



General Consumer Council for Northern Ireland

Annual Report 2003 to 2004



General Consumer Council for Northern Ireland

Who is a consumer?

"A consumer is the most important visitor in our premises. He is not dependent on us, we are dependent on him. He is not an interruption to our work; he is the purpose of it. He is not an outsider to our business, he is part of it. We are not doing him a favour by serving him; he is doing us a favour by giving us an opportunity to do so."

Mahatma Gandhi

Please contact us if you would like an executive summary of this report on disk, in large type, in other accessible formats or in minority ethnic languages.

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Working on behalf of consumers

The General Consumer Council for Northern Ireland Annual Report and Accounts for the year ended 31 March 2004.

Laid before the Houses of Parliament, by the Department of Enterprise, Trade and Investment in accordance with Paragraph 12(2) and 12(4) of the Schedule to the Northern Ireland Act 2000 and Paragraph 19 of the Schedule to the Northern Ireland Act 2000 (Prescribed Documents) Order 2004.

15 December 2004

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Steve Costello
Chairman

It has been another year of change, challenge and growth for the General Consumer Council.

This year has heralded a significant change to our energy role and function. The Energy (Northern Ireland) Order 2003 came into effect on 1 April 2003. This extended the powers of the Council, enabling us to take responsibility for electricity consumers. We are now using existing experience and skills to provide a One-Stop-Shop for consumer representation in energy matters, as well as transport and food.

We are grateful to Northern Ireland Electricity and the NIAER for their help in establishing good working relations.

The recent Review of Public Administration is the first major examination of public service delivery here for 30 years.

The Review is a unique opportunity to shape and deliver consumer-focused public services in an increasingly challenging and diverse world. The Council believes that consumers' interests must be paramount within this process and we are playing our part by placing the consumer at the heart of public services reform.

I am pleased to say that we gained the Investors in People award again this year. This underlines our commitment to being a friendly employer providing a happy, vibrant environment for staff and members alike.

We are proud of the benefits that our staff work hard to bring about for consumers. To support this work, this year we also started an organisational development initiative known as Our Prime Resource.

I am pleased to say that our new chief executive, Eleanor Gill, took up her post this year. Eleanor brings a wealth of experience and knowledge to the Council and we all look forward to working with her to make the consumer voice heard.

The Council exists to bring about positive change for consumers and we are proud of the tireless work which staff and members undertake with such great benefits.



Eleanor Gill
Chief Executive

What an exciting and challenging first year to be leading the Council!

Working in partnership with others to bring about change for consumers is important to us. During National Consumer Week, we worked with large and small retailers as well as the Ulster Farmers' Union, to distribute our popular Shoppers' Rights Card across Northern Ireland. Feedback from businesses and consumers alike is that this handy little card is worth its weight in gold.

We tackled the growing problem of debt in our society by launching a Christmas card with a difference. The card contained our top ten shopping tips for a debt-free festive season. We are continuing our work on indebtedness and will be launching a report that looks at the bigger picture of credit, debt and financial capability in Northern Ireland in Autumn 2004.

World Consumer Rights Day in March was marked by a conference that brought together the major players in the water industry, the environment and public health, to discuss the issues surrounding

our use of water now and in the future – a pressing topic for local consumers as we inform the debate on water and sewerage reform on their behalf.

Direct Payment is a big change in how social security benefits will be paid. Naturally, some consumers are anxious about how it will affect them. We developed an easy to read guide to the change with everything you need to know in simple language. We worked with benefits expert, Eileen Evason, to produce the leaflet. The advice sector and other consumer bodies help us to distribute the leaflet across Northern Ireland.

Many consumers here use oil to heat their homes, but did you know that you don't have to be registered or qualified to install an oil-fired central heating system? We believe that this leaves consumers vulnerable. As a result we ran a campaign to highlight the dangers. We worked with key players in the oil industry to distribute posters and leaflets to get the safety and efficiency message across.

This is the first year we have produced a new style annual report. On the following pages you will see how our work with others is making a real difference for consumers across Northern Ireland. I hope you enjoy it!

If you would like further information please contact Susie Brown on 028 9067 2488.

Would you credit it?

There has been a huge growth in consumer credit recently. The average household in the UK now has around £7,000 of consumer credit, excluding mortgages. In addition, the UK accounts for 75 per cent of all credit card debt in the new European Union.

Credit is a way of life for many people and while it can be a very positive experience for some, for others, it can be a source of misery. We want to see legislation for the 21st century to tackle

irresponsible lending, increased access to affordable credit and clear, understandable information so that consumers can shop around and compare deals. We are working hard with government and our local elected representatives and MEPs so that legislation arising from the Government's Consumer Credit White Paper will address these concerns.

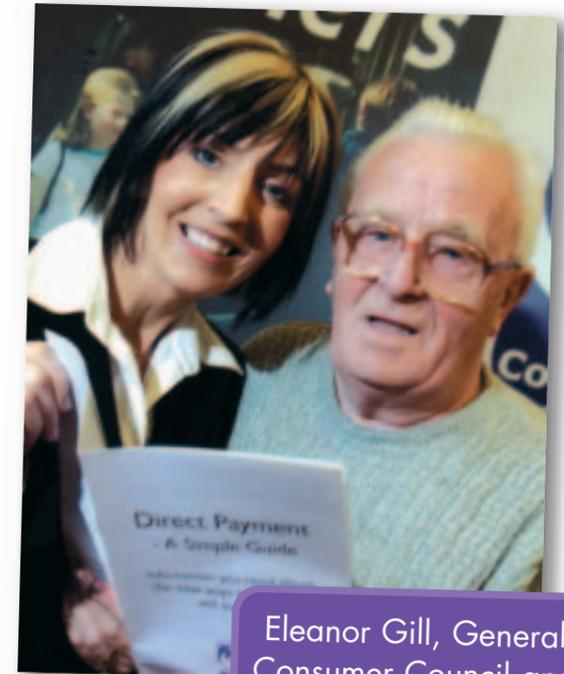


A Christmas card with a difference

Consumers got an early Christmas card with our top ten shopping tips to help avoid festive season debt. The card was designed to help consumers plan their Christmas shopping by setting realistic budgets and shopping around. It also warned consumers to check store and credit card Annual Percentage Rates (APR).

Direct and to the point

Direct Payment is a big change in how people receive benefits and some people are confused about what it means for them. We addressed this by launching a leaflet, *Direct Payment - a Simple Guide*. This handy leaflet contains everything people need to know about the new payment options and where to get help. It introduces people to Post Office and bank accounts that can offer a range of financial services like the chance to spread regular payments and access to cheaper facilities. If you would like further information please contact Julie Megrath on 028 9067 2488.



Eleanor Gill, General Consumer Council and North Belfast Resident

Food glorious food

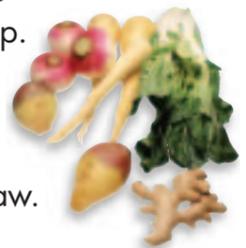
With the growing concerns on obesity levels in the UK, we are working with other consumer organisations to press for tighter controls on how unhealthy products are promoted to young people, including greater controls on television advertising during key viewing hours.

Labelling our food

Consumers are being cheated on their chicken because of additives that promote water retention to increase its weight. They are paying for a watery product and could unknowingly be consuming non-chicken protein. A zero tolerance policy for this activity is needed and we want to see proper, meaningful labels and appropriate sanctions for offenders. The European Commission's proposals on nutrition and health claims will ensure that food with these claims is labelled and advertised adequately and clearly. Safe to say we will keep a watching eye on developments.

You are what you eat

The Council played its part on the Food Standards Agency's Eat Safe Award Implementation Group. The award is presented to hotels and restaurants with standards of food hygiene above what is required by law. The award was important in raising food safety standards and supporting food law enforcement. If you would like further information please contact Sinéad Furey on 028 9067 2488.



Sinéad Furey, General Consumer Council, one of the judging panel at the first presentation of the Eat Safe awards.

Water water everywhere

Water and sewerage reform has become an important emerging local consumer issue in 2003. Northern Ireland deserves a system that delivers a high quality service, clear and affordable pricing and adequate protection for vulnerable consumers. Our information paper – *Paying for Water* – was effective in clearing up confusion, providing analysis and promoting informed discussion. Our independent consumer research found that top of people's minds was how much will they have to pay and what they will get for their increased bills. We highlighted how rates and general taxation already contribute to the cost of water and called for any new charging system to be fair and take account of the amount already paid. Water users here are not formally represented. Given our role in representing consumers in other utilities, the Council would welcome becoming the water representative body. The water debate will continue next year and beyond.



Planes, trains and automobiles

Improved bus and rail fleets are a welcome development for consumers. Citybus and Ulsterbus have benefited from 190 new buses to move towards the Regional Transportation Strategy's target of an average bus age of eight years by 2012.

The construction of Translink's new trains is well underway with the first expected to enter passenger service in Autumn 2004. All new trains will be in operation by the summer of 2005. Passenger information is also better with continued improvements to Translink's website, call centre facility, timetables, bus stops and on-board information.

However, we remain concerned about the performance of bus and rail services. Following an increase in passenger satisfaction in spring 2003, we were disappointed that this fell in autumn 2003. Passengers welcomed improvements in terms of comfort, cleanliness and helpfulness of staff, but poor punctuality was the main concern.

A nine per cent rise in Citybus fares along with a five per cent rise in Ulsterbus and Northern Ireland Railways fares was disappointing. The cycle of increasing fares and underperformance needs to be broken.

Gas price increase

The biggest energy story for consumers this year was undoubtedly the two gas price increases announced by Phoenix Natural Gas (PNG). With no competition in the market, this was potentially a huge blow for the 70,000 gas users here. In October 2003, prices rose by 10.8 per cent, after three years of prices linked to inflation.

We urgently called on PNG and the Northern Ireland Authority for Energy Regulation to work together to give consumers a transparent and sustainable pricing policy now and in the future.

However, in March 2004, we were shocked when PNG announced a further 20 per cent increase. The combined effect meant a hike of more than 30 per cent in six months.

Fuelled by poverty

The scourge of fuel poverty was starkly highlighted this year when the Northern Ireland Housing Executive's (NIHE) research showed that one in three households here are in fuel poverty. This is much higher than anticipated and pointed to the urgent need for a fuel poverty strategy. Although the strategy is a positive step forward, we are disappointed at how long it is taking given the great need to progress, as well as questioning the levels of resources to be made available to eradicate fuel poverty.

Our response called for:

- Adequate resources and challenging targets
- A ministerial taskforce, to oversee the strategy and its progress towards eradicating fuel poverty by 2016;
- Eligibility for fuel poverty based on real need rather than age or benefits dependency.



We were extremely concerned at how this would affect consumers particularly as many questions were left unanswered. We lobbied political parties, the Government and other stakeholders and successfully called for the increase to be suspended.



Consumers at the heart of public services

The Review of Public Administration is the first major examination of public service delivery here for 30 years. It means that public bodies are under more scrutiny than ever.

Public services play a major role in all our daily lives. They provide us with the essential services we need as patients, pupils, tenants and claimants. Importantly, they provide protection and support to vulnerable and disadvantaged people including those affected by poverty, disability, homelessness and mental illness. In addition, they contribute significantly to the local economy by providing a third of all employment in an increasingly service-based society.

Our public services have sustained us during the past 30 years of conflict and significant under funding. But how do we ensure that all our public services (and the professionals delivering them) are responsive to the needs and expectations of consumers?



- *Less than half the public is satisfied with public service quality.*
- *57% stated there have been times when they wanted to complain but didn't.*
- *Specific areas identified for improvement are health, social services, education, roads and housing.*
- *77% of consumers do not think they have enough say in how public services are provided.*

Source RPA Team

Any emerging model and its services must be tested against the seven consumer principles:

- 1 ACCESS** Can people get the goods and services they need regardless of circumstance or location?
- 2 CHOICE** What choices are available? How do people exercise choice? At what cost?
- 3 INFORMATION** Is it available, accurate and useful? Does it enable consumers to access services and to exercise informed choices?
- 4 SAFETY** Are services dangerous to health or welfare? Is there trust in public safety and welfare? How do we deal with risk?
- 5 FAIRNESS** Are some or all consumers unfairly discriminated against? Are consumers treated fairly, with dignity and respect?
- 6 REDRESS** Is there a simple and fair complaints system when things go wrong? Are consumers empowered to complain, does it make a difference?
- 7 REPRESENTATION** Do consumers have a say in how goods or services are provided? How can consumer views be represented in services where there is little or no consumer choice?



Setting the standard

Anyone can install an oil heating system because there is no qualification or registration system in place and this leaves consumers vulnerable. With more than 70 per cent of consumers here using oil to heat their homes, they must be protected from shoddy and dangerous installation work.

We joined forces with NIHE, OFTEC (Oil Fired Technical Association), Northern Ireland Oil Federation, Belfast City Council and the Fire Brigade to launch the *Safe as Houses* campaign to bring some form of regulation to the industry. More than 60,000 leaflets and posters were distributed to public outlets and oil customers with advice on how to make their homes safe. The campaign will continue by focusing on key decision makers who can introduce regulation into the industry.

The weakest link?

The European Commission is considering introducing the buying and selling of landing and take-off slots at European Union airports. The Council is concerned that this would put the Belfast to Heathrow service at greater risk. With Northern Ireland's peripheral location and limited direct air services outside the UK, Heathrow remains the gateway to the world for local passengers and businesses. The House of Commons Transport Select Committee supported our call for action to secure the route. The Consumer Council was the only Northern Ireland organisation to give evidence to the select committee.



Left to right:
Gerry Toman Northern Ireland Fire Brigade, Steve Costello and Jo Stevenson, General Consumer Council and Barry Steele NIHE

The Committee's Inquiry on Aviation highlighted the importance of Government action to protect Heathrow access for all UK regions.

Therefore, it was disappointing that the White Paper on Aviation did not go far enough. However, the UK Department for Transport will be consulting in 2004 on how it implements current EU rules on Public Service Obligation routes. This will provide further opportunity to highlight the need for changes to protect the access needs and economic interests of the UK regions.

Passengers not happy with service: report

By Graeme Neill

MORE than half of passengers who use public taxis and more than a third who hire private cabs believe they have been overcharged, according to a new report.

The General Consumer Council survey also detailed problems passengers experience with illegal operators, and with poor handling of customer complaints.

More than half of those interviewed said that they were not happy with how their complaint

The best way to get a 'fare deal'

The General Consumer Council has come up with the following guidelines for customers to get a 'fare deal':

- request an estimated cost for the journey at the time of booking or prior to boarding the taxi
- ask when the taxi can be expected to arrive

- double check the price with the driver when the taxi arrives
- pre-book and check prices at busy times of the year like New Year's Eve
- look for proper identification of the vehicle and driver before departing build up a good relationship with a taxi company that provides quality service

timely information so that they can make informed choices about taxi operators.

"Importantly, they want to know that there is an effective system for making and dealing with complaints."

The council, an independent consumer organisation, recommends that the forthcoming review of the taxi industry should result in "a framework of competitive and reasonable fares for all".

It also advises that consumer protection and awareness should be improved and an increase in the standards of service.

had been dealt with.

The report, *Talking about Taxis*, aims to provide information and promote debate about issues affecting taxi users.

It was issued yesterday ahead of a consultation on the taxi

industry by the Department of Environment due this spring.

The report said taxis are an important part of Northern Ireland's transport network, with many people relying on them as their sole means of getting

around.

Alan Walker, head of consumer affairs at the council, said: "Consumers want safe, reliable taxis that are reasonably priced and provide value for money."

"They also want clear and

Taxi!

We contributed to the review of taxi regulation by working with the Department of the Environment to update previous research carried out in 1997. Our report, *Talking about Taxis*, found that taxis are an important part of the transport network with many people relying on them as their sole means of getting around. Among the areas of concern highlighted by consumers were cost, illegal operators and poor complaints handling by taxi operators.

We believe that the review is an opportunity to improve life for consumers and the taxi industry and ensure a fairer deal for all. We hope that it will result in a system that provides consumers with safe, reliable taxis that are reasonably priced and provide value for money. We also responded to the Office of Fair Trading's (OFT) report on taxi services and presented the consumer viewpoint as part of an OFT consultative event.

Will we or won't we?

Consumers should be properly informed, protected and heard in the event of a UK referendum supporting the introduction of the Euro.

As a member of the Northern Ireland Euro Preparations Committee, we are stressing that consumer protection should be embedded in the Government's approach as an overarching principle.



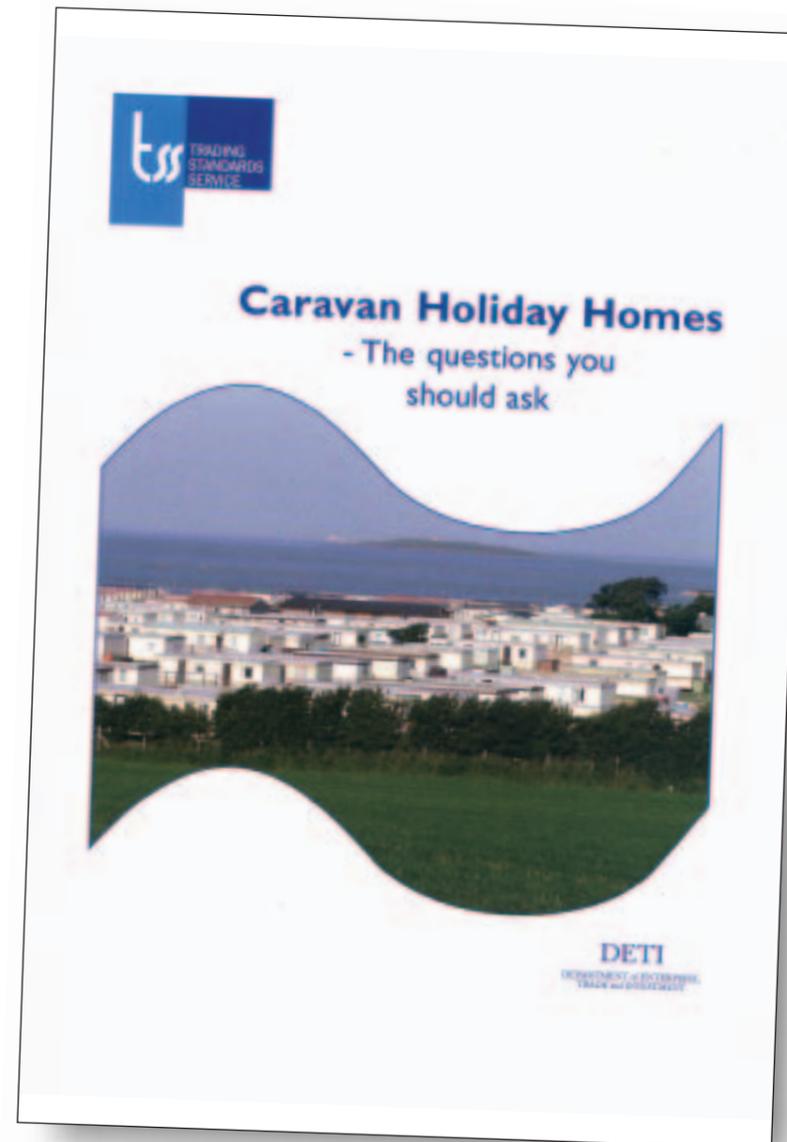
What's in store?

A high street survey of store card providers concerned us about how the store card market operates here. With Annual Percentage Rates (APR) as high as 30 per cent, store cards can be a very expensive form of credit. We found that in one instance, consumers buying goods at £500 could spend over £1000 if they only paid the minimum amount each month.

We used this information to contribute to the Office of Fair Trading's study into the store card market, which has resulted in an investigation by the Competition Commission.

Are we there yet?

Trading Standards Service's caravan advice booklet was a useful guide dealing with the issues affecting owners and their lack of rights. The booklet was a welcome step in the right direction and should encourage more site owners to take action and provide written licence agreements for caravanners. It will also help both parties to understand their rights and responsibilities to each other.



Get it off your chest

Consumers here are more reluctant to complain than those in Great Britain. Feeling unsure of their rights and lacking confidence are common.

We produced and distributed 20,000 *Can't Complain, Won't Complain* leaflets with information on basic consumer rights and responsibilities and tips on how to complain with confidence.



DO...

- Make your complaint to the seller/supplier as soon as possible
- Remain calm and cool-headed
- Be polite, speak clearly and firmly
- Listen to the retailer/supplier's response
- Think before you speak!
- If you are not satisfied with the response, seek expert consumer advice

DON'T...

- Mumble, whinge or raise your voice
- Get aggressive or point your finger
- Let yourself get fobbed off
- Apologise or play down your complaint
- Interrupt
- Walk away

A bit of a do

The Edge was the location for a major event to celebrate World Consumer Rights Day – *Consuming Water: Now and the Future*. UTV’s Fearghal McKinney chaired the event, which highlighted the global issues surrounding water now and in the future. Martin Fitch from the University of Leicester spoke about water poverty and Robin Simpson of Consumers International discussed global water trends and issues. The event was also used to launch the Council’s water fact sheets on sustainability, metering, water poverty and water reform.

John Spellar, MP, spoke at the event and highlighted the need for investment in



John Spellar (Minister for Northern Ireland) and Steve Costello (Chairman of the General Consumer Council)

Northern Ireland’s water infrastructure. He also recognised our contribution to ensuring that consumer needs were placed at the heart of the debate.

Shop ‘til you drop

Our information paper, *Retailing and Town Centres: A Consumer View*, actively informed the town centre versus edge-of-town debate ahead of the Department for Regional Development’s planned consultation on the future of retail planning policy here.

Access, Balance and Choice were the order of the day as the paper highlighted the need for shopping locations to be easily accessible by public and private transport and called for a balance between town centre and edge-of-town shopping facilities so that consumers have a real choice of where to shop. If you would like further information please contact Sinéad Furey on 028 9067 2488.

Access Balance Choice



The only card you’ll ever need

Nearly 200,000 of our popular Shoppers’ Rights Cards have been distributed across Northern Ireland. They contain handy shopping tips and details of the new Sale and Supply of goods to Consumers’ Regulations, 2002. The bright yellow card looks like a credit or debit card and can go everywhere the shopper goes. Shoppers are encouraged to keep the card handy to help them feel confident about their rights if something goes wrong. We were pleased that large and small retailers, advice centres and credit unions supported this important initiative by distributing the cards. We also produced versions in Braille and ethnic minority languages. If you would like further information please contact Carol Edwards on 028 9067 2488.



General Consumer Council staff at St George’s Market

...the Consumer!

Coming to a centre near you is the *Catch on to Consumer Rights* course. Part of the Consumer Skills for All programme, the course is designed for people in local communities who want to gain a better understanding of their rights when buying goods and services. The course ran successfully at Positive Steps Women’s Centre in Cookstown, Bessbrook and Derry are next – watch this space! If you would like further information please contact Carol Edwards on 028 9067 2488.

Catch yourself on!

Did you know?

In 2001, there were 86 million consumer complaints and problems with mis-selling and faulty goods. This cost consumers £8.3 billion or roughly £200 for each adult in the UK.

So, who pays when something doesn’t work when you get it home or when a service doesn’t come up to scratch?



Members of Positive Steps Women’s Centre on the *Catch on to Consumer Rights* course

I don't believe it!

The General Consumer Council handles complaints for consumers who have not received a satisfactory response from electricity, gas, coal and public transport providers. Northern Ireland is not a nation of complainers and one of the main reasons consumers don't complain about goods and services is because they often don't know where to go.

We ran a TV, radio and outdoor advertising campaign to promote our complaint-handling role. As we are now representing electricity consumers and have a new dedicated complaints telephone number, the campaign was timelier than ever. Immediate feedback was positive and the number of calls to the complaints line increased by more than thirty percent.



Michelle Bagnall, General Consumer Council, launches the complaints campaign

Nearly half of us (46%) feel embarrassed when we have to make a complaint.

Developing the business leaders of the future

Business ethics and good customer care create a marketplace that works for consumers. As part of our work in this area, we hosted an event for business studies students and their teachers on *An Ethical Approach to Business*. The delegates heard from three of the most influential figures in business and consumer affairs today: Bill Cullen, charismatic author of *It's a Long Way from Penny Apples*, gave a presentation on the Business Leaders of Tomorrow. Ed Mayo, Chief Executive of the National Consumer Council spoke about Corporate Social Responsibility and Leslie Morrison, Head of Invest Northern Ireland, looked at the opportunities for young people to become entrepreneurial champions.



Bill Cullen, author of *It's a Long Way from Penny Apples*



Audrey Curry from Stranmillis University College, Belfast and students



What happens when the lights go out?

Severe lightning storms and a power station failure cut many households' electricity supply during the year. On both occasions, NIE successfully restored supplies quickly.

More than 6,000 lightning strikes hit the province on 5 August and around 90,000 households had their electricity supply disrupted. Following discussions with NIE and Ofreg, goodwill payments of £25 were agreed for those 600 households without electricity for more than 24 hours.

On 4 December, a fault at Kilroot Power Station caused power cuts to 120,000 customers. We issued practical advice to customers. Overall, NIE handled the situation well and restored supply quickly.

The failure at Kilroot raised the whole issue of security of supply. We have written to the Minister outlining our concerns and were reassured to hear that we will be involved in preparing a new emergency plan.

The Council is working with NIE on the lessons learned from the blackouts so things can get better and better when we're left in the dark.



Hats off to CAP

The Common Agricultural Policy (CAP) is important for consumers because it has implications for the choice, safety, quality and price of food and environmental sustainability. In response to the mid-term review of CAP we recommended that:

- Full decoupling be introduced as soon as is practicable;
- Modulation should be progressive, dynamic and compulsory;
- There should be support for organic or other environmentally-sustainable farming practices; and
- Cross compliance proposals should be supported as they offer environmentally friendly benefits that consumers want and expect.



Jill Girvan, General Consumer Council and teachers from Armagh Teachers' Centre and Joanne Crothers, General Consumer Council

Log on to consumer knowledge

We launched our new consumer education portal site,

www.consumerline.org/portal

The site aims to be the gateway to consumer education for primary and post primary teachers. It contains more than 200 links to consumer education material, tried and tested lesson plans on a range of subjects, quizzes and activities and information on the curriculum.

The site attracted more than 500 teachers in the first month.

www.consumerline.org/portal

Testing times for teenagers

A team of teenagers from Abbey Grammar School, Newry were the winners of this year's Young Consumers' Competition, held at the Lagan Valley Island Centre in Lisburn. They fought off tough competition from Ballymena Academy, Thornhill College, Derry and Methodist College, Belfast to take first prize. The quiz is jointly organised by the General Consumer Council and the Trading Standards Service of the Department of Enterprise, Trade and Investment. It is designed to increase consumer awareness among young people.

For the first time this year, alongside the traditional quiz format, the competition

also included a project element. The project was sponsored by the Food Standards Agency for Northern Ireland and the aim was to design a newsletter based on consumer and food issues. Award-winning chef, Michael Deane presented Lisnaskea High School with the top prize.



Abbey Grammar School, Newry

Lisnaskea High School



Consumerline campaign

We are all consumers. How many of us would know where to go or what to do when something goes wrong with something we've bought? Our research shows that many of us wouldn't know where to go, would be embarrassed to make a complaint or simply don't bother.

This year, the Department of Enterprise, Trade and Investment launched its telephone helpline - Consumerline - a "One-Stop-Shop" for advice and information on the full range of consumer issues. You can ring the number from your own home and in your own time where and when you feel comfortable or by sending an email to www.consumerline.org.

The need for this service is clear. Provision of consumer advice has been criticised in the past as uncoordinated. The Government's Consumer Strategy has taken that criticism seriously and Consumerline is one of the results.

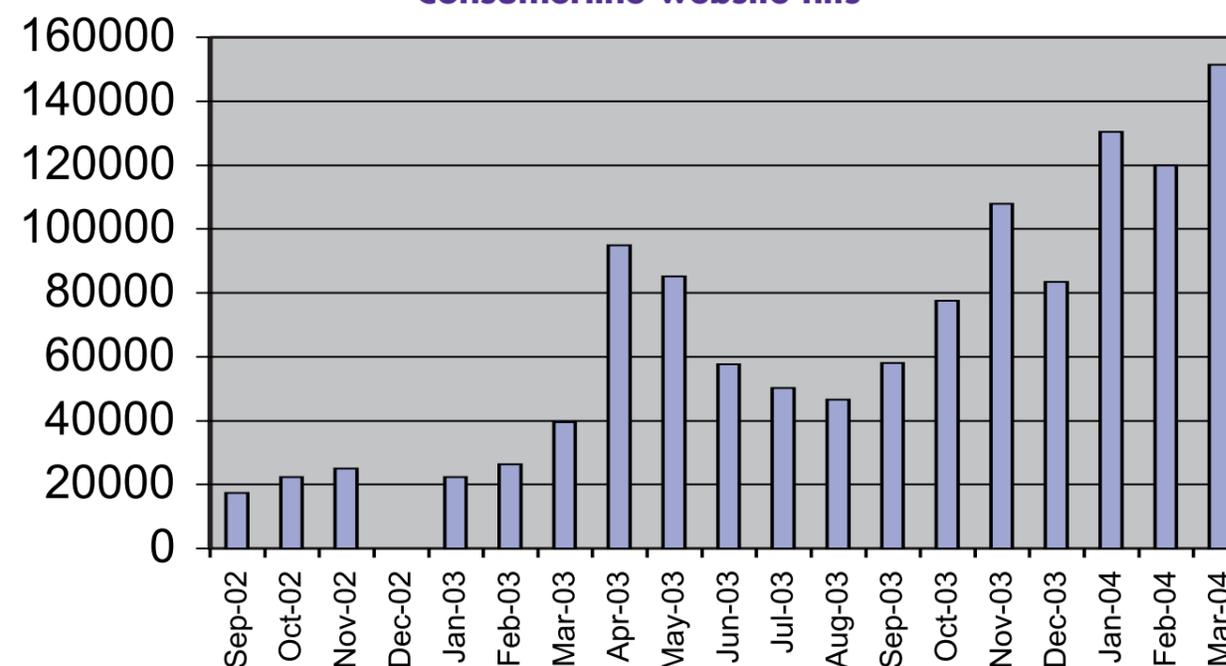
Consumerline provides that all-important aspect missing from many of today's services - the human touch, the voice at the end of the line. On Consumerline, you won't hear, "for enquiries about faulty goods, press one, for enquiries about returning sale goods, press two." Consumers value that and it sets this service aside in a crowded telephone service marketplace.

The helpline is designed to empower and educate local consumers who will, in



Driving up the visibility

Consumerline website hits



turn, drive up local business performance. It also aims to ensure consumers get a fair deal, particularly vulnerable consumers and those in disadvantaged areas.

Consumerline also caters for people who are not ready to speak to someone, are looking for some background information on a particular issue or who prefer to make a complaint by e-mail.

The General Consumer Council's award-winning website; www.consumerline.org provides this service in conjunction with the telephone helpline - a truly

integrated and complete service. We are committed to this service which has been developed and we hope it will make a difference to consumers and businesses. It will reap benefits for the economy as well by driving up standards of customer care.



Left to right: Gillian Hull, Ian Pearson, Corrina Cadoo and Pauline Black at the helpline launch.

**General Consumer Council
for Northern Ireland**



**COMPLAINTS
REPORT
2003 - 2004**

Introduction

Helping and advising individual consumers with complaints or enquiries about gas, electricity, coal and passenger transport is a core activity of the General Consumer Council. Our service is free and independent. We have a clear procedure developed over the years to ensure that complaints are dealt with consistently, effectively and efficiently. Our main aim is to get the best possible outcome for people who contact us for help.

But this work is not simply about helping individual consumers. It also provides us with data about the issues that appear to be of continuing concern in the context of our wider work in promoting consumer interests. Without calls or letters from consumers telling us about the problems they are having, we would not know about the specific issues that exist and therefore would not be in the best position to campaign, lobby and work towards improving standards for consumers.

Over the years the complaints role of the Council has widened to take on new responsibilities. In April 2003 the Council took responsibility for dealing with electricity complaints. The four areas of complaints the Council deals with are:

- Electricity
- Natural Gas
- Coal
- Transport

How do we deal with complaints?

The Council is working with all companies to develop a complaints procedure that works best to resolve complaints. Consumers can make a complaint by contacting the Council by telephone, letter, fax or e-mail. The vast majority of complaints are received by telephone. All contacts received are recorded and acknowledged within two days.

Before the Council will investigate a complaint, the consumer must have contacted the company concerned first. This rightly gives the company an opportunity to respond to the problem. Indeed, we have found that this often helps to sort out problems quickly and effectively.

Where consumers are not satisfied with the company's response, we will act on their behalf and investigate the matter further. All relevant details and information is gathered from the complainant. We then contact the company asking them to investigate the complaint. Communication between the Council and the company will continue until we are satisfied we have all the relevant information and a satisfactory outcome has been reached. The Council may seek technical or legal advice from independent sources, visit complainants or set up meetings between the Council, the consumer and the company involved, in an effort to bring about a satisfactory outcome.

Resolving complaints

In resolving complaints the Council expects the company to provide an explanation and an apology for the

complainant. In most cases we believe this is sufficient but for some cases we believe that a financial remedy is appropriate and necessary. In addition we believe that complaints provide an opportunity to improve service delivery by highlighting areas that are not working as well as they should. Therefore we are keen that, where appropriate, companies learn from their complaints and change the way they operate to ensure their customers receive a better standard of service.

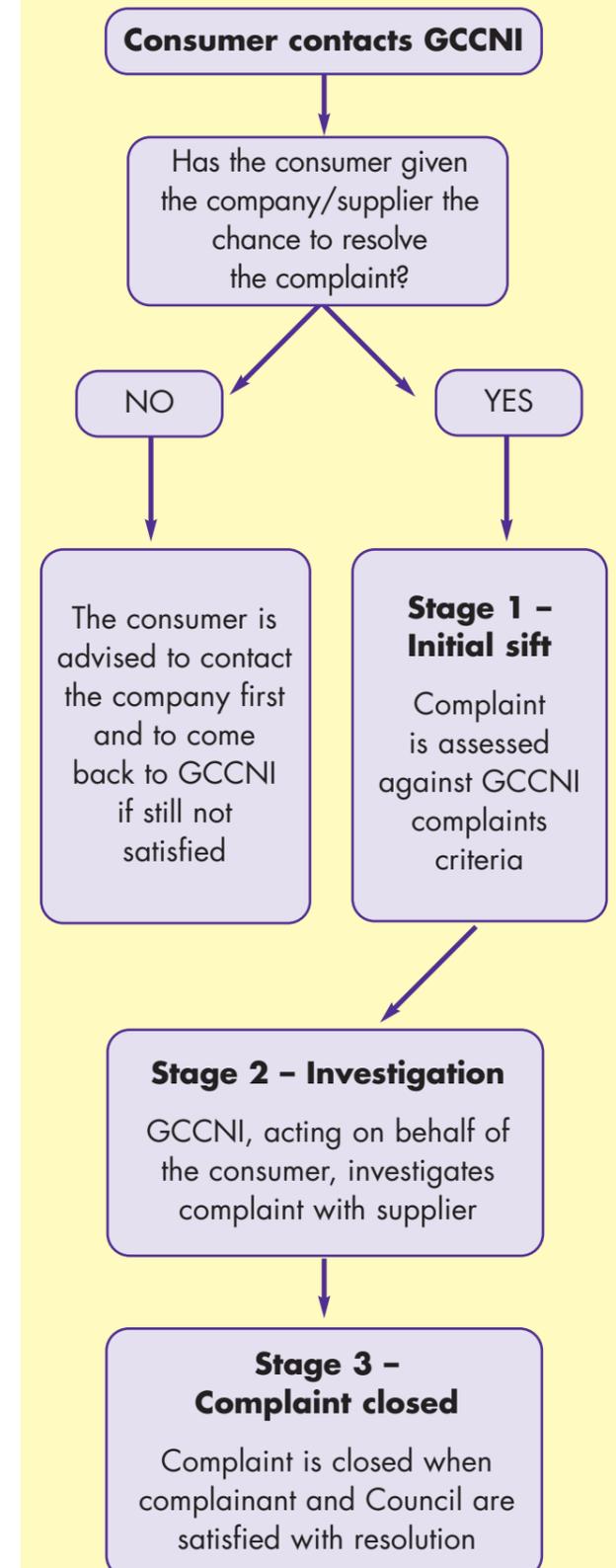
Categorising customer contacts

All contacts received by the Council are recorded in one of three categories. These are: enquiries; first stage complaints and second stage complaints.

- Enquiries are requests for information or advice.
- First stage complaints are where consumers have not contacted the company about their complaint. In these cases, the Council refers consumers to the company to seek resolution.
- Second stage complaints are where consumers have received a response from the company but remain dissatisfied and the Council deals with it on their behalf.

At present, when a complaint has been closed, the company may question whether a complaint is substantiated (justified on the basis of the evidence). The Council will decide if the complaint has been substantiated. The categorisation of complaints in this way is a temporary approach and is under review as part of our Complaint Review Project.

GCCNI Complaints Procedure



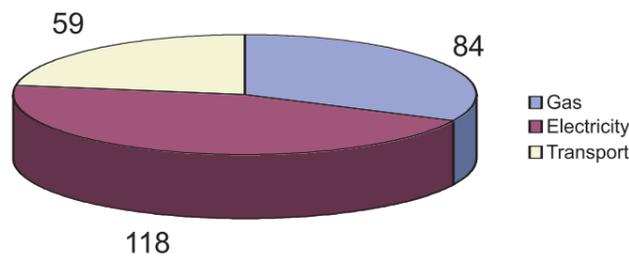
Complaint review project

The Council embarked on an independent review of its complaint procedures in 2003-2004 to identify how it can improve the way that it deals with complaints. Part of this review involved consulting key stakeholders such as energy and transport companies, complainants and staff and benchmarking with consumer bodies. We plan to implement the recommendations from this review from 2004.

Overview of complaints 2003-2004

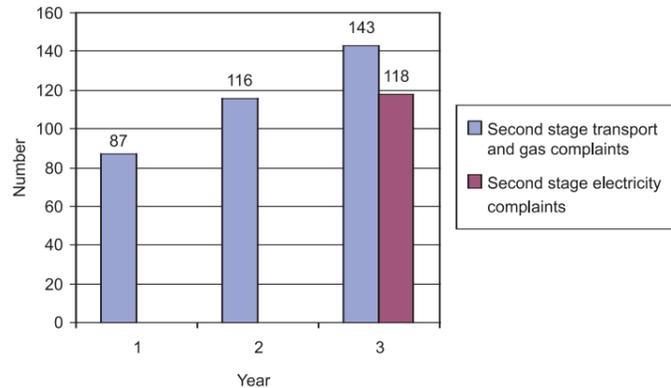
From 1 April 2003 to 31 March 2004 the Council received 261 second stage complaints from consumers.

Figure 1
Total number of second stage complaints to GCCNI by type



In 2003-2004 the Council recorded 62 complaints out of the total of 261 as unsubstantiated.

Figure 2
Three year comparison of complaints



* The Council took responsibility for dealing with electricity complaints in April 2003.

The Council also received 191 first stage complaints and 1299 enquiries in 2003-2004.

There has been a significant increase in the number of second stage complaints in 2003-2004, primarily due to the Council taking responsibility for electricity in April 2003. We also believe that a number of other factors may have also contributed to the increase generally, these include:

- Increased media coverage**

The Council has raised its profile particularly on energy and transport matters and frequently comments on these sectors.

- Consumer skills for all programme**

In October 2002 the Council began a programme to educate consumers on their rights, provide essential and basic information on what to do and where to go for help with a consumer issue.

- Complaints advertising campaign**

In March 2003 the Council embarked on an advertising campaign on TV and radio and buses. The TV advertisements were viewed on more than one occasion by 85 percent of the population with 54.4 percent of the population hearing the radio advertisement more than once. Additionally, there was an average increase of 31 percent on the number of calls to the complaints line during the campaign.

Energy

Until March 2003 the Council dealt with natural gas and coal complaints. With the enactment of the Energy (Northern Ireland) Order on 1 April 2003, the Council was given the additional responsibility of representing electricity consumers and dealing with electricity complaints. This change meant that the Council could provide a one-stop energy service to make it easier for consumers to know who to contact for help. This is the first year for reporting on electricity complaints and will therefore represent the baseline against which future years performance will be measured.

Natural gas

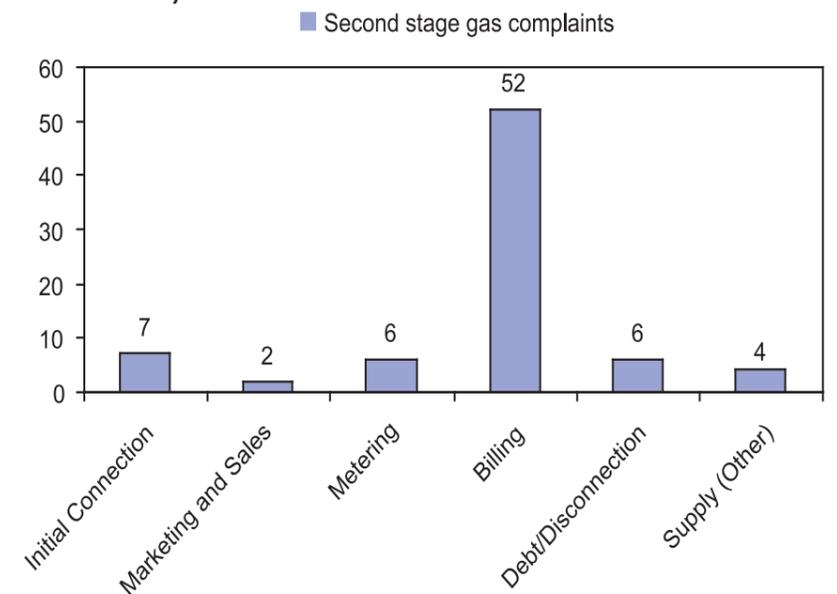
Natural gas is currently only available to consumers living in the greater Belfast area, with Phoenix Natural Gas (Phoenix) as the sole natural gas supplier. As of March 2004 Phoenix had a domestic customer base of around 68,000 – increasing from 55,000 a year earlier as the market developed further.

In 2003-2004, 84 consumers contacted the Council with a natural gas complaint compared with 67 received in the previous year. This works out at 12 complaints for every 10,000 customers. Of the 84 natural gas complaints received, 7 were later reclassified as unsubstantiated.

The Council also received 151 enquiries and 34 first stage complaints.

Gas complaint issues

Figure 3
Natural gas complaints 2003-2004 (excluding unsubstantiated)



Billing

Table 1

Billing complaints – 2002/03 & 2003/04

Year	Total number of natural gas complaints	Number of billing complaints	
		Total	%
2003-2004	77	52	68%
2002-2003	67	48	72%

Billing continues to be the single biggest area of customer complaint. Fifty-two second stage complaints were made about billing during 2003-2004 (68 percent of all gas complaints), signifying little change since the previous year when billing complaints represented 72 percent of all complaints received. The main problem areas from the complaints received were:

Frequency and accuracy of direct debit bills

Consumers should receive timely accurate and clear bills. Many consumers complained about not receiving this level of billing service. A typical problem involved customers receiving high bills that were issued to recover previous inaccurate and under estimated bills. Such failures can plunge people into debt and have the knock-on effect of giving an inaccurate impression of their energy costs.

Direct Debit customers only receive one bill (statement of account) each year whereas standard credit customers receive four bills each year. It is the Council's firm belief that one bill is not enough particularly in the first year with many

Direct Debit customers faced with either owing Phoenix money, or being owed money by Phoenix due to their billing policy. Also there may be problems in customers' accounts not being amended in line with usage patterns due to the lack of meter readings and bills.

For the last two years the Council has brought these and other billing problems to Phoenix's attention but unfortunately with little effect until now. In 2003 the Council's report **Gas Watch** recommended that direct debit customers should receive more than one bill a year. Again this remains the same at time of writing. It is our hope that further work in 2004/05 will reap benefits for Phoenix customers.

Case study

A complainant received an estimated bill for £159 and contacted Phoenix to provide a meter reading to get an actual bill. However the complainant continued to receive debt chase letters for the outstanding bill of £159 until a disconnection notice was sent. Despite providing two actual readings Phoenix failed to amend his account and stop debt chase procedures.

Outcome

Phoenix explained that the actual reads provided by the complainant were not registered at the time they were provided. As a result of his complaint Phoenix reviewed the account and issued a revised bill of £35.84. Phoenix issued a letter of apology for their mistakes and for the inconvenience caused.

Half price gas customers

The Council received eight complaints from consumers who had signed up for Phoenix's half price gas promotional offer for the first year of having gas. After the first year these customers' accounts should have been changed over to the standard tariff. Unfortunately this did not happen for some consumers who continued to be charged at the lower rate. Consumers contacted the Council after they received a large bill from Phoenix once the tariff was adjusted. The fact that Direct Debit customers only received one bill a year and the problem therefore lay undiscovered for a long period made matters worse.

The Council found that an internal audit by Phoenix had identified that some half price customers had not been changed over to the correct tariff, subsequently customers were issued with a backdated bill. Although this half price gas offer is no longer available we feel that customers in these situations deserve compensation from Phoenix given that responsibility for the problem lies solely with the company and not the consumer.

Case study

A complainant told us that he had not received a bill from Phoenix in three years until a recent bill arrived for £1827.

Outcome

Phoenix offered a £130 (7 percent) discount off the bill and a repayment plan of £47 per month over a 36-month period. Neither the complainant nor the Council were satisfied with this offer, given that the remaining £1697 had to be paid and the consumer had done nothing wrong.

Connection work

These include complaints about work carried out by Phoenix when they are connecting a home to the gas network. Such complaints tend to be about construction work and alleged damage to the customer's property.

One issue that has been identified is Phoenix's procedure for dealing with customer claims on damage to the property. One customer had to wait 10 months for his claim to be dealt with. We were pleased that, at our request, Phoenix improved their process and now all construction claims are reviewed on a monthly basis to ensure they are being progressed in a satisfactory timeframe.

Case study

A complainant had gas installed on the understanding that Phoenix would **mole** (dig under) the driveway when laying the gas main. Phoenix subsequently **open cut** (dug the surface of) the driveway and only stopped when the complainant arrived on the premises. The Council visited the complainant's property to view the damaged driveway and urged Phoenix to make a settlement. Phoenix offered to reinstate part of the area damaged, however the complainant did not accept this offer.

Outcome

The Council continued to negotiate a settlement but Phoenix would not agree to reinstate the damage to the full length of the driveway. The complainant decided to pursue a claim through the small claims court. The Council assisted with the claim and the complainant subsequently won the case in the small claims court and was awarded £850 plus costs.

Getting a better outcome

Of the 77 substantiated complaints received, ten cases remain open as we believed that an apology and explanation was insufficient. In these cases we believe that the company is solely responsible for their customers getting into debt and must therefore discount the money their customers owe. Most of these are billing complaints about the half price gas promotional offer described earlier.

Unresolved natural gas complaints

Detailed below is a summary of those complaints that, at the time of writing, Phoenix had not resolved.

In each case we argued that, given Phoenix have failed to provide a satisfactory standard of billing service, and as a result their customers are worse off, their customers should be given a discount off their bill.

Table 2 Summary of unresolved natural gas complaints

Case	Cause of high bill	Debt Amount
1	Undercharging between 2001-03	£792
2	Mistakenly charged on half price tariff	£151
3	Mistakenly charged on half price tariff	£348
4	Mistakenly charged on half price tariff	£193
5	Mistakenly charged on half price tariff	£1300
6	Mistakenly charged on half price tariff	£206
7	Mistakenly charged on half price tariff	£388
8	Mistakenly charged on half price tariff	£115
9	Mistakenly charged on half price tariff	£387
10	Mistake on Phoenix billing system	£51

We carried out research into how customers are treated in Great Britain and found that they generally fared better in gaining a resolution. Energywatch, who carry out a similar role in relation to energy in GB, have agreed a framework with most of the energy companies. This provides customers in similar situations with a significant discount off their bill. The Council will continue to work with Phoenix to try to change the situation to benefit its customers.

Electricity

With more than 700,000 customers NIE is the only domestic electricity supplier in Northern Ireland. This situation is likely to change in 2007, as other electricity suppliers will have the opportunity to enter the domestic market.

This is the Council's first full year dealing with electricity complaints – in previous years it was the responsibility of Ofreg. Given the differing remits of the General Consumer Council and Ofreg, there is obviously a different approach to handling and processing complaints. For this reason we deliberately make no comparison with the number of electricity complaints recorded in previous years. In our view it would be unfair to compare complaint numbers recorded under two different systems. Rather 2003/04 will act as a baseline for future trend analysis, monitoring and reporting.

In 2003-2004 the Council received 118 second stage electricity complaints. This works out at just under two complaints for every 10,000 customers. We have been

very pleased with NIE's willingness to work with the Council resolving complaints to a high standard. NIE often visit complainants and in some cases, provide a detailed service failure analysis of the complaint to find out what caused the complaint and how it can be prevented from happening again.

The Council received 940 enquiries and 108 first stage complaints during 2003-2004. The majority were customers contacting the Council mistakenly thinking we were NIE as our contact details are on the back of NIE bills. We have been working with NIE to change the layout of our contact details to make it clearer for customers.

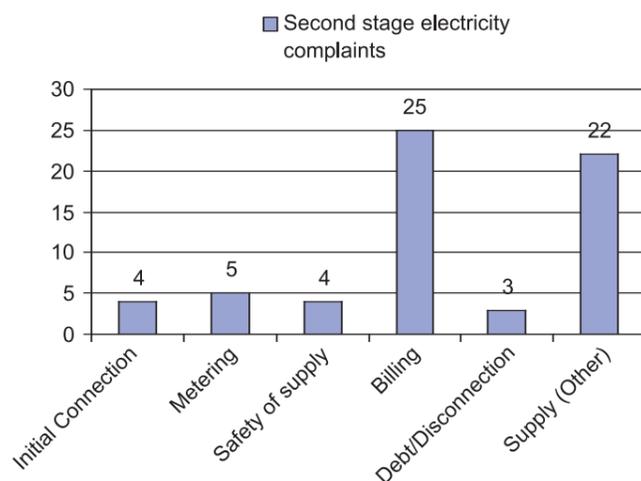
Unsubstantiated electricity complaints

As explained earlier, when requested by the company, the Council may re-investigate a complaint to establish whether it is substantiated. This is where a consumer has made a complaint against NIE but, on the closure of the investigation, we believe that there was nothing more NIE could have done to address the issue. The Council found 55 complaints out of 118 to be unsubstantiated. This leaves a total of 63, which are analysed below.

Electricity complaint issues

Figure 4

Electricity complaints 2003-2004 (excluding unsubstantiated)



Billing

As with gas, billing is the most common type of complaint representing almost half of all complaints received. Typical billing complaints related to dissatisfaction with the amount of the bill. This year the Council received a number of complaints about unusually high bills. In three cases we arranged for the meters to be independently tested to check if the meter was faulty and therefore causing higher than expected bills. Although the tests were inconclusive we were content with NIE's view that, because the usage pattern was unusual, a percentage discount off the bills should be offered.

Case study

A complainant was concerned for some time that the electricity bills for the property were higher than expected. The complainant used Economy 7 heating, which is charged at two different rates (normal and low) depending on the time of day. NIE discovered that the meter was charging electricity used on the normal rate only, meaning that the complainant was not being charged at the low rate at off peak times.

Outcome

Council and NIE representatives met the complainant to discuss NIE's financial offer to resolve the complaint. As the complainant had continually been charged at the normal rate for 7 years, some reimbursement of the electricity bills paid within this time was expected. A refund of £656 was offered and accepted.

Getting bills right

The Council is impressed with particular aspects of NIE's billing systems that help ensure that Direct Debit customer bills are accurate. Once a meter reading is received, if the current direct debit payments are 40 percent above or below the amount they should be, NIE automatically adjust the amount. This means that customers will not be faced with large 'catch-up' bills at the end of the year nor will NIE hold customers' money unnecessarily.

Electricity supply issues

The quality of electricity supply, particularly in terms of interruptions, is another common source of complaints for NIE customers.

In August 2003, 90,000 consumers experienced an interruption to their electricity supply and 1,400 people were still without electricity after 24 hours. The loss of electricity was caused by a series of lightning storms. Ofgem, Northern Ireland's electricity regulator, agreed with NIE's view that they were exempt from issuing £25 guaranteed payments to these customers, as per NIE Guaranteed Standards. Both the Council and Ofgem urged NIE to issue goodwill payments and were pleased that they agreed. Concerned that consumers would be unaware of their entitlement, the Council asked NIE to consider placing notices in local papers and to extend the cut off date for payments. We very much welcomed NIE's decision to take these additional steps.

Dealing with meter complaints

Through investigating a number of meter complaints, the Council identified that the process in place for handling meter complaints was not in line with energy legislation and practice in Great Britain. In order to ensure that consumers were being given the best service possible, the Council met NIE and Ofgem to propose a change in how meter complaints were handled.

Case study

A complainant experienced a power failure at his business premises. NIE visited the site and carried out a temporary repair, advising that a permanent repair would be completed in two weeks. The permanent repair was never carried out. The complainant experienced further problems and was advised that this was the result of a fault in the wiring of the complainant's premises. The complainant paid for an electrician to look at his wiring but found no fault. An NIE engineer visited his premises again and a subsequent fault was discovered with NIE's equipment.

Outcome

NIE acknowledged there were problems in investigating the complaint. Firstly there was a breakdown in communication within NIE and the permanent repair was never carried out. Secondly NIE believe their member of staff who visited the premises should have carried out a more thorough investigation and located the problem earlier. As a gesture of goodwill NIE issued the complainant with a cheque for £500 to cover any expenses incurred.

Case study

A complainant from a rural area was not happy with the number of interruptions he had experienced over the last few years and believed that the area was receiving a poorer quality of supply.

Outcome

The Council found that there had been numerous interruptions to the area's electricity supply over the years. On investigation we found that the network in the area was undergoing some refurbishment. This would have required some planned interruptions. Other causes for the interruptions were found to be beyond NIE's control. Although the complaint was closed, the Council continued to monitor the number of interruptions to the area. We wanted to ensure that the area was not unfairly suffering from a poor quality of supply.

Coal

In comparison to electricity, natural gas and transport, the Council receives a small number of calls about coal issues. As a domestic fuel, coal is becoming less popular and has been overtaken by oil (with over 70 percent of the home heating market) and natural gas.

In 2003/2004 we received nine calls, all of which were requests for information or advice. No complaints were made. Although the total number has increased from seven contacts made in the previous year, this continues to reflect the declining coal industry in Northern Ireland. However it might also suggest that coal consumers are generally happy with the service they receive from their coal supplier.

Table 3

Contacts to the GCCNI about coal – 2002/03 & 2003/04

Subject matter	Total 2002-2003	Total 2003-2004
Appliance related	2	2
Quality of supply	3	7
Prices	1	0
Miscellaneous	1	0
Total	7	9

Transport

The Council deals with transport complaints in four categories:

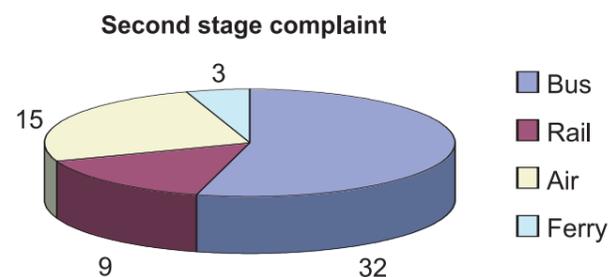
- Bus
- Rail
- Air
- Ferry

The Council has the authority to deal with any complaints on the above modes of transport, as long as the journey was from, to or within Northern Ireland.

In 2003-04 the Council received 59 second stage complaints about transport.

Figure 5

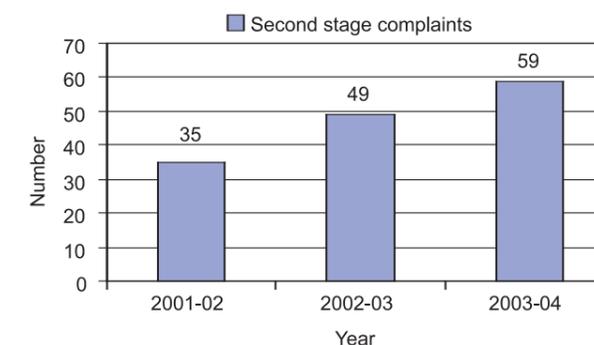
Transport complaints by type



The Council also received 48 first stage complaints and 36 enquiries about transport.

Figure 6

Yearly comparison of transport complaints



Complaint numbers by mode

The highest number of complaints received in 2003-04 related to bus transport (32) followed by air (15) and rail (9).

In comparison, the Council receives fewer calls about ferry complaints. In 2003-2004, the Council handled three complaints regarding ferry travel, a sizeable drop from the 17 received the previous year.

The overall number of consumers contacting the Council on transport matters decreased from 153 in 2002-03 to 143. This can be attributed to the significant decrease in the number of ferry complaints received in the past year. But this also raises questions about the Council's need to promote its role further and encourage complaints to be made through advertising and promotion, particularly in disadvantaged areas and amongst vulnerable groups.

Transport complaint issues

Air

Many of the calls about air travel the Council handled in the past year related to passengers' knowledge of their rights and the terms and conditions associated with air travel. The Council provided information and advised many consumers of their rights on a range of issues.

The Council plans to produce a leaflet detailing passengers' rights in air travel early in 2005. This leaflet will coincide with and include details of expanded passenger rights that will be introduced through new European legislation in February 2005.

Check-in problems

The Council received a number of problems about consumers not being able to board flights for a number of reasons. In some instances this was due to passengers not knowing the recommended length of time needed to check-in. As a result, the Council is working with the airline companies to improve passenger information so that the terms and conditions of booking are easy to understand.

On other occasions the Council has secured refunds for passengers who have been denied boarding or whose flights have been severely delayed or cancelled.

Case study

A passenger arrived at an airline check-in desk to find the desk had been closed. The passenger insisted that he arrived more than 30 minutes from the departure time, as stated on his documentation. The passenger missed his flight and had to pay for an alternative flight and taxi home, at a cost of £190.

Outcome

The airline advised the passenger that he should have been there at least 40 minutes (not 30) before his departure time. Despite the documentation stating 30 minutes, the airline refused to reimburse the passenger any costs. The Council contacted the airline and subsequently the passenger was refunded the full costs incurred, £190.

Booking Changes

The Council has dealt with a number of complaints concerning charges for making changes to bookings, either to names, times or dates. The Council provided advice and information to passengers on their rights and secured refunds for passengers who were charged extra for changes made to bookings.

Other issues that the Council has advised passengers and handled complaints on include:

- Problems with connecting flights
- Identification issues
- Rights in relation to cancellations and delays
- Lost or damaged baggage

Bus travel

Bus and rail services continue to be monitored against the standards and commitments established in Translink's Passenger Charter. Independent charter monitoring surveys are carried out twice a year and record customer perceptions, expectations and observation ratings. The Council is part of an independent steering group that includes representatives from Translink and the Department for Regional Development. This group oversees the monitoring process and analyses the results.

These surveys indicate that passengers want to see continuing improvements in punctuality, reliability, value for money and convenience.

The Council handled significantly more second stage complaints relating to buses than any other transport mode. This is understandable as the bus is the most popular form of transport in Northern Ireland, with 65 million bus journeys made every year.

The Council's complaints role has been highlighted in the past year with posters outlining the Council's role and contact details on all Citybuses, in addition to the advertising campaign in early 2004. Still,

our complaints numbers remain low and more work needs to be done.

Service Quality

The Council has handled complaints and enquiries on the reliability, punctuality and availability of Citybus and Ulsterbus services across Northern Ireland in the past year. Analysis of bus complaints received has allowed the Council to highlight to Translink particular services that appear to be problematic and to request that action is taken to rectify the problem.

Delays

The Council has secured refunds for many passengers when services have not operated as planned, in accordance with the terms of Translink's Passenger Charter. We have also secured compensation and goodwill payments for a number of consumers who were particularly inconvenienced when services did not operate as scheduled. In 2003/2004, 63 percent of complainants received a goodwill payment, an increase from 26 percent for the previous year.

The Council has also advised and represented consumers on issues such as:

- Passenger information on services and rights
- Claiming refunds
- Smartpass applications
- Poor staff attitude/behaviour.

Case study

An elderly couple applied for a Translink Senior Smartpass but, after a number of weeks, they still had not received their passes. They contacted Translink but were unable to get the matter resolved.

Outcome

Translink apologised for the delay and explained that an envelope containing a number of applications had been lost in the post. Duplicate applications were immediately made and the passes issued. Translink also agreed to compensate the couple for the inconvenience and financial loss suffered as a result of the delay and refunded the cost of the journeys made during the delay in the application.

Case study

On Christmas Eve a complainant went to catch the last bus in the evening but it did not arrive. As a result the complainant had to order a taxi to get home.

Outcome

Translink apologised and admitted that the bus was the last run on Christmas Eve and, as no passengers were on board, the driver returned directly to the depot without servicing the necessary stops.

Translink also agreed to refund the cost of the complainant's taxi fare home.

The District Manager for Translink spoke to the driver and assured the Council that appropriate action had been taken to ensure that this would not happen again.

Rail

The Council's complaints role was highlighted in the past year with posters at rail stations and on trains. There are also plans to advertise the Council's complaints role when the new trains come into operation in late 2004.

Enterprise

The Council has expressed concern over poor punctuality on the Enterprise service in the past year. Punctuality fell to 79 percent on occasions, which is well below the Charter Standard of 90 percent. The Council will continue to monitor performance and work with Translink to ensure that action is taken to improve performance.

The Council has represented and achieved redress (refunds or compensation) for consumers affected by delays. The Council has also represented consumers who were dissatisfied with the frequency or timing of some train services and was pleased when some of these were addressed during Translink's review of timetables in the summer of 2003.

Case study

A complainant was told that the scheduled Enterprise to Dublin train would not be running due to a technical fault but an alternative service would be available. The complainant was advised that there would be limited catering facilities on board. Two subsequent tannoy announcements confirmed this.

After boarding the train the complainant looked for the catering facilities on offer but was soon advised that there were no facilities. Staff advised that the service was supposed to pick up catering requirements in Portadown but they were unable to do so.

Outcome

Translink apologised and offered the complainant and a partner 25 percent off a single rail fare according to the price paid under the Passenger Charter. In addition Translink offered the complainant and a partner complimentary meals the next time they used the Enterprise Service.

Ferry

The Council received considerably fewer complaints regarding ferry travel compared to previous years. This may be because of increasingly dynamic pricing structures and online bookings used by the companies. In addition the reduction in traditional methods of advertising, (such as leaflets and brochures that contain the Council's role and contact details) could have an impact. The Council is working with the ferry companies to ensure they continue to promote the Council's complaints handling role to their passengers.

Case study

A complainant contacted Stenaline because she had lost her tickets for a four day trip from Belfast to Stranraer. She was told that new tickets could not be issued as she had already been issued with new tickets after losing her first set.

After the phonecall to Stenaline the complainant found the tickets but they had been cut into pieces accidentally. She was unhappy with the handling of her situation and was concerned that she would not be allowed to travel with a damaged ticket.

Outcome

Stenaline apologised for the call centre employee's handling of the complaint and they made assurances that the complainant would be allowed to board as long as she brought a form of photographic identification along with the damaged tickets. The complainant was very happy with this response.

Complaint handling procedures

During the year, the Council raised concerns with a number of transport companies about delays in handling and providing information on complaints. The speed and quality of responses has subsequently improved in some areas but the Council will continue to monitor complaint handling and work with the transport companies to ensure that passenger complaints are dealt with efficiently and effectively.

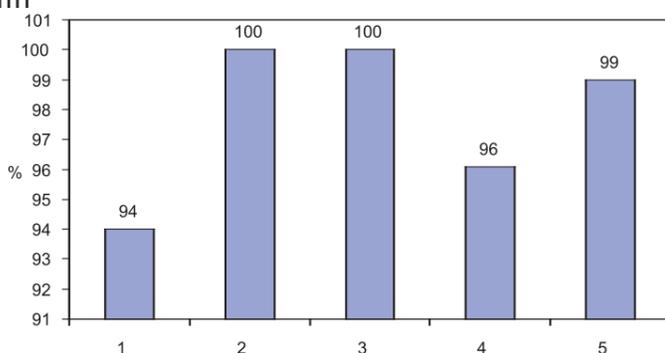
Feedback from complainants about the Council

The Council strives to improve the service that we offer to people who contact us for help. One of the most important ways to improve is through feedback from people who have used our service. After a complaint is closed a customer satisfaction form is sent out. This seeks complainants' opinions of the service they received from the Council and the service they received from the company they complained about.

In 2003-2004 we received 79 surveys, a return rate of 30 percent. The Council's yearly target is to achieve 90 percent satisfaction from complainants. This year we achieved 96 percent satisfaction from complainants. We were particularly pleased that almost all of those surveyed said they would recommend contacting the Council to a friend.

In order to increase the return rate of post-complainant satisfaction surveys, the Council now sends out a follow up letter to help prompt consumers to return their survey form.

Figure 7
Complainant satisfaction about the Council



- Issue 1** The Council dealt with my complaint quickly
- Issue 2** The Council's letters were easy to understand
- Issue 3** The Council kept me informed of progress on my complaint
- Issue 4** I was satisfied with the final outcome and with the way the Council handled my complaint
- Issue 5** I would recommend the Council's services to a relative or friend

How satisfied are complainants about the companies' service?

We also ask for feedback on complainants' views on companies and how the complaint was resolved. Overall, two-thirds of complainants (66 percent) were satisfied with the outcome of their complaint.

The Council believes that this figure could be improved and will be working with companies to achieve this.

Complainant satisfaction levels with NIE, Phoenix and Translink varied on an individual basis.

Table 4
Satisfaction with NIE, Phoenix Natural Gas and Translink

	Percentage of consumers satisfied with the company's outcome to their complaint
NIE complainants	72%
Phoenix complainants	62%
Translink complainants	59%

Our aim is to ensure the best outcome for the complainant. However, we cannot enforce a particular outcome, for example, obtaining compensation from the company. The Council will continue to work with the companies in persuading them to offer financial remedies where we believe it is warranted.

Improving the existing complaints procedure

In 2003-2004 the Council undertook a comprehensive review of how we deal with complaints. This project involved a benchmarking initiative and consultation exercises with all stakeholders including energy and transport providers, similar consumer organisations with a specific complaints role and, most importantly, past complainants.

The recommendations will be implemented in 2004/2005 following consultation with the energy and transport companies.

Consumer comments

Below is a selection of comments recorded by consumers that the Council has helped:

- 'I felt that, had it not been for the GCC acting on my behalf, I would have had no means of redress'
- 'I wish to thank you for all the help you have given, without it I do think my circumstances would have remained the same'
- 'We found the GCC were very helpful and quickly dealt with our complaint....'

- 'Staff extremely helpful and friendly'
- 'I would like the officer to be commended for the professional way she dealt with my problem....courteous, polite, efficient and very prompt in all responses'
- 'Great service'
- 'I was more than satisfied with the results I got from you, it was more than I hoped for. Without your help I might not have had such a satisfying outcome'
- 'The service received from GCC was first class'
- 'I found staff to be efficient and sympathetic, well done!'
- 'Thank you for your advice and support – even to have someone to listen objectively to my complaint was help in itself'
- 'Very good and prompt'
- 'Your intervention produced a very positive outcome which five months of correspondence was unable to produce'
- 'From my point of view the GCC have done a first class job'
- Very helpful and quick. Kept in contact and aware of how my complaint was being followed through'
- 'Staff had been patient with me. It was really good to have her with me when (the company) came to talk to me'
- 'I was completely satisfied. All help, courtesy and understanding of my dilemma was appreciated. Thank you very much'
- 'Good efficient service, very thorough and helpful'
- 'The service was excellent. It was carried out efficiently, quickly and courteously. Nothing was too much trouble'

Promoting the complaints role

From April 2003 the Council introduced a new dedicated complaints telephone number - 0845 601 6022. In addition, consumers can e-mail their complaint through the Council's website www.gccni.org.uk.

Due to the new remit for dealing with electricity complaints alongside gas, coal and transport, a larger complaints team was established with dedicated offices including a private interview room for complainants who visit the Council to make their complaint in person.

How do we promote our role?

Every electricity and gas customer will find the Council's details on the back of the electricity or gas bill. We believe this is one of the best ways to promote our role to customers.

Posters advertising our role are also available on all Citybuses and will extend to all Ulsterbuses and trains in the next two years. There are also posters in every bus and train station and our details are included in Translink's passenger charter, available at stations.

The Council embarked on a four-week complaints advertising campaign in February 2003. The campaign included television, radio and bus panel advertising.

Getting out there

This year the Council attended the Young at Heart Retirement Exhibition in Belfast, Ballymena, Londonderry and Newry. The exhibition was organised to give older consumers an opportunity to learn about services they may want to use. It was an excellent opportunity to distribute leaflets and other promotional items to raise awareness and promote the Council's complaints role. Posters, advertising the Council's complaint role, were also designed and distributed to more than 1,500 libraries, community centres, sports centres and advice centres.

On request, complaints staff can attend groups or organisations with a presentation on the complaints role of the Council. Staff also provide information and advice on general consumer rights.

The Council is committed to working to raise awareness of our role in order to ensure that we represent consumers from all areas of Northern Ireland.

Improving the skills and knowledge of the Council

It is important that staff have good industry knowledge to draw on when dealing with complaints. Throughout the year, staff have been improving their knowledge and skills with the assistance of the energy and transport providers. This included visits to company premises to get a greater insight to how they operate. Listed below are some of the training events that staff and members participated in during the year.

- **One day engineering course for non-engineers**
This training was to gain specific knowledge of the electricity network and how it functions, particularly for people without an electrical engineering background. It included safety information and an explanation of how the electricity network operates. Site visits to sub-stations provided a good opportunity to see the theory work in action.
- **Site visit to Ballylumford Power Station**
This visit provided a unique opportunity to see and understand the intricate mechanisms of power generation.

- **NIE incident centre**
Faults and interruptions to the electricity network are managed at an Incident Centre. A tour of the facility allowed staff to see how the electricity network is managed remotely. This was both exciting and informative for energy staff.
- **Installing the natural gas network**
A site tour provided a chance to see the construction of the natural gas network. It also enabled staff to gain a fuller understanding of the work involved in coordinating and organising the construction of the network.
- **Keypad meter demonstration**
NIE provided a demonstration of an electricity keypad meter so that staff would be familiar with its operation.
- **Phoenix Natural Gas operations**
Staff attended a comprehensive induction programme covering the call centre, connections, billing and sales and marketing aspects of the company's operations.

General Consumer Council for Northern Ireland



FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

Foreword

The General Consumer Council for Northern Ireland presents its annual report and the audited accounts for the year ended 31 March 2004.

These accounts have been prepared in accordance with paragraph 12(3) of Schedule 1 to the General Consumer Council (NI) Order 1984 in a form directed by the Department of Enterprise, Trade and Investment (DETI) with the approval of the Department of Finance and Personnel (DFP).

History of the Council

The General Consumer Council for Northern Ireland (the Council) was established in 1985. It replaced the Northern Ireland Consumer Council, the Northern Ireland Electricity Consumers' Council and the Transport Users' Committee.

In 1992 the functions previously exercised by the Council in relation to electricity matters were transferred to the Office of Electricity Regulation for Northern Ireland (Ofreg NI). However, the Council's role in energy matters was enhanced by taking over responsibility for representing coal consumers in 1995 and consumers of natural gas in 1996. In April 2003 the Council once again took over the responsibility for representing electricity consumers.

Statutory background

The Council was established under the General Consumer Council (NI) Order 1984. The legislation confers a statutory obligation on the Council to promote and safeguard the interests of consumers including specific responsibilities for energy, food and transport. The Gas (NI) Order 1996 gave the Council new responsibilities to represent consumers of natural gas and a duty to advise the Director General of Gas and report to him on certain matters. The Energy (NI) Order 2003 gave the Council a range of additional powers and representation responsibilities for electricity consumers.

Review of activities

The Council has actively campaigned to bring about change which benefits consumers. This has included carrying out research, disseminating information, making representations on behalf of Northern Ireland's consumers and campaigning for a fair deal.

Results for the year

The financial results of the Council's operation in 2003/2004 are set out in detail on page 13 of these accounts. The surplus for the year for operational costs was £3,583 (2002/03 (£7,556)).

Fixed assets

Details of the movement of fixed assets are set out in note 11 to the financial statements.

Prompt payment practice

The General Consumer Council for Northern Ireland is committed to the prompt payment of bills for goods and services received in accordance with the Confederation of British Industry's Prompt Payers Code and Government accounting rules. Unless otherwise stated in the contract, payment is made no later than 30 days from the presentation of a valid invoice or similar demand.

During the year 100% of bills were paid within this standard.

Research and development

The Council is committed to an ongoing programme of research in order to develop and improve service provision. During the year the Council underwent a significant process of change to meet new statutory commitments in relation to energy.

Charitable donations

There were no charitable donations made during 2003/2004.

Business review

The Council prepares a strategic level Work Programme every year, this being drawn from the Council's three year Corporate Plan. Each area of responsibility monitors performance and reports regularly to the Senior Management Team and on a quarterly basis to the Council on the achievement of targets. Full details of the Council's activities for the year are provided in the annual report.

Important events occurring after the year end

There has been no change in the financial status of the Council since 31 March 2004.

Equality Scheme

In pursuance of Section 75 of the Northern Ireland Act 1998, the Council has prepared an Equality Scheme, which was approved by the Equality Commission in 2001. This scheme sets out in detail the Council's commitment to ensuring equal opportunities for all those seeking employment irrespective of gender, marital status, family status, religious belief, political opinion, disability, age, racial group, nationality, sexual orientation, transexuality, trade union membership or criminal record.

Employee involvement

The Council is committed to the involvement of employees in the decision making process and to their development in order to achieve the highest standards in the delivery of services. In 2001 the Council gained the Investors in People award and was re-accredited in 2003 and continues to integrate the general principles of this standard into its personnel policies and daily operation. In 2003 the Council commenced a formal organisational development initiative known as "Our Prime Resource".

Future development

The Council will continue to represent the interests of consumers in line with the Corporate Plan, which identifies strategic areas for action.

Auditors

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. He is head of the Northern Ireland Audit Office and he and his staff are wholly independent of the Department/Agency and reports his findings to Parliament.

The audit of the financial statements for 2003-04 resulted in an audit fee of £4,080 and is included in the administration costs in the operating cost statement.

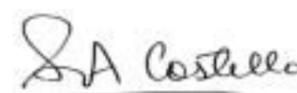
Council members

The names of persons serving during the year ended 31 March 2004 were:

Name		First Appointed
Mr	Stephen Costello	Chairman 1 January 2003
Mr	Bill Osborne	Deputy Chairman 1 August 2000
Mrs	Grace Bennett	Council Member 1 February 2000
Mr	Brendan Bonner	Council Member 1 February 2000
Mr	John Collinson	Council Member 1 January 2003
Mrs	Fionnuala Cook	Council Member 1 January 2002
Mr	John Dobson	Council Member 1 February 2000
Mrs	Jill Girvan	Council Member 1 January 2002
Mrs	Siubhan Grant	Council Member 1 January 2002
Mr	David Mann	Council Member 1 August 2003
Ms	Maria McGuinness	Council Member 1 January 2003
Mrs	Penny McNeill	Council Member 1 February 2000
Mr	David Moore	Council Member 1 January 2002
Mr	Michael Walker	Council Member 8 February 1999

The names of persons who left the Council during the year were:

Name		Date of Leaving
Mrs	Eleanor Gill	Council Member Resigned as member 21 May 2003 (appointed Chief Executive on 21 August 2003)



Stephen Costello
Chairman

The General Consumer Council for Northern Ireland
Elizabeth House
116 Hollywood Road
Belfast
BT4 1NY

Statement of Council's and Chief Executive's responsibilities

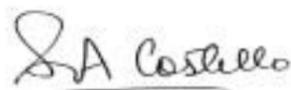
Under paragraph 12(3) of Schedule 1 to the General Consumer Council (NI) Order 1984, the Council is required to prepare financial statements in the form and on the basis directed by the Department of Enterprise, Trade and Investment, with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must give a true and fair view of the General Consumer Council for Northern Ireland's state of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Council is required to:

- observe the accounts direction issued by the Department of Enterprise, Trade and Investment, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

The Accounting Officer for the Department of Enterprise, Trade and Investment has designated the Chief Executive as the Accounting Officer for the General Consumer Council for Northern Ireland. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non Departmental Public Bodies' Accounting Officer Memorandum, issued by the Department of Finance and Personnel.

By order of the board



Stephen Costello
Chairman



Eleanor Gill
Chief Executive

Statement on the system of internal control

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Council policies, aims and objectives, whilst safeguarding the public funds and Council assets for which I am personally responsible in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of Council policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. During the 2003/2004 financial year I established and improved the robustness of the procedures necessary to implement the Department of Finance and Personnel guidance.

We are carrying out appropriate procedures to ensure that we identify the Council's objectives and risks and devise a control strategy for each of the significant risks. As a result, risk ownership has been allocated to appropriate staff. More specifically the Council:

- complied with the implementation of enhanced corporate governance processes directed by the Department;
- invited the Department to deliver an accountability seminar to the Senior Management Team and finance staff;
- continued to develop a risk management process in consultation with the Department;
- continued to deliver risk management training for all relevant staff;
- developed a business continuity plan;
- installed a remote back-up facility for our IT infrastructure;

- carried out a system of quarterly risk reporting via stewardship statements; and
- carried out a formal system of risk reporting to the Senior Management Team, the Council's Audit Committee and General Purposes Committee.

The Council has ensured that procedures are in place for verifying that risk management and internal control are regularly reviewed and reported on. Risk management is progressively being incorporated more fully into the corporate planning and decision making processes of the Council. Appropriate steps are being taken to manage risks in significant areas of responsibility and monitor progress on key projects.

Following the identification of the Council's key objectives and risks, they will be regularly assessed to ensure consistency of treatment.

The Department has an Internal Audit programme run by the Southern Health and Social Services Board, which operates to standards defined in the new Government Internal Audit Standards. They submit annual reports, which include their Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Council's system of internal control together with recommendations for improvement. The report for the most recent internal audit is not yet available but the internal audit report for year ended March 2003 reported that there are sound processes and procedures in place, with an adequate level of control overall.

My review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors and the managers with the Council, who have responsibility for the development and maintenance of the financial control framework, and comments made by the external auditors in their management letter and other reports.

As a result of recommendations made by the Public Accounts Committee regarding a number of frauds the Council has:

- reviewed fraud policy and fraud response plan;
- provided training on fraud awareness to appropriate staff; and
- requested internal auditors to pay specific attention to areas where fraud is most likely to occur.

As a result of recommendations made by the Public Accounts Committee relating to issues concerning purchasing the Department has directed certain action to be taken. I can confirm that:

- processes where Departmental and/or DFP approval is required have been clarified and incorporated into purchasing policy;
- existing guidelines on staff travel, overnight subsistence and car hire have been reiterated;
- we regularly review our policy and guidelines on purchasing, economic appraisal;
- existing guidance on the acceptance of gifts and hospitality by staff have been reiterated;
- guidelines have been introduced on internal financial procedures; and
- the Council is aware of new guidance on responding to external audit management letters.



Eleanor Gill
Accounting Officer
General Consumer Council

The Certificate and Report of the Comptroller and Auditor General to the House of Commons and the Northern Ireland Assembly

I certify that I have audited the financial statements on pages 13 to 29 under the General Consumer Council (Northern Ireland) Order 1984. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 16.

Respective responsibilities of the Council, the Chief Executive and Auditor

As described on page 6, the General Consumer Council and the Chief Executive are responsible for the preparation of the financial statements in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder and for ensuring the regularity of financial transactions. The Council and the Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the foreword is not consistent with the financial statements, if the Council has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on pages 7 to 9 reflects the Council's compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by the Department of Finance and Personnel, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Department's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council and the Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the General Consumer Council at 31 March 2004 and of the surplus, recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1973 and directions made thereunder by the Department of Enterprise Trade and Investment; and

- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.



J M Dowdall CB
Comptroller and Auditor General
5th October 2004

Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

Income and expenditure account

Year ended 31 March 2004

	Note	2004		2003	
		£	£	£	£
Grants received from Department of Enterprise, Trade and Investment	2		1,529,873		1,089,108
Operating receipts	3		343		263
Independent project income	4		16,338		10,986
OFREG contributions	5		269,383		67,565
Other operating income	15		115,169		103,636
			1,931,106		1,271,558
Less:					
Corporate programme	6	460,691		364,211	
Salaries and wages	7	760,511		448,556	
Other operating payments	9	311,525		285,194	
OFREG contribution paid to DETI	5	269,383		67,565	
Depreciation charge for year	11	115,169		103,636	
Notional cost of capital		10,244		9,952	
			1,927,523		1,279,114
Surplus/(Deficit) for the year			3,583		(7,556)
Credit in respect of notional cost of capital			10,244		9,952
Amount transferred to reserves	15		13,827		2,396

The amounts set out above arise wholly from continuing operations.

The notes on pages 16 to 29 form part of the financial statements.

Statement of total recognised gains and losses

Year ended 31 March 2004

	2004 £	2003 £
Surplus/(Deficit) for the year	3,583	(7,556)
Unrealised surplus on revaluation of fixed assets	-	-
Total recognised gain/(losses)	3,583	(7,556)

Cash flow statement

Year ended 31 March 2004

	Note	2004		2003	
		£	£	£	£
Net cash inflow from continuing operating activities	16	47,366		26,267	
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(50,127)		(386,107)	
Receipts from sale of fixed assets		4		77	
Net cash flow before financing		(2,757)		(359,763)	
Financing					
Capital grant contributions - DETI		64,127		315,005	
- EPF		6,000		71,102	
		70,127		386,107	
Increase in cash	17	67,370		26,344	

The notes on pages 16 to 29 form part of the financial statements.

Balance Sheet

Year ended 31 March 2004

	Note	2004		2003	
		£	£	£	£
Fixed assets	11	256,946		301,988	
Current assets					
Debtors and prepayments	12	27,546		58,577	
Cash at bank	17	94,292		26,922	
		121,838		85,499	
Creditors - amounts falling due within one year	13	(101,190)		(50,194)	
Net current assets		20,648		35,305	
Total assets less current liabilities		277,594		337,293	
Provision for liabilities and charges	14	(516)		(29,000)	
Net assets		277,078		308,293	
Capital and reserves					
Government grant reserve	15	256,946		301,988	
General fund	15	20,132		6,305	
		277,078		308,293	

The notes on pages 16 to 29 form part of the financial statements.

Notes

forming part of the financial statement

1 Accounting policies

(i) Basis of accounting

The financial statements are drawn up in a form directed by the Department of Enterprise, Trade and Investment with the consent of the Department of Finance and Personnel.

The financial statements are in the form of accruals accounts. Prior to year ended 31.03.03 the financial statements were in the form of a receipts and payments account.

(ii) Depreciation

Depreciation is calculated to write off the original cost of tangible fixed assets to their expected residual values by equal annual installments over their estimated useful lives as follows:

Alterations on a straight line basis over the remaining period of lease.

Furniture and fittings	20% straight line
Office equipment	33⅓% straight line

Depreciation is provided from the month of addition.

(iii) Grant recognition

Grant income from DETI finances both revenue and capital expenditure. An amount equal to capital expenditure for the year is credited to the government grant reserve and released to the income and expenditure account over the useful lives of the related asset.

(iv) Capital Charge

The income and expenditure account bears a notional non-cash charge for interest relating to the use of capital by the Council. The basis of the charge is 3.5% of the average capital employed by the Council during the year, defined as total assets less all liabilities.

(v) Pensions

The Council participates in the Principle Civil Service Pension Scheme (PCSPS) for all of its employees. Employer contributions are determined following a scheme valuation carried out every four years by the Government Actuary.

(vi) Early Departure Costs

The practice adopted by the Council is to provide for the full cost of early departure of employees in the year in which the early departure decision is made.

2 Grants received from Department of Enterprise, Trade and Investment

	Total	DETI £	EPF £
DETI Grant-in-Aid	1,063,000	1,063,000	
Executive Programme Funds - Consumer Skills for All	537,000		537,000
Transfer to capital expenditure	(70,127)	(64,127)	(6,000)
	<u>1,529,873</u>	<u>998,873</u>	<u>531,000</u>

3 Operating receipts

	2004 £	2003 £
Conference attendance fee	288	141
Disposal of assets	4	77
Refund received	51	-
Media appearances	-	45
	<u>343</u>	<u>263</u>

4 Independent project income

	2004 £	2003 £
Contribution towards Yellow Pages/phone book	10,901	10,986
Contribution towards printing and distribution of Direct Payment Leaflet	5,437	-
	<u>16,338</u>	<u>10,986</u>

5 OFREG contributions

Under its arrangements with the Office for the Regulation of Electricity and Gas for Northern Ireland (OFREG NI), the General Consumer Council for Northern Ireland incurs expenditure on matters related to electricity and gas consumer representation in Northern Ireland. Such expenditure is reimbursed in full by OFREG and then forwarded to DETI.

6 Corporate programme

	2004 £	2003 £
Research	45,373	64,812
Consumer education and information	117,741	93,557
Consumer Skills for All	297,577	205,842
	<u>460,691</u>	<u>364,211</u>

7 Staff numbers and costs

	2004		2003	
	£	£	£	£
(a) Council members' remuneration and allowances				
Chairman's salary - gross	19,622		22,267	
Social security costs	1,936		2,020	
Members' fees	20,330		21,329	
		<u>41,888</u>		<u>45,616</u>
(b) Staff salaries				
Salaries - gross	455,127		255,615	
Social security costs	33,666		19,367	
Superannuation	58,274		40,182	
Consumer Skills for All				
- salaries	110,693		22,504	
- social security costs	7,778		1,537	
- superannuation	13,859		4,068	
Contract Staff	39,226		30,667	
		<u>718,623</u>		<u>373,940</u>
(c) Early departure costs				
		-		29,000
		<u>760,511</u>		<u>448,556</u>

Mrs Eleanor Gill was appointed as Chief Executive on 21st August 2003, she replaced Mrs Maeve Bell who resigned on 31st July 2003. Mrs Maeve Bell and the current Chief Executive have withheld their consent to disclosure of detailed salary and pension information.

The remuneration of the Chief Executive's position for the year, including pension costs, was £58,663 (2003: £54,973).

Salary

“Salary” includes gross salary; performance pay or bonuses; overtime; and any other allowance to the extent that it is subject to UK taxation. No benefits in kind were received by the Council's Chief Executive during the year.

Pension

The Principal Civil Service Pension Scheme (NI) (PCSPS (NI)) is an unfunded defined benefit scheme, which produces its own resource accounts, but the General Consumer Council is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 1999 and an interim estimate of the scheme liability is available at 31 March 2003. A full actuarial valuation of the scheme liability is currently underway.

For 2003-04, employers' contributions of £71,347 were payable to the PCSPS(NI) (2002-03 £44,250) at one of four rates in the range 12 to 18 per cent of pensionable pay, based on salary bands. It is anticipated that rates will remain the same next year, subject to revalorisation of the salary bands, but may change from 2005-06 depending on the result of the current actuarial valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a **partnership** pension account, a **stakeholder** pension with an employer contribution. Employers' contributions of £786 were paid to one or more of a panel of four appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent of pensionable pay. Employers' also match employee contributions up to 3 per cent of pensionable pay.

Contributions due to the partnership pension providers at the balance sheet date were £Nil. Contributions prepaid at that date were £Nil.

From 1 October 2002, civil servants may also be in one of three statutory based “final salary” defined benefit schemes (**classic**, **premium** and **classic plus**).

(a) Classic Scheme

Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three year's pension is payable on retirement. Members pay contributions of 1.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

(b) Premium Scheme

Benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum, but members may commute some of their pension to provide a lump sum up to a maximum of 3/80th of final pensionable earnings for each year of service or 2.25 times pension if greater (the commutation rate is £12 of lump sum for each £1 of pension given up). For the purposes of pension disclosure the tables assume maximum commutation. Members pay contributions of 3.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse or eligible partner at a rate of 3/8ths the member's pension (before any commutation). On death in service, the scheme pays a lump sum benefit of three times pensionable earnings and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction. Where the member's ill health is such that it permanently prevents them undertaking any gainful employment, service is enhanced to what they would have accrued at age 60.

(c) Classic Plus Scheme

This is essentially a variation of **premium**, but with benefits in respect of service before 1 October 2002 calculated broadly as per **classic**. All staff in service at 1 October 2002 will be given the option to join the **premium** or **classic plus** arrangements. Pensions payable under **classic**, **premium** and **classic plus** are increased in line with the Retail Prices Index.

(d) Partnership Pension Account

This is a stakeholder-type arrangement where the employer pays a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product. The employee does not have to contribute but where they do make contributions, these will be matched by the employer up to a limit of 3% (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of risk benefit cover (death in service and ill health retirement). The member may retire at any time between the ages of 50 and 75 and use the accumulated fund to purchase a pension. The member may choose to take up 25% of the fund as a lump sum.

In addition, no separate employer contributions were payable to the PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions prepaid to the PCSPS (NI) at 31 March 2004 were £1,214.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument.

The number of persons employed by the Council as at 31 March 2004, excluding Council Members, is shown in the table below.

	2004	2003
Management	8	7
Professional staff	12	9
Administrator (1 part time - 20hrs per week)	2	2
Clerical and secretarial	7	5
	<u>29</u>	<u>23</u>

(The average number of persons employed in 2003/04 was 27 (2002/03 13)).

Early Departure Costs

The former Chief Executive, Mrs Maeve Bell, accepted a compulsory redundancy severance package as part of the reorganisation of the Council and retired on 31 July 2003.

The full cost of early departure decisions taken during the year ended 31 March 2003 was estimated to be £29,000. This cost was met by the General Consumer Council for Northern Ireland and therefore full provision was made for this cost in the year ended 31 March 2003. The balance due as at 31 March 2004, included in Provision for liabilities and charges, is £516.

8 Council members' remuneration and allowances

The Council consists of a part-time chairman, a deputy chairman and up to 12 other members, plus co-opted members, as required. The emoluments of the chairman, who was also the highest paid Council member, were £21,558 (2003: £24,287). The emoluments of the Council members (including the chairman) were within the following ranges:

	2004	2003
£0 - £5,000	16	16
£10,001 - £15,000	-	-
£15,001 - £20,000	-	-
£20,001 - £25,000	1	1
	<u>17</u>	<u>17</u>

In addition, Council members' expenses amounting to £11,294 (2003: £13,759) have been paid during the year and are reflected under other operating payments.

9 Other operating payments

	2004 £	2003 £
Rent, rates and service charges	140,873	77,754
Maintenance and repairs	12,881	25,611
Insurance	6,626	3,625
Electricity	5,303	2,147
Telephone and postage	17,176	11,979
Printing and stationery	17,864	7,698
Office machinery rentals and maintenance	13,148	7,217
Staff advertising and training	24,822	2,093
Recruitment and induction costs	21,874	83,185
Recruitment costs - Consumer Skills for All	2,635	31,947
Equality Scheme including advertising	-	1,622
Staff travel	19,000	5,787
Members' expenses	11,294	13,759
Hospitality, including catering	1,352	819
Audit fees - external audit	4,785	2,820
- internal audit	4,142	2,989
- energy audit	-	2,820
Health and safety	757	64
Legal fees	6,268	1,175
Sundry expenses	632	-
Bank charges	93	83
	311,525	285,194

10 Surplus/(Deficit) for the financial year

Under section 9 of the Financial Memorandum drawn up with the Department of Enterprise, Trade and Investment, the Council is permitted to carry over from one financial year to the next up to 2% of grant-in-aid, together with any unspent receipts for application to specific purposes, with the agreement of the Department.

11 Fixed assets

	Alterations & fittings £	Furniture & fittings £	Office equipment £	Total £
Cost/valuation				
At 1 April 2003	279,124	62,335	64,165	405,624
Additions	26,975	5,623	31,529	64,127
Additions - Consumer Skills for All	-	-	6,000	6,000
At 31 March 2004	306,099	67,958	101,694	475,751
Depreciation				
At 1 April 2003	69,781	12,467	21,388	103,636
Charge for year	78,773	13,210	23,186	115,169
At 31 March 2004	148,554	25,677	44,574	218,805
Net book value At 31 March 2004	157,545	42,281	57,120	256,946
At 31 March 2003	209,343	49,868	42,777	301,988

In the prior year a full year's depreciation was charged on all additions irrespective of the month of acquisition. In the current year additions have only been depreciated from the month of addition. This represents a change in accounting estimate. Current year depreciation would have amounted to £117,269 if the prior year's estimation technique had still applied.

12 Debtors

	2004 £	2003 £
Contributions towards Yellow Pages/Phone Book	1,070	3,954
Contributions towards Direct Payment Leaflet	5,437	
Debtors and Prepayments	21,039	41,518
OFREG contributions	-	13,105
	<u>27,546</u>	<u>58,577</u>

13 Creditors - amounts falling due within one year

	2004 £	2003 £
Sundry Creditors and Accruals	101,190	37,089
OFREG contributions paid to DETI	-	13,105
	<u>101,190</u>	<u>50,194</u>

14 Provision for liabilities and charges

	2004 £	2003 £
Early departure costs (see note 7)	<u>516</u>	<u>29,000</u>

15 Reconciliation of movement in reserves

	General fund £	Government grant reserve £	2004 Total £	2003 Total £
At 1 April 2003	6,305	301,988	308,293	23,426
Movements on reserve				
Surplus/(Deficit) for year	3,583	-	3,583	(7,556)
DETI Capital grant	-	64,127	64,127	315,005
Executive Funds Programme capital grant	-	6,000	6,000	71,102
Credit for notional cost of capital	10,244	-	10,244	9,952
Release to income and expenditure	-	(115,169)	(115,169)	(103,636)
At 31 March 2004	<u>20,132</u>	<u>256,946</u>	<u>277,078</u>	<u>308,293</u>

16 Reconciliation of surplus for year to net cash inflow from continuing operating activities

	2004 £	2003 £
Surplus/(Deficit) for year	3,583	(7,556)
Adjustments for non-cash transactions		
Depreciation and other amounts written off tangible fixed assets	115,169	103,637
Release from Government Grant Reserve	(115,169)	(103,637)
Profit on disposal of fixed assets	(4)	(77)
Notional cost of capital	10,244	9,952
Adjustments for movements in working capital		
Decrease/(Increase) in debtors	31,031	(38,629)
Increase in creditors	2,512	62,577
Net cash inflow from continuing operating activities	<u>47,366</u>	<u>26,267</u>

17 Reconciliation of net cash flow to movement in bank balance

	2004 £	2003 £
Increase in cash	67,370	26,344
Bank balance at 1 April 2003	26,922	578
Bank balance at 31 March 2004	<u>94,292</u>	<u>26,922</u>

18 Capital commitments

There were no capital commitments at the balance sheet date.

19 Contingent liabilities

Advice has been taken on two issues that may have the potential to lead to legal action against the Council. We have been advised that if legal action does result the potential cost could be up to a maximum of £20,000. Based on current developments the Council would consider this to be low risk and have not included any provision for liability in the accounts.

20 Related party transactions

The General Consumer Council for Northern Ireland is a Non-Departmental Public Body funded by the Department of Enterprise, Trade and Investment for Northern Ireland.

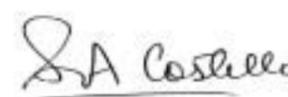
The Department of Enterprise, Trade and Investment is regarded as a related party. During the year the General Consumer Council had no material transactions with the Department of Enterprise, Trade and Investment other than the receipt of grants.

During the year, none of the Council members, key management staff or other related party has undertaken any material transactions with the General Consumer Council.

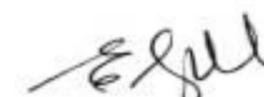
21 Approval of Accounts

The financial statements on pages 13 to 29 were approved by the Council on 16th June 2004 and signed on its behalf by:

By order of the Council



Stephen Costello
Chairman



Eleanor Gill
Chief Executive

Notes

Notes



General
consumer
Council