lower income households, older or retired people, younger people and students and people with disabilities; and
- Using evidence we gather to work with the business sector to ensure their customer complaints procedures, information provision and customer service meet the consumers' needs.

6 Business role in providing information on consumer law

6.1 Requirement on traders to provide consumer rights information

We consider that there may be scope in the proposals to include a requirement on businesses to provide information for consumers on their rights which could be available in an easily accessible format at the point of sale via signage, leaflets, website and if possible on customer receipts.

6.2 Increasing business knowledge of consumer law

CCNI works with the business sector in Northern Ireland to increase their knowledge of consumer law and help enhance levels of customer care in order to benefit consumers. Our experience shows that while businesses often communicate a genuine commitment to consumer law and the provision

of first class customer care, sometimes systems and training are not in place to ensure that staff working directly with consumers are enabled to deliver on this commitment.

BIS proposals will result in businesses including SMEs and online traders needing easily accessible training initiatives to raise their awareness of consumer protection law and sources of expert, impartial advice to resolve disputes with consumers.

If businesses can be equipped to deal confidently with issues such as returned goods, by having a sound understanding of consumer law, coupled with a commitment to providing top quality customer care, this will help benefit business, consumers and the economy as a whole.

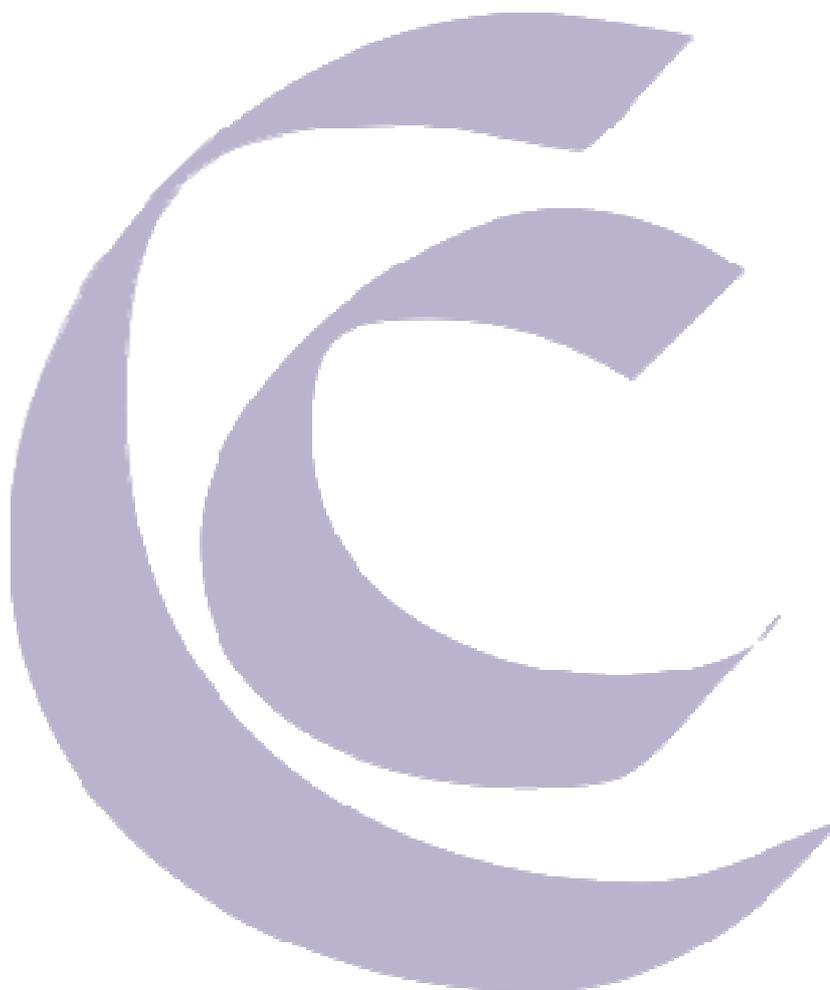
6.3 Research on business awareness of consumer rights

CCNI is undertaking research with NI businesses on their awareness of consumers' legal rights and their approaches to improving customer care. We are willing to share with BIS any relevant findings which we will report on in early 2013.

7 Concluding Remarks

Please do not hesitate to contact the Consumer Council if you require any additional information. Our contact is Carol Edwards on 028 9067 4802 or by e-mail cedwards@consumercouncil.org.uk

Making the consumer voice heard and making it count



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