



The Consumer Council Annual Report 2006-2007

***Making the
consumer voice
heard and making it
count***

The General Consumer Council
for Northern Ireland
Annual Report and Accounts
for the year ended 31 March 2007

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championing
safe
fit for purpose
driving
change
information
responsible choices

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championing +
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for all
purpose
fit for
purpose
responsible choices

foreword



Cook it!

foreword

This year has seen the consumer voice grow in confidence in many areas from working towards a fair deal on water to putting banking right for consumers. The work of the Consumer Council is all about empowering consumers to play their full and active part in driving up the performance and standards of business and government alike to meet their customers' needs. The Northern Ireland Consumer Strategy recognises the benefits to be gained by listening and responding to customers and the Economic Strategy clearly defines consumers' contribution to the economic and social framework here.

Consumers can struggle to make their voice heard and count. This is particularly the case for consumers who may find themselves vulnerable or disadvantaged like older people, people with a disability, ethnic minority groups and young people. That's where the Consumer Council comes in. It is our job to help give all consumers the confidence, tools and knowledge to drive for a fair deal and value for money whether it's a public service or on the high street.

This is best achieved by working in partnership with consumers, their representatives, the public and private sector and community and voluntary organisations to bring about real and lasting benefit and change. We want to acknowledge the continuing support of the Department for Enterprise, Trade and Investment. We value and celebrate the

generosity of all our partners in giving their time and views to help us do our best for consumers. For example, our consumer panel for older people has provided relevant and quality feedback on a whole range of issues affecting them like transport, water charging, access to services and making ends meet. Young people have developed innovative approaches and tools to help them become confident consumers who are treated fairly whether online or in the shopping centre. Representatives of migrant workers and ethnic minority groups have provided us with a trusted pathway to reach vulnerable people and families who need to know more about their rights as consumers here.

There are times when the Consumer Council will take action to create change for consumers and to make sure that they are listened to. As a result of our super-complaint with Which?, the Competition Commission Inquiry into the Personal Current Account Market has concluded that competition here is weak and that it will put measures in place to put the power and information in the hands of consumers to shop around for the best deal without risk, cost or hassle. In 2006, the Consumer Council also took the unprecedented step of mounting a Judicial Review due to evidence that the development of water reform policy and legislation affecting all consumers and businesses here was focused on getting it done rather than getting it right. The High Court issued a landmark ruling that

the Government had a duty to consult on legislation and to conscientiously consider the voices of consumers.

This Annual Report provides a rich flavour of the work of the Consumer Council and account of the effective and efficient management of our resources. It presents some key impacts while recognising that there are as many again that are not included. There are many challenges and opportunities ahead as we begin to engage with our partners in the development of a new Corporate Plan for 2008 – 2011. We hope that you will help us to make our Plan inclusive, meaningful, relevant and fit for purpose.

Consumers are increasingly recognising that as well as having rights, they also have responsibilities. Consumer skills and knowledge play a central role in taking this agenda forward as we focus on helping consumers make more informed choices for today and tomorrow. We look forward to the restoration of the Northern Ireland Assembly to provide a local and accountable government which is good for consumers. We are committed to developing and promoting a consumer agenda for change which is proactive, pragmatic and positive. As the Review of Public Administration progresses we will continue to keep the focus on people above structures.

We are proud to deliver this Annual Report to you in recognition of the hard work,

professionalism and support of our staff, members, volunteers and partners. The Consumer Council drives for a fair deal within a challenging environment but it is a task we take on with enthusiasm and energy on behalf of all consumers. We hope you will find the Annual Report informative and inspirational. As always, we welcome and encourage you to give us feedback to make sure that we continue to make our work relevant to the consumers we are proud to represent.



Stephen Costello
Chairman

SA Costello



Eleanor Gill
Chief Executive

E Gill



about the report



about the report

The Consumer Council Corporate Plan 2005-2008 set out four key consumer themes as a framework for all our work. These are:

Championing and safeguarding the interests of the consumer, particularly vulnerable consumers;

Delivering consumer education, skills and information for all;

Enabling consumers to make responsible choices, and

Driving change to benefit consumers in the public and private sectors.

Our fifth and internal theme - Fit for purpose and delivering value for money - supports all our work under the above four external themes.

This Annual Report is structured around the corporate themes. We highlight the impacts that we have achieved under each theme and explain how our inclusive approach that respects diversity and challenges inequality and disadvantage is vital to how we operate. Finally, we publish our corporate performance indicators that help demonstrate our accountability and organisational achievement.

consumer themes



// 700,000 homes in Northern Ireland can plan their household budgets better

championing and safeguarding the interests of the consumer, particularly vulnerable consumers

People can be vulnerable or suffer disadvantage at any point in their lives for many reasons like poor health, disability, debt or deprivation. We take an all-embracing approach to championing consumers' interests and take action in many ways to bring about the greatest benefits to consumers, especially those who need our help the most.

We:

- 1. Ensure that, in working with consumers (and their representatives), we understand what matters to them in a changing, complex market place.*
- 2. Target vulnerable consumers and address their concerns with them.*
- 3. Match and prioritise resources to areas of greatest consumer need.*



Consumers must be consulted fully and fairly on legislation as a result of the Consumer Council's successful Judicial Review which challenged the Government's water and sewerage services legislation consultation process.

Impacts

- 65,000 pupils across Northern Ireland will enjoy a safer, more comfortable journey to school because the “3 for 2” rule¹ was scrapped as part of an announcement by the Children’s Minister Maria Eagle in September 2006. The groundbreaking £37m package also confirmed that standing on all school buses would end by April 2009. All Education and Library Board buses are expected to have seatbelts fitted by 2011 and all of the 110 new buses currently being commissioned for school use will have seatbelts. This announcement followed the Consumer Council’s repeated calls to implement a number of the recommendations made by the Assembly’s Environment Committee in 2001 and the publication of the Safer Journeys to School report, which outlined the views of young people about school transport.
- 700,000 homes in Northern Ireland can plan their household budgets better following Northern Ireland Electricity’s (NIE) circulation of our Home Budget Planner with electricity bills. In addition, 25,000 copies of the Budget Planner, including versions in Polish and Portuguese, were distributed through voluntary and community organisations.
- To ensure the Consumer Council is connected to consumers and their representatives, we developed a number of consumer panels operating across Northern Ireland. The panels represent a cross-section of Northern Ireland consumers and will be used to guide Consumer Council policy and consultation work, as well as help develop leaflets and consumer education campaigns.
- Consumers must be consulted fully and fairly on legislation as a result of the Consumer Council’s successful Judicial Review which challenged the Government’s water and sewerage services legislation consultation process. The High Court issued a landmark legal ruling that the Government has a duty to consult on legislation and must conscientiously consider responses. For the first time, a High Court declaration or “legal health warning” was issued to Westminster to advise that the draft legislation had failed to adequately consider the voice of consumers.
- Almost 10,000 copies of our two-step guide to challenging bank charges have been downloaded from our website and we have helped more than 2,000 consumers gain back £1,000 each on average in bank refunds.

¹ The rule that allows 3 pupils to sit on a seat designed for 2

- An airline passenger travelling with Zoom Airlines received a full refund of almost £300 after complaining to the Consumer Council. Zoom also changed how they work for all consumers by agreeing to review its cancellation and insurance policy.
- In the aftermath of the Farepak collapse, we gave Farepak savers in Northern Ireland a voice by developing an action plan for the Assembly, the Department of Trade and Industry, banks, building societies and credit unions, community organisations and Farepak savers themselves.
- Young people are treated worse than adults when they are out shopping. The Consumer Council distributed 1,500 copies of the Buy Rights DVD and support materials in partnership with the Youth Curriculum Development Unit to all youth workers in Northern Ireland and other education and voluntary sector groups.
- Disadvantaged consumers across Northern Ireland know more about their consumer rights because we delivered 63 information sessions to groups across the community covering issues like faulty goods and cutting household bills.
- firmus energy customers will be better served by its improved Standards of Performance, which set out the service customers should expect to receive. The majority of the Consumer Council's recommended suggestions were added and firmus also agreed to promote their vulnerable customer service. This provides extra help to certain groups and issues bills to standard credit and Direct Debit customers four times a year, all of which will be based on at least one actual meter read.
- Vulnerable consumers are better protected following successful lobbying by the Consumer Council. In a competitive natural gas and electricity market, domestic consumers in debt will not be prevented from switching to another supplier and potentially getting a better deal.

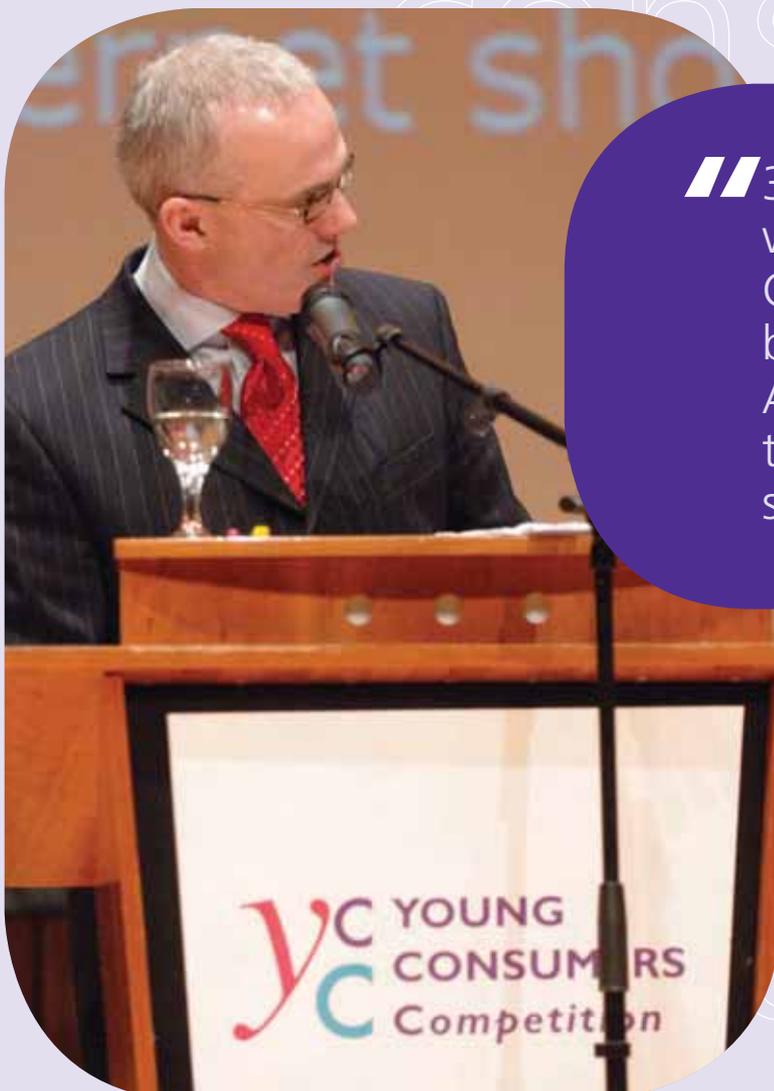
championing +
safeguarding

delivering consumer education, skills and information for all

Confident and demanding consumers have the power to drive up business standards and performance. Empowering people with the information and skills they need to do this is an important part of our work.

We:

1. *Enable consumers to access and understand timely and relevant information to help them make wise choices.*
2. *Actively encourage consumers to know their rights and have the confidence and ability to express them.*
3. *Put consumers at the heart of public and private services.*



// 30,000 copies of the winning Young Consumers Competition Newsletter by St Catherine's College, Armagh will be distributed to every post primary school in Northern Ireland

delivering consumer

Impacts

- More students are financially aware after taking part in our Financial Capability Quiz for year 8 mathematics pupils. More than 65 schools entered the quiz which covered a range of financial topics including saving, the true cost of credit and planning for big purchases. The overall winner was Assumption Grammar, Ballynahinch.
- Hits on our Consumerline website rose by 35 per cent from 1.8m last year to 2.5m in 2006-2007. Most consumers were looking for information on how to write letters of complaint, problems with cars, banks and the Farepak collapse.
- Air passengers are becoming more aware of their rights and making complaints with results. Some 40,000 copies of Plane Facts - our essential guide to air travel - have been distributed across Northern Ireland including at all local airports.
- More people and organisations across Northern Ireland are increasingly aware of how water reform will affect them following a series of presentations and the establishment of two new consumer panels.
- More than 80 key stakeholders attended the Consumer Council's event at the Long Gallery, Stormont, which secured cross party and cross sectoral support for our call for openness and transparency in the water reform process.
- Consumers will find it easier to contact Government and public bodies with the inclusion of a new, easy to use public services section in the Yellow Pages and the BT telephone directory. This follows our work with the e-Government unit within the The Office of The First Minister And Deputy First Minister. Northern Ireland is leading the way with the possibility of roll out in Great Britain.
- More young people have better consumer skills and knowledge with a 15 per cent rise in entries for the Young Consumers Competition Quiz (YCC) and a 54 per cent rise in entries for the YCC Newsletter. 33 schools entered the quiz section and Strathearn School Belfast were the winners. We received 37 entries for the newsletter section of the competition and we awarded 170 certificates to secondary, integrated, Irish medium and special schools. 30,000 copies of the winning newsletter by St Catherine's College will be distributed to every post primary school in Northern Ireland.
- Consumers have a better choice of how to make a complaint to the Consumer Council with the facility to make a complaint online for the first time.

- 65,000 businesses are better informed about switching electricity suppliers with *How to choose and change your electricity supplier* - a leaflet from the Consumer Council and the Energy Regulator. The leaflet was packed with advice on finding the best deal and switching suppliers. It generated many calls from businesses asking questions and raising issues about their experiences when trying to switch suppliers. This information is essential in order to make the competitive market work better and for businesses to get a good deal.
- More than 50,000 consumers were made aware of how to make a complaint with the circulation of information and merchandise at exhibitions, presentations, and events. As a result, stage two complaints rose by 24 per cent.



// Consumers will find it easier to contact Government and public bodies with the inclusion of a new, easy to use public services section in the Yellow Pages and the BT telephone directory.

enabling consumers to make responsible choices

As consumers, our responsibilities are as important as our rights. Our challenge is to promote more responsible forms of consumerism by helping people to understand how our choices today may impact on tomorrow's world. We are continuing to keep this issue centre stage and ensure that the broader issue of sustainability is looked at from the perspective of consumer behaviour and choices.

We:

1. *Position the Consumer Council as a thought leader and an advocate of responsible consumerism.*
2. *Create a better understanding of responsible consumerism.*
3. *Use our influence to change expectations and raise standards.*
4. *Raise awareness of sustainability in relation to consumption and choices by consumers.*



// 40,000 copies of *Plane Facts* - our essential guide to air travel have been distributed across Northern Ireland

enabling customers

Impacts

- 18,000 copies of the Use Water Wisely School Year Planner were produced from the winning entries from 3,442 posters created by pupils from 174 schools as part of the Consumer Council's Poster Competition for primary and special schools. The Council for Curriculum, Examinations and Assessment (CCEA) sent copies to all schools and further copies were distributed by the Water Service who supported the publication.
- The Northern Ireland Financial Capability Strategic Partnership agreed a joint approach to address money management issues here. This partnership brings together representatives of the financial industry, Government and the education and community sectors to implement the UK Financial Capability Strategy in Northern Ireland.
- 5,000 air passengers know more about their rights and responsibilities following the Consumer Council's exhibitions at Belfast City and International airports. Transport enquiries and complaints rose by 269 per cent during this period.
- Downing Street decision makers got the chance to see the best of Northern Ireland schools' work on money matters when we led a delegation to a seminar there. Key players across the UK were

invited and the work of the Consumer Council and the development of the Northern Ireland Financial Capability Strategic Partnership were highlighted in the published report.

- Being a responsible consumer will be second nature to a whole generation of young people with the introduction of *Ecoworld* - a unique web-based game for schools under development by the Consumer Council and CCEA. The game has been piloted in nine schools across Northern Ireland. More than 50 children and teachers enjoyed an evaluation and awards ceremony in March and the game will be introduced to all post-primary schools in 2008.



driving change to benefit consumers in the public and private sectors

We need to keep coming up with creative ways to bring about change for consumers in ways that also encourage innovation and best business practice. This can mean tackling risky issues as well as getting the best deal for consumers. We also want to see our actions bring higher standards, better value for money and competition so that consumers' money is well spent.

We:

1. *Bring about change to benefit consumers.*
2. *Promote debate on issues that have a detrimental impact on consumers.*
3. *Ensure that consumer views are taken into account early in the legislative or policy making process.*
4. *Put openness, fairness and affordability at the heart of consumer related pricing policies.*
5. *Encourage policies that provide best choice for consumers.*



// Passengers' needs will be at the centre of proposed changes to how public transport will be designed

driving change

Impacts

- The Competition Commission upheld the super-complaint made by the Consumer Council and Which? As a result, proposals to improve the £2.1 billion personal current account market in Northern Ireland have been subject to public consultation by the Competition Commission. The proposals include clearer information on accounts to make it easier for customers to switch banks, a three-month overdraft for switching customers, 14 days notice before penalties are applied and an annual breakdown of the cost of running the account.
- Stakeholders supported our responses to the draft water and sewerage legislation and the water licence and echoed our views in their own responses following stakeholder events. Support centred on the need for strengthened and independent roles for the Consumer Council and the Regulator and optimum protection for consumers. These stakeholder events encouraged and led the way for a partnership approach between public, private, community and environmental organisations.
- Passengers' needs will be at the centre of proposed changes to how public transport will be designed and delivered in future. The Minister for Regional Development announced plans to transform how public transport is governed in line with proposals developed by the Consumer Council and other key stakeholders. The changes will provide passengers with a better integrated, accessible and value for money public transport system.
- Personal current account customers are better off following the scrapping of charges for Direct Debits, standing orders, overdrafts, and account maintenance in three of the four big banks, (Bank of Ireland, Ulster Bank and Northern Bank). These changes followed our super-complaint to the Competition Commission on the personal current account market. First Trust Bank has yet to respond to demands for these charges to be removed at the time of writing.
- Nearly 100 households benefited from the submission of an individual complaint about electricity supply. The original complaint highlighted the fact that other people in the area had experienced the same problem. We worked with NIE to solve the supply issue.
- The Consumer Council is leading the way in helping to guide change and motivate consumer education practitioners throughout the UK. We shared our examples of best practice and expertise at a major annual conference of the Office of Fair Trading (OFT) UK Consumer Education Alliance.

- The Consumer Council lobbied Phoenix Natural Gas (PNG) to ensure that any proposed price decreases were passed on swiftly to consumers. PNG reduced their tariff by 14.6 per cent in March – a welcome break for consumers, who have seen prices rise by 84 per cent since 2003.
- Electricity customers are better informed about key services and important energy efficiency information because NIE implemented an impressive seven out of eight of the Consumer Council's recommendations from its "In Control" report. "In Control" was Northern Ireland's first independent research on Pay As You Go (PAYG) meter usage and self-disconnection by electricity and gas customers. One of the most successful outcomes of the research has been the publication of "In Touch", by NIE, a magazine distributed to all PAYG customers. It has been so well received that NIE has decided to regularly circulate it to all domestic customers.
- Greater protection for gas customers should be on its way due to changes in gas suppliers' licences. We look forward to the new look, consumer focussed gas supply licences later in 2007.

driving
change to
benefit
consumers

fit for purpose

Being fit for purpose is the foundation of all our work. We must make sound decisions, be clear about the changes we can bring for consumers and ensure that we can deliver on the themes of our corporate plan.

We:

1. *Comply with public body requirements and apply best practice in governance, management and administration.*
2. *Use our resources effectively, efficiently and strategically.*
3. *Value, develop and optimise the contribution of our staff, board members and stakeholders.*

Impacts

- In 2006-2007 2.7 per cent of days were lost due to sickness. The percentage for 2006-2007 was 2.6 per cent. The latest available comparable figure for the NI Civil Service (2006-2007) is 6 per cent.
- An organisational training plan based on key areas of competency has been developed. This is a key milestone in the Consumer Council's commitment to develop staff through our Prime Resource Initiative and Organisational Development Policy.
- The financial year was completed within budget with low variances against budget in all areas of expenditure.



// Our press coverage increased by 22 per cent

fit for

purposes

- A full information technology systems business continuity test was carried out in October 2006 with all data successfully tested and restored.
- We secured nine pieces of daily editorial coverage on key consumer issues of banking, transport and water.
- Our press coverage increased by 22 per cent.
- People in Great Britain and the Republic of Ireland got the opportunity to learn more about our work because we secured coverage in ROI and UK media including Daily Mirror, Daily Mail, RTE and BBC Radio 4.
- A dedicated Information Technology Officer is now in post to enhance and develop existing systems in line with the Consumer Council's commitment to fully exploit the potential of new technologies to provide creative and meaningful impact for consumers.
- Staff went out and about to make a voluntary contribution to enrich and add value to our society at our Corporate Social Responsibility days.
- A staff recognition scheme and a work well scheme are ongoing and developing to demonstrate our commitment to valuing our employees.



// Staff went out and about to make a voluntary contribution to enrich and add value to our society at our Corporate Social Responsibility days

challenges for the year ahead



challenges for the year ahead

The Consumer Council is proud of its key impacts and we realise these achievements have been brought about by working with other organisations. We are by no means complacent and recognise that our important work goes on to bring change for consumers. We acknowledge the need to work towards long term goals and focus on the future. There are areas in which we have identified a need for consumer representation and we look forward to working with our valued partners to bring about change that will benefit all consumers in Northern Ireland.

This section sets out some of those issues and challenges for the future that we will take forward in the next year.

Corporate

The Consumer Council welcomes the re-establishment of the Northern Ireland Assembly and we will work with evidence and enthusiasm to advance good outcomes for consumers. We will look towards applying fresh thinking and outward focus particularly as changes to consumer representation and redress take place in the UK and Republic of Ireland and addressing implications for the Consumer Council.

We will start our new corporate planning for 2008-2011 trusting that we will get the assistance of our partners and stakeholders to make sure it reflects fully the concerns and areas of focus for all concerned and their representatives.

The Consumer Council places great importance on openness and transparency as a means to deliver consumer trust and confidence. We welcome the work of the Information Commissioner's Office and aim to continue working closely with her team in the coming years.

Consumer Education

Northern Ireland has the lowest levels of consumer know-how and financial capability in the UK and it is clear that more resources are needed to close the gap. Improving financial awareness and giving consumers the confidence, skills and knowledge to make decisions and manage their money will make a significant difference to their lives. We will improve and increase our education and outreach work to help make this happen. We will also continue to work to ensure the Government's Lifetime Opportunities Strategy, OFT's Consumer Education Strategy and the FSA's Financial Capability Strategy are fully implemented across Northern Ireland.

challenges for the year ahead

People use the Internet more than ever. Our website (www.consumerCouncil.org.uk) will be developed to provide information to community and youth workers and teachers. This will help to ensure that they are knowledgeable and confident about their consumer rights and responsibilities and can pass this on to their groups and pupils.

We aim to educate all consumers, but especially vulnerable consumers like young people, those on low incomes and the growing communities of migrant workers. We also plan to continue our work with businesses to improve complaint handling and customer care.

Water

The year ahead brings many new and interesting challenges. The Assembly has just announced a review of the current water reform proposals. This is a golden opportunity to get water reform right and we will provide the Assembly with research and evidence to help them shape a fairer more affordable and sustainable system. The Consumer Council is committed to building relationships and working openly and transparently with all stakeholders. In particular, we want to work proactively with Northern Ireland Water to develop consumer-friendly policies and customer information.



/// We want to continue to play a key role in educating young consumers about making responsible choices, changing our behaviour towards energy, transport, food and waste

challenges

Consumer Affairs

The Consumer Council will continue to keep in touch with people by developing our consumer panels further. This will ensure that consumers' views on important issues are fully considered and embedded into our policies.

We want to continue to play a key role in educating young consumers about making responsible choices, changing our behaviour towards energy, transport, food and waste by developing the Ecoworld website for key stage 3 pupils.

Problems remain with airlines' responses to passengers who are denied boarding or experience severe delays and cancellations. The Consumer Council will continue to work with the airline industry and government to ensure that the EU regulations on air passengers' rights are fully implemented so that passengers get what they are entitled to every time.

We will continue to work with airlines and the Government to ensure that the EU regulations on air passengers' rights are fully implemented so that passengers who are denied boarding or experience severe delays and cancellations get what they are entitled to every time.

We want to make sure that public transport is available, accessible and affordable. We will work with the Government and transport companies to extend the concessionary fares scheme so that more people can afford to use public transport.

Our campaign for fair and competitive banking will go on by ensuring that any changes announced in the Competition Commission's final report are fully implemented. We will press the OFT to take action on banks that overcharge customers for going into the red without permission.

We want to make sure that people can access public services easily. Our work in this area will build on the successful partnership with the Department of Finance and Personnel which saw the publication of the Government Blue Pages section in the BT and Yellow Pages directories to develop innovative and easier ways for people to contact the Government.

Consumers must be at the heart of public reform and we will work hard to ensure that Public Service Reform in Northern Ireland puts people at the heart of policies.

Consumer Support

Promoting our complaints role at airports has been a big success for air passengers. We aim to repeat this success for ferry passengers by distributing Plain Sailing, our new guide for ferry passengers, at the main ports in Northern Ireland and on-board ferries.

Confident, knowledgeable consumers can create change and improve markets. We want to see more people learn about their rights and responsibilities about electricity, natural gas, coal and water and to improve consumer awareness. In particular, we intend to target the rural areas of Northern Ireland and the North West, where there are lower levels of complaints.

Working with companies to bring about lasting, positive changes for their customers is vital and we will continue to work with them to review and improve their bills, letters and complaint-handling procedures.

Energy

In order to provide more protection for vulnerable consumers, the Utility Regulator has agreed to work with the Consumer Council to review and improve energy suppliers' Social Action Plans. These set out how suppliers can improve their services in order to provide more protection and help disadvantaged consumers. This will not happen overnight but the joint aim is to have new improved Plans in place in 2008. We have also called for Winter Fuel Payments to be increased and extended to other vulnerable groups.

Many businesses face the same energy problems as domestic consumers and in some ways they can be worse off. They can get tied into long contracts and struggle to compare prices and get the best deal. We want to develop our work with groups that represent small businesses to identify how we can tackle some of the underlying energy problems that affect them.

Single Electricity Market

On 1 November 2007 a single electricity market (SEM) will be formed joining the electricity markets of Northern Ireland and the Republic of Ireland together. In short, there will be a transformation in how electricity is traded on the island of Ireland brought about through an intensive partnership process of Governments, Regulators, Suppliers and other key players on both sides of the border. Everyone involved should be commended for the way in which both jurisdictions worked together through difficult issues with common purpose and focus on building the necessary framework together.

The Consumer Council's task during the SEM development has been to ensure that consumers are kept centre-stage in decision making, that there is openness and transparency and that the costs and benefits are clearly spelt out.

We support the SEM on its basis to deliver what consumers need, namely competition, a secure and reliable electricity supply and stable, if not lower prices. However, it is important that expectations on what the SEM will and won't deliver for consumers in the short, medium and long term are managed. Either way, the Consumer Council will continue to scrutinise and look after the consumer interest in this new and changing landscape.

Corporate Services

In the context of reduced resources across the Northern Ireland public sector, we will continue to deliver front line services and perform as an efficient and effective organisation. We plan to meet efficiency savings in line with the Comprehensive Spending Review 2008 - 2011.

Managing risk is vital. We want to improve internal controls in the area of information technology and achieve substantial assurance in internal audit of this key risk area.

embracing diversity, promoting equality and good relations



embracing diversity and promoting equality and good relations

The principles of inclusion, equity and equal opportunity underpin all areas of the Consumer Council's work. We value and respect the diversity and differences in our society - for example - younger and older consumers, people from urban and rural communities and people from other countries who have come to live, work or visit. We embrace and aim to accommodate and celebrate diversity and promote equality within our work.

In accordance with Section 75 of the Northern Ireland Act 1998, the Consumer Council is committed to ensuring that equality is mainstreamed into all areas of its work. In supporting the Government's 'A Shared Future Strategy', the Consumer Council delivers its services to help facilitate the development of a shared community in which all individuals are considered as equals, where all people are treated impartially and where there is equity, respect for diversity and recognition of our interdependence.

When the Government launched its Lifetime Opportunities Strategy, the Consumer Council called for them to attach a high level priority to financial inclusion and financial capability. The Consumer Council is pleased to participate in the Ministerially led Poverty and Social Inclusion Forum, committed to working towards the elimination of poverty and social exclusion in Northern Ireland by 2020. It allows us to champion strategies for money management, indebtedness and universal banking, particularly for the most disadvantaged consumers.

The Consumer Council works hard to achieve and maintain strong relationships with consumers, seeking their views and consulting with them and their representatives. The Consumer Council operates a system of consumer panels who have been recruited on the basis of representing a cross-section of Northern Ireland consumers. Each consumer panel will be specific to a particular subject like transport or population grouping like older consumers. The panels are used to guide Consumer Council policy and consultation work, as well as helping to develop leaflets and consumer education campaigns.

There now exists a real opportunity to reshape public spending priorities and to underpin a culture where sharing is preferred over separation and where social cohesion is a key consideration. Our *Catch on to Consumer Rights* Programme was developed to improve consumer skills particularly in the areas of home budgeting and solving consumer problems. By working in partnership with the voluntary and community sector and Consumerline, we reached out to 50 Section 75 and new Targeting Social Needs groups. This benefited adult learners, particularly women aged 18 to 70 and their families.

These incremental steps help build local capacity and confidence and provide valuable signposting in relation to consumer rights.

The arrival of people from different cultural, linguistic and religious traditions into our society presents many new opportunities for developing good relations among all those who live and work here. In response to our changing society and to increase financial capability among migrant workers, the Consumer Council translated and distributed a number of our publications, including *Money Tips for Parents* and Budget Planners, into Polish and Portuguese.

The Consumer Council embeds good relations principles in policy and planning. By involving Animate in our Policy and Research Forum, we got help to identify migrant workers' needs in the areas of banking and transport.

The Consumer Council also organises competitions on consumer issues for primary, post-primary, Irish medium, integrated and special schools. We help to promote civic-mindedness through citizenship education in schools, through lifelong learning and in the distribution of educational resources.

We will continue to work inclusively by developing our policy, planning, consultations and outreach initiatives, to ensure that we meet the needs of all consumers.



// The Consumer Council also organises competitions on consumer issues for primary, post-primary, Irish medium, integrated and special schools.

championing driving
safeguarding change
information
fit for all
purpose
responsible choices

corporate performance indicators

corporate performance indicators

The Consumer Council made a commitment to develop additional measures of organisational performance. The table (right) sets out the Corporate Performance Indicators (CPIs). This format originated from research into the balanced scorecard approach, discussions with other organisations and professionals along with our own detailed consideration of what measures of corporate performance should look like. The targets are grouped under three critical areas of performance:

Consumer Impact

Direct contact with consumers, including information and education as well as dealing with statutory complaints.

Reputation and Connectivity

All that we do to bring about and highlight policy changes that benefit consumers. It includes our connections with those who take decisions affecting consumers.

Value for Money

Demonstrating our effective and efficient use of resources.

This is the second year of reporting against CPIs. We continue to review and refine this performance measurement process as we develop more enhanced mechanisms for capturing data.

Consumer Impact

<p>1. Skilling up consumers, business and education</p>	<p>(i) Increase hits on Consumer Council websites</p> <p>(ii) Number of documents/resources disseminated</p>	<p>TARGET ACHIEVED</p> <p>35% increase:</p> <p>2005/06 1,812,576 hits</p> <p>2006/07 2,455,367 hits</p> <p>TARGET ACHIEVED</p> <p>More than 207,500 copies of key consumer skills publications disseminated, as follows:</p> <p>50,000 - Complaints Leaflet 50,000 - Choose and Change your Energy Supplier 25,000 - Budget Planner 18,000 - Primary School Calendar 19,500 - Consumer Advice Handbook 10,000 - Money Tips for Parents Leaflet 30,000 - Young Consumer Competition Newsletters 5,000 - Financial Capability Quiz Booklet</p>
<p>2. Reflecting our message and engaging others in it</p>	<p>(i) Increase number of participants in Consumer Council activities</p>	<p>TARGET ACHIEVED</p> <p>Young Consumer Competition participants: (15% increase) 2005 - 2006 2,170 2005 - 2006 2,485</p> <p>Poster Competition participants: (15% increase) 2005 - 2006 3,000 2006 - 2007 3,442</p>
<p>3. Effectively dealing with consumer complaints</p>	<p>(i) Achieve 90% target of complainant satisfaction with the way Consumer Council dealt with consumers' complaints</p> <p>(ii) Number of positive policy or operational changes by providers and suppliers as a result of Consumer Council's complaint handling role</p>	<p>TARGET ACHIEVED</p> <p>94% satisfaction level in 2006 - 2007</p> <p>TARGET ACHIEVED</p> <p>25 positive policy and operational changes achieved</p>

Reputation and Connectivity

<p>1. Engaging with key stakeholders, consumer representatives, decision makers and opinion formers</p>	<p>(i) Number of key stakeholders the Consumer Council has direct contact with and provides briefings for</p>	<p>TARGET ACHIEVED</p> <p>Met all political parties at least once</p> <p>Chairman and CEO met DRD Minister, DETI Minister and Children’s Minister</p> <p>Almost 400 separate meetings held with key representatives from political parties, government organisations, private-sector companies and the media</p>
<p>2. Influencing public policy</p>	<p>(i) Number of consultations responded to</p>	<p>TARGET ACHIEVED</p> <p>41 responses to consultation exercises</p>
<p>3. Influencing and effecting change in a diverse society</p>	<p>(ii) Deliver a major consumer impact in each of the four corporate theme areas:</p> <ul style="list-style-type: none"> • Delivering consumer education, skills and information for all • Championing and safeguarding the interests of the consumer, particularly the vulnerable • Driving change to benefit consumers in the public and private sectors • Enabling consumers to make responsible choices 	<p>TARGET ACHIEVED</p> <p>3,304 pupils from 65 post-primary schools participated in the Consumer Council’s Financial Capability Quiz</p> <p>Mounted a successful Judicial Review against the Department for Regional Development over their failure to fully consult on the introduction of water and sewerage charges</p> <p>The Competition Commission upheld the super-complaint made by the Consumer Council and Which? As a result, proposals to improve the £2.1 billion personal current account market in Northern Ireland will be implemented</p> <p>Developing Ecoworld in partnership with CCEA - the first e-based sustainability education resource for schools</p>

Value for Money

<p>1. Financial control</p>	<p>(i) Manage and control spending within authorised 15% variance of each quarter's budget</p>	<p>TARGET ACHIEVED</p> <p>Variance within 15% over the year</p>
<p>2. Absence and sickness levels</p>	<p>(i) Manage a level of less than 5% days lost due to sickness absence</p> <p>(ii) Manage sickness levels below those of the NI public sector</p>	<p>TARGET ACHIEVED</p> <p>2.7% days lost due to sickness in 2006-2007</p> <p>TARGET ACHIEVED</p> <p>Less than half the NICS level for 2006-2007 which is 6% according to latest available figures.</p>
<p>3. Ensuring best practice</p>	<p>(i) Deliver substantial or full assurances within audit process</p> <p>(ii) Implemented audit recommendations within 6 months</p>	<p>TARGET PARTIALLY ACHIEVED</p> <p>4 audits carried out in 2006-2007. These delivered 1 full assurance, 2 substantial assurances and 1 limited assurance which is to be re-tested</p> <p>TARGET ACHIEVED</p> <p>Recommendations implemented as timetabled and all within 6 months</p>
<p>4. Training and developing staff's learning and growing in order to be effective in their roles and as part of the Consumer Council team</p>	<p>(i) Retain Investors in People standard</p>	<p>TARGET ACHIEVED</p> <p>Investors in People standard maintained</p>

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safe information
fit for all possible
purpose choices

corporate governance structure

corporate governance structure

The Consumer Council draws its membership through the public appointment process in accordance with the General Consumer Council (Northern Ireland) Order 1984. Its membership at 31 March 2007 is as follows:

<i>Chairperson</i>	Mr Stephen Costello
<i>Deputy Chairperson</i>	Mrs Siubhan Grant (Convenor, Transport Group)
<i>Members</i>	Mr John Collinson (Chair of Audit Committee)
	Mrs Fionnuala Cook
	Mr Michael Donnelly (Convenor, Food and Consumer Affairs Group)
	Mr John Gillvray (Convenor, Energy Group)
	Ms Jill Girvan
	Mrs Celia Gourley (Convenor, Consumer Education Group)
	Mr Bob McCann
	Mrs Hilary McCartan
	Ms Majella McCloskey
	Ms Maria McGuinness
	Mr David Mann
	Mr David Moore (Convenor, Water Group)
	Mr Will Taylor

The Consumer Council's Board (hereafter referred to as "the Council") meets formally six times a year. The Council has established committees drawing from its own members to assist it in the exercise of its functions, as follows:

Consumer Education, Energy, Food and Consumer Affairs, Transport and Water

Convenors of committees are appointed in an open and transparent process by all members of the Council and have a two-year tenure of office with a third year optional. Each Committee is authorised by the Council to oversee and promote the activities relevant to its remit. Recommendations are provided by each Committee to the Council for approval. Committees can co-opt members on the approval of the Council to bring particular skills and expertise to their work.

The Council also has a General Purposes Committee and an Audit Committee each of which meet in advance of the Council's meeting and provides recommendations to the Council for approval.

The Audit Committee deals with a range of issues relating to governance, internal control, accountability and risk management. The General Purposes Committee deals with issues relating to finance and budgetary control, structure and staffing, work programme and Consumer Council policies.

glossary



glossary

3 for 2 Rule

This rule allows 3 pupils to sit on a seat designed for 2 passengers.

Council for the Curriculum Examinations and Assessment (CCEA)

Organisation that advises Government, monitors education standards and awards qualifications.

Competition Commission

An independent public body established by the Competition Act 1998. It replaced the Monopolies and Mergers Commission and conducts in-depth inquiries into mergers, markets and the regulation of industries.

Farepak

Farepak was a Christmas savings club. Customers chose Christmas hampers and vouchers in advance, and then made regular payments towards the goods over the course of the year. The firm went into administration in October 2006.

Financial Services Authority(FSA)

An independent body that regulates the financial services industry in the UK.

firmus Energy

The company providing natural gas outside Greater Belfast, specifically along the routes of the North-West and South-North gas pipelines.

Home Budget Planner

To help consumers get a handle on their spending, the Consumer Council produced the Home Budget Planner –a step-by-step guide to managing your income and outgoings.

Pay As you Go (PAYG) Meter

A Keypad meter introduced by NIE. Keypad customers pay for their electricity as they use it and do not receive bills from NIE.

Northern Ireland Authority for Energy Regulation. (NIAER)

An independent public body set up to ensure the effective regulation of the Electricity and Gas industries in Northern Ireland.

Northern Ireland Neighbourhood Information Service.(NINIS)

Provided by NISRA (see below), it gives access to statistical and locational information relating to small areas across Northern Ireland.

The Northern Ireland Statistics and Research Agency (NISRA)

An Executive Agency within the Department of Finance and Personnel that provides a statistical and research service for Government.

Northern Ireland Water (NIW)

Northern Ireland Water is a Government Owned Company (GoCo), set up in April 2007 to provide the water and sewerage services in Northern Ireland.

Office of Communications (Ofcom)

The independent regulator and competition authority for the UK communications industries.

Office for the Regulation of Electricity and Gas (Ofreg)	<i>The working name of the administration team that supports NIAER (see above).</i>
Office of Fair Trading (OFT)	<i>An independent body responsible for ensuring that markets work well for consumers.</i>
OFT Consumer Education Alliance	<i>The Alliance brings together organisations and individuals who work with consumers, enabling them to co-ordinate work, share ideas and make best use of resources.</i>
Prime Resource Initiative	<i>The Consumer Council's initiative on organisational development, designed to develop the potential of existing staff and members.</i>
Review of Public Administration	<i>The Review of Public Administration reached a conclusion in March 2006. It was a comprehensive examination of the arrangements for the administration and delivery of public services in Northern Ireland. Implementation is now being taken forward by the relevant government departments.</i>
Section 75	<i>Section 75 of the Northern Ireland Act 1998 imposes a statutory duty on public bodies in relation to promoting equality of opportunity and good relations.</i>
Super-complaint	<i>A complaint submitted by a designated consumer body where any feature, or combination of features of a market in the UK for goods or services is, or appears to be, significantly harming the interests of consumers.</i>
Super Output Area	<i>These are aggregates of 2001 Census Output Areas and are a relatively small-scale unit, containing an average of just less than 2000 people. There are a total of 890 Social Output Areas in Northern Ireland.</i>
Sustainable Development	<i>Means that development meets the needs of the present without compromising the ability of future generations to meet their own needs.</i>
Youth Curriculum Development Unit	<i>The Unit works to raise awareness of youth work, to develop and share resources, and to explore and share models of youth work practice.</i>

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safer, more informed choices
fit for purpose
for all
responsible choices

financial statements

Management Commentary

The General Consumer Council for Northern Ireland (Consumer Council) presents its annual report and the audited accounts for the year ended 31 March 2007.

These financial statements 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 Consumer 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 Consumer Council in relation to electricity matters were transferred to the Office of Electricity Regulation for Northern Ireland (Ofreg NI). However, the Consumer 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 Consumer Council once again took over the responsibility for representing electricity consumers.

Statutory Background

The Consumer Council was established under the General Consumer Council (NI) Order 1984. The legislation confers a statutory obligation on the Consumer Council to promote and safeguard the interests of consumers including specific responsibilities for energy, food and transport. The Gas (NI) Order 1996 gave the Consumer 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 Consumer Council a range of additional powers and representation responsibilities for electricity consumers.

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 2006-2007 resulted in an estimated audit fee of £4,000 and is included in the administration costs in the Income and Expenditure Account. There was no other work carried out by the auditors during 2006-2007.

Statements

Pension Liabilities

Details of pension schemes are set out in note 5 to the financial statements and also in the Remuneration Report on pages 53-56.

Register of Interests of Board Members

Board members are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgement. The register of interest is available for public inspection by contacting the Consumer Council, 116 Hollywood Road, Belfast, BT4 1NY

Council Members

The names of persons serving during the year ended 31 March 2007 were:

Name		First Appointed
Mr Stephen Costello	Chairman	1 January 2003
Mr Bill Osborne	Deputy Chairman	1 August 2000
Mrs Siubhan Grant	Deputy Chairman	Council Member from 1 January 2002. Appointed Deputy Chairman from 1 January 2007
Mr John Collinson	Council Member	1 January 2003
Mrs Fionnuala Cook	Council Member	1 January 2002
Mr Michael Donnelly	Council Member	1 January 2006
Mr John Gillvray	Council Member	1 January 2006
Mrs Jill Girvan	Council Member	1 January 2002
Mrs Celia Gourley	Council Member	1 January 2006
Mr David Mann	Council Member	1 August 2003
Mr Bob McCann	Council Member	1 January 2006
Mrs Hilary McCartan	Council Member	1 January 2006
Ms Majella McCloskey	Council Member	1 January 2006
Ms Maria McGuinness	Council Member	1 January 2003
Mr David Moore	Council Member	1 January 2002
Mr William Taylor	Council Member	1 January 2006

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

Name		Date of Leaving
Mr Bill Osborne	Deputy Chairman	31 December 2006

Chief Executive

The Chief Executive and Accounting Officer is Mrs Eleanor Gill.

So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware.

The Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

Review of activities

The Consumer Council has actively campaigned to bring about change that benefits consumers and to drive a real and lasting change in the market place and public services. 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 Consumer Council's operation in 2006-2007 are set out in detail on pages 65-77 of these accounts.

In preparing the accounts the Consumer 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.

Due to a change in accounting treatment as directed by the Financial Reporting Manual (FRM) there has been a change in presentation of the financial results in 2006-2007. From 2006-2007 there is a requirement to present Grant in Aid as a financing flow rather than income in the Income and Expenditure Account. For this reason the Income and Expenditure Account on page 65 does not present an overall surplus/deficit for the 2006-2007 operations but the Net Cost of Operations. If this change in accounting treatment had not been made, the Income and Expenditure account would have disclosed a surplus of £13,899 (2005-2006 deficit £2,081)

Fixed assets

Details of the movement of fixed assets are set out in note 8 to the financial statements.

Prompt payment practice

The Consumer Council 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 per cent of bills were paid within this standard.

Financial state

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Research and development

The Consumer Council is committed to an ongoing programme of research in order to develop and improve service provision.

Charitable donations

There were no charitable donations made during 2006-2007.

Business review

The Consumer Council prepares a strategic level three-year Operational Plan drawn from the Consumer Council's three year Corporate Plan. The Consumer Council also prepares an annual Work Programme. 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 Consumer 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 Consumer Council since 31 March 2007.

Equality Scheme

In pursuance of Section 75 of the Northern Ireland Act 1998, the Consumer Council has prepared an Equality Scheme, which was approved by the Equality Commission in 2001. This scheme sets out in detail the Consumer 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. The Equality Scheme was subject to a five-year review in 2006.

Employee involvement

The Consumer 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 Consumer 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 Consumer Council commenced a formal organisational development initiative known as "Our Prime Resource". Organisational development will continue to be a priority as the Consumer Council addresses its corporate theme of Fit for Purpose and Delivering Value for Money.

Future development

The Consumer Council will continue to represent the interests of consumers in line with the Corporate Plan, which identifies strategic areas for action. In 2006 the Minister for Regional Development proposed that the Consumer Council act as the consumer representative on water and sewerage services. During 2006 the Consumer Council has been operating in shadow form in preparation for taking on this legislative role from April 2007. This new role as set out in the Water and Sewerage (NI) Order 2006, alongside the Consumer Council's existing responsibilities for energy and transport, will provide an opportunity to build on and strengthen the Consumer Council's experience in representing all consumers of public utilities.

Remuneration Policy

The Remuneration of Senior Managers in the Consumer Council is in line with Northern Ireland Civil Service Salary Bands. Increases in remuneration are in line with Northern Ireland Civil Service pay awards and are not performance related. This process for remunerating Senior Managers is not anticipated to change in the next financial year.

Service Contracts

Consumer Council appointments are made in accordance with the Consumer Council Recruitment and Selection policy, which requires appointment to be on merit on the basis of fair and open competition.

Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended until they reach the normal retiring age of 65. Policy relating to notice periods and termination payments is contained in the Consumer Council staff contracts.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior officials of the Consumer Council.

Senior management (AUDITED INFORMATION)

Officials	2006-2007		2005-2006	
	Salary (£'000)	Benefits in kind (to nearest £100)	Salary £'000	Benefits in kind (to nearest £100)
Mrs Eleanor Gill (Chief Executive)	60-65	-	55-60	-
Mr Wesley Henderson (Director)	40-45	-	35-40	-

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the Consumer Council and thus recorded in these accounts.

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.

Civil Service Pensions (AUDITED INFORMATION)

Officials	Accrued pension at age 60 as at 31 March 2007 and related lump sum (£'000)	Real increase in pension and related lump sum at age 60 (£'000)	CETV at 31/3/07 (£'000)	CETV at 31/3/06 (£'000)	Real increase in CETV (£'000)	Employer contribution to partnership pension account (to nearest £100)
Mrs Eleanor Gill (Chief Executive)	15-20 No lump sum	0-2.5 No lump sum	209	116	23	-
Mr Wesley Henderson (Director)	10-15 No lump sum	0-2.5 No lump sum	163	143	9	-

Pension benefits are provided through the Civil Service pension arrangements. From 1 October 2002, civil servants may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium, and classic plus). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, 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 give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a selection of approved products. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-2004 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Former Senior Managers

(AUDITED INFORMATION)

No awards or compensation payments have been made to former Senior Managers during 2006-2007.

Third Parties (AUDITED INFORMATION)

No payments have been made to third parties for services as a Senior Manager.



Eleanor Gill

Accounting Officer

25 June 2007

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 Consumer Council is required to prepare financial statements in the form and on the basis directed by the Department of Enterprise, Trade and Investment (DETI), with the approval of the Department of Finance and Personnel (DFP). The accounts are prepared on an accruals basis and must give a true and fair view of the Consumer Council'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 Consumer Council is required to:

- observe the accounts direction issued by DETI, 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 disclosed 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 DETI has designated the Chief Executive as the Accounting Officer for the Consumer Council. 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 DFP.

By order of the board



Stephen Costello
Chairman

25 June 2007



Eleanor Gill
Chief Executive

25 June 2007

Statement of Internal Control

1. Scope of responsibility

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

I act in accordance with the Consumer Council's Management Statement and Financial Memorandum as agreed with DETI and with instructions and guidance in GANI and other instructions and guidance issued from time to time by DETI and DFP.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level 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 Consumer Council policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Consumer Council

for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

3. Capacity to handle risk

During the 2006-2007 financial year I have improved the robustness of the procedures necessary to ensure that we identify the Consumer 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 and members via Audit Committee and Council. More specifically the Consumer Council has:

- complied with the implementation of enhanced Corporate Governance processes directed by DETI;
- continued to develop, review, monitor, enhance and implement a risk management process in consultation with DETI;
- established a system of reporting and approving governance and risk items discussed at the Audit Committee under the Chairman's agenda section of Council meetings;
- continued to incorporate risk management awareness sessions into Senior Management Team meetings and carried out quarterly risk management meetings;

- reviewed and updated the fraud response plan;
- continued a process of “planned” systems failures on quarterly basis to test the remote back-up facility for our IT infrastructure and carried out a full test of IT business continuity plan;
- reviewed the existing three-year internal audit plan to take account of any changes to the risk profile;
- reviewed and updated financial and purchasing procedures;
- carried out a system of quarterly risk reporting via stewardship statements; and
- continued a formal system of risk reporting to the Audit Committee and the Council.

The Consumer 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 Consumer Council. Appropriate steps are being taken to manage risks in significant areas of responsibility and monitor progress on key projects.

In 2004 the Consumer Council appointed

McClure Watters to run its Internal Audit programme. This programme operates to standards defined in the new Government Internal Audit Manual. In the 2006-2007 financial year audits were carried out in the following areas:

- payroll;
- budgets and funding;
- security and contingency; and
- communications and public relations.

Overall full assurance was given in budgets and funding. Substantial ratings for assurance were given in payroll, communications and public relations. Limited assurance was given to security and contingency.

The Consumer Council has in place key Corporate Performance Indicators and we have identified one key measure as the implementation of internal audit recommendations within six months of the recommendation being accepted. In 2006-2007 all recommendations were implemented within this timeframe.

4. The risk and control framework

The Consumer Council has in place a framework for risk management, which includes arrangements to identify, assess and manage risks across all aspects of its governance and business. Risks are

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monitored and reviewed on a continual basis and the Senior Management Team and myself undertake a formal review on a quarterly basis. The Audit Committee agrees and recommends the risk register (incorporating individual review of each risk) on a quarterly basis. Council members formally review and approve the risk register on a quarterly basis.

5. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within the Consumer Council, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Council and the Audit Committee. A plan is in place to address recommendations, ensure continuous improvement of the system and manage and overcome weaknesses .

As part of the risk management framework which has been in operation since September 2002 the following arrangements apply:

- The Senior Management Team review and report on the risks associated with their operational areas on a quarterly basis;
- The Council approves the risk register on the basis of recommendation by the Audit Committee who regularly review it;
- The Senior Management Team have the responsibility for identifying any new areas of risk, or significant changes in risk, bringing these to the attention of the Chief Executive and subsequently to the Audit Committee;
- The Chief Executive submits a formal report of the Risk Register to the Department on a quarterly basis;
- The Chief Executive submits an assurance statement to the Department on a quarterly basis; and
- The Chair of the Audit Committee reports on a quarterly basis to the Departmental Audit Committee.

As a general rule the Audit Committee meets in advance of the Council meetings which meets five times a year formally and reviews the risk register at least four times in the year. The Chairman of the Consumer Council Audit Committee is a member of the Departmental Audit Committee and reports on risk to DETI.

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6. Significant Internal Control Problems

No significant internal control problems have been identified during the year.



Eleanor Gill

Accounting Officer

25 June 2007

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

I certify that I have audited the financial statements of the General Consumer Council for Northern Ireland for the year ended 31st March 2007 under the General Consumer Council (Northern Ireland) Order 1984. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and Statement of Recognised Gains and Losses and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Council, Chief Executive/ Accounting Officer and Auditor

The Council and Chief Executive are responsible for preparing the Annual Report, the Remuneration Report and 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. These responsibilities are set out in the Statement of Council's and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises of the Foreword, About the Report, Consumer Themes, Challenges for the Year Ahead, Embracing Diversity and Promoting Equality and Good Relations, Corporate Performance Indicators, Corporate Governance Structures, Management Commentary and Remuneration Report is consistent with the financial statements. I also report whether in all material respects the income and expenditure have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the General Consumer Council for Northern Ireland has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by the Department of Finance and Personnel regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the General Consumer Council for Northern Ireland's compliance with the Department of Finance and Personnel's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the General Consumer Council for Northern Ireland's corporate governance procedures or its risk and control procedures.

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 report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are

most appropriate to the General Consumer Council for Northern Ireland'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 and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, 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 also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Audit Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the General Consumer Council (Northern Ireland) Order 1984 and directions made thereunder by the Department of Enterprise Trade and Investment, of the state of the General Consumer Council for Northern Ireland's affairs as at 31st March 2007 and of its Net Cost of Operations for the year then ended;

Financial statements

- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and the Department of Enterprise Trade and Investment directions made thereunder; and
- information given within the Annual Report, which comprises of the Foreword, About the Report, Consumer Themes, Challenges for the Year Ahead, Embracing Diversity and Promoting Equality and Good Relations, Corporate Performance Indicators, Corporate Governance Structures, Management Commentary and Remuneration Report is consistent with the financial statements.

Audit Opinion on Regularity

In my opinion, 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.

Report

I have no observations to make on these financial statements.



JM Dowdall CB
Northern Ireland Audit Office
Comptroller & Audit General
106 University Street
Belfast BT7 1EU

2 July 2007

gements

Income and Expenditure Account Year ended 31 March 2007

	Note	£	2007 £	Re-stated 2006 £	£
<i>Income</i>					
Operating receipts	2	3,104		3,150	
Independent project income	3	22,910		24,170	
			<u>26,014</u>		<u>27,320</u>
<i>Expenditure</i>					
Work programme	4	542,363		284,722	
Salaries and wages	5	1,103,762		906,274	
Other operating payments	7	360,295		375,219	
Depreciation charge for year	8	45,204		103,941	
Notional cost of capital		5,944		5,369	
			<u>2,057,568</u>		<u>1,675,525</u>
Net Cost of Operations			(2,031,554)		(1,648,205)
Credit in respect of notional cost of capital			<u>5,944</u>		<u>5,369</u>
Amount transferred to reserves	12		<u>(2,025,610)</u>		<u>(1,642,836)</u>

The amounts set out above arise wholly from continuing operations.

The notes 1 to 18 form part of the financial statements.

Statement of Recognised Gains and Losses Year ended 31 March 2007

	2007 £	Re-stated 2006 £
Unrealised surplus on revaluation of fixed assets	-	-
Total Unrealised surplus on revaluation of fixed assets	<u>-</u>	<u>-</u>

The notes 1 to 18 form part of the financial statements.

Cash Flow Statement Year ended 31 March 2007

	Note	£	2007 £	£	Re-stated 2006 £	£
Net cash (outflow)/inflow from continuing operating activities	13		(1,927,906)		(1,577,347)	
Capital expenditure and financial investment						
Payments to acquire tangible fixed assets			(116,626)		(42,243)	
Receipts from sale of fixed assets			-		10	
Net cash flow before financing			<u>(2,044,532)</u>		<u>(1,619,580)</u>	
Financing from DETI			<u>2,116,875</u>		<u>1,584,426</u>	
Increase/(Decrease) in cash	14		<u><u>72,343</u></u>		<u><u>(35,154)</u></u>	

The notes 1 to 18 form part of the financial statements.

Balance Sheet

31 March 2007

	Note	£	2007 £	Re-stated 2006 £	£
Fixed assets	8		149,202		77,780
Current assets					
Debtors and prepayments	9	59,202		24,934	
Cash at bank	14	201,914		129,571	
		<u>261,116</u>		<u>154,505</u>	
Creditors - amounts falling due within one year	10	(194,865)		(108,097)	
Net current assets			<u>66,251</u>		<u>46,408</u>
Total assets less current liabilities			<u>215,453</u>		<u>124,188</u>
Provision for liabilities and charges	11		<u>-</u>		<u>-</u>
Net assets			<u><u>215,453</u></u>		<u><u>124,188</u></u>
Capital and reserves					
Government grant reserve			-		-
General fund	12		<u>215,453</u>		<u>124,188</u>
			<u><u>215,453</u></u>		<u><u>124,188</u></u>

Signed



Eleanor Gill

Accounting Officer

25 June 2007

The notes 1 to 18 form part of the financial statements.

1 Accounting policies

(i) Basis of accounting

The financial statements are drawn up in a form directed by DETI, with the consent of DFP and in accordance with applicable accounting standards.

(ii) Change of accounting policy

With effect from the 2006-2007 reporting period the FReM requires Non-Departmental Public Bodies to account for grants and grant in aid received for revenue purposes as financing because they are regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest of NDPBs. This is a change in accounting policy from earlier periods when such items were recorded as income. The effect of this change on the certified 2005-2006 accounts and the impact of the change on the results of the current year is shown below.

Note there is no impact on the net liability position of the Consumer Council for Northern Ireland as a result of the change in policy.

	At 31 March 2006 (as previously stated) £	Impact of adopting the new policy £	At 31 March 2006 (re-stated) £
Net Expenditure for 2005-2006	(2,081)	(1,646,124)	(1,648,205)
General Reserve	46,408	77,780	124,188
Government Grant Reserve	77,780	(77,780)	-
	At 31 March 2007 (without applying the new policy) £	Impact of adopting the new policy £	At 31 March 2007 (applying the new policy) £
Retained Surplus for 2006-2007	13,899	(2,045,453)	(2,031,554)
General Reserve	66,247	149,205	215,453
Government Grant Reserve	149,205	(149,205)	-

(iii) Depreciation

Depreciation is calculated to write off the original cost of tangible fixed assets to their expected residual values by equal annual instalments 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	33.33% straight line
Intangibles	10% straight line

Depreciation is provided from the month of addition.

(iv) Capital Charge

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

(v) Pensions

The Consumer 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 Consumer 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 Operating receipts

	2007	2006
	£	£
Bank interest received	2,854	2,596
Inland Revenue bonus re e-submission	250	250
Conference attendance fee	-	294
Disposal of assets	-	10
	<u>3,104</u>	<u>3,150</u>
	<u><u>3,104</u></u>	<u><u>3,150</u></u>

3 Independent project income

	2007 £	2006 £
Contribution towards Yellow Pages / phone book	5,620	9,220
Contribution towards Young Consumer Competition	12,290	9,950
Contribution towards Special School's Poster Competition	5,000	-
Contribution towards <i>Money in your Life</i> DVD	-	5,000
	<u>22,910</u>	<u>24,170</u>

4 Work programme

Consumer education and skills	130,072	90,072
Energy	56,755	46,942
Water	180,403	-
Consumer Support	51,406	33,870
Consumer Affairs	53,231	61,017
Corporate Services	15,058	5,729
Communications including website	55,438	47,092
	<u>542,363</u>	<u>284,722</u>

5 Staff and pension costs

	2007		2006	
	£	£	£	£
(a) Council members' remuneration and allowances				
Chairman's salary - gross	20,801		20,511	
Social security costs	2,017		1,998	
Members' fees	18,263		20,784	
		<u>41,081</u>		<u>43,293</u>
(b) Staff salaries				
Salaries - gross	780,093		655,983	
Social security costs	121,362		49,209	
Superannuation	142,454		113,322	
Contract staff	18,772		44,467	
		<u>1,062,681</u>		<u>862,981</u>
		<u>1,103,762</u>		<u>906,274</u>

5 Staff and pension costs (continued)

The number of persons employed by the Consumer Council as at 31 March 2007, excluding Council Members, is shown in the table below.

	2007	2006
Management	11	9
Professional staff (includes 1 part time – 3 days per week)	21	12
Administrator (includes 1 part time – 20 hrs per week)	1	1
Clerical and secretarial	6	6
	<hr/>	<hr/>
	39	28
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons employed in 2006-2007 was 34.5 (2005-2006 28).

Pension

The Principal Civil Service Pension Scheme (NI) (PCSPS (NI)) is an unfunded defined benefit scheme, which produces its own resource accounts, but the 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 2003 and details of this valuation are available in the PCSPS(NI) resource accounts.

For 2006-2007, employers' contributions of £141,716 were payable to the PCSPS(NI) (2005-2006 £112,651) at one of four rates in the range 16.5 to 23.5 per cent of pensionable pay, based on salary bands. These rates have increased from 1 April 2005 as a result of the latest actuarial valuation. The Consumer Council has no employees with pensionable pay in the highest salary band of 23.5 per cent. 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 £722 (2005-2006 £671) 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**).

5 Staff and pension costs (continued)

(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 per cent and 12.5 per cent (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 per cent (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent 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 per cent 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 2007 were £Nil.

6 Council members' remuneration and allowances

The Council consists of a part-time chairman, a deputy chairman and up to 14 other members, plus co-opted members, as required. The emoluments of the chairman, who was also the highest paid Council member, were £22,818 (2006: £22,509). The emoluments of the Council members (including the chairman) were within the following ranges:

	2007	2006
£0 - £5,000	20	25
£10,001 - £15,000	-	-
£15,001 - £20,000	-	-
£20,001 - £25,000	1	1
	<u>21</u>	<u>26</u>

In addition, Council members' expenses amounting to £11,403 (2006: £23,988) have been paid during the year and are reflected under other operating payments.

7 Other operating payments

	2007	2006
	£	£
Rent, rates and service charges	157,030	164,340
Maintenance, repairs and cleaning	15,384	15,827
Electricity	7,859	6,205
Telephone and postage	25,127	22,099
Printing and stationery	22,264	20,539
Office machinery - rentals and maintenance	22,624	20,956
Staff training and development	29,213	25,667
Recruitment and induction costs	32,992	20,678
Staff travel	17,237	20,226
Members' expenses	11,403	23,988
Hospitality, including catering	1,123	800
Audit fees - external audit	2,809	3,300
- internal audit	4,200	4,201
Health and Safety	694	822
Legal fees	8,809	25,047
Sundry expenses	319	339
CPD charges	1,000	-
Bank charges	208	185
	<u>360,295</u>	<u>375,219</u>

8 Fixed assets

	Alterations	Furniture & fittings	Office equipment	Intangibles	Total
	£	£	£	£	£
Cost / valuation					
At 1 April 2006	296,144	87,642	130,397	-	514,183
Additions	45,192	18,055	39,424	13,955	116,626
Disposals	-	-	18,293	-	18,293
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2007	341,336	105,697	151,528	13,955	612,516
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation					
At 1 April 2006	286,098	55,420	94,885	-	436,403
Charge for year	598	18,794	25,682	130	45,204
Disposals	-	-	18,293	-	18,293
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2007	286,696	74,214	102,274	130	463,314
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value					
At 31 March 2007	<u>54,640</u>	<u>31,483</u>	<u>49,254</u>	<u>13,825</u>	<u>149,202</u>
At 31 March 2006	<u>10,046</u>	<u>32,222</u>	<u>35,512</u>	<u>-</u>	<u>77,780</u>

9 Debtors

	2007 £	2006 £
Debtors and Prepayments	59,202	24,934
	<u> </u>	<u> </u>
	<u>59,202</u>	<u>24,934</u>

10 Creditors - amounts falling due within one year

	2007 £	2006 £
Sundry Creditors and Accruals	194,865	108,097
	<u> </u>	<u> </u>
	<u>194,865</u>	<u>108,097</u>

11 Provision for liabilities and charges

	2007 £	2006 £
Opening provision	-	-
Used during year	-	-
	<hr/>	<hr/>
Closing provision	-	-
	<hr/> <hr/>	<hr/> <hr/>

12 Reconciliation of movement in reserves

	General fund £	Government grant reserve £	2007 Total £	Re-stated 2006 Total £
At 1 April 2006	(15,290)	139,478	124,188	182,598
Transfer to General fund	139,478	(139,478)	-	-
Movements on reserve				
Financing from DETI	2,116,875	-	2,116,875	1,584,426
Amount transferred to reserves	(2,025,610)	-	(2,025,610)	(1,642,836)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2007	215,453	-	215,453	124,188
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	2007	Re-stated 2006
	£	£
(Deficit)/Surplus for year	(2,031,554)	(1,648,205)
Adjustments for non-cash transactions		
Depreciation and other amounts written off tangible fixed assets	45,204	103,941
Profit on disposal of fixed assets	-	(10)
Notional cost of capital	5,944	5,369
	2007	Re-stated 2006
	£	£
Adjustments for movements in working capital		
(Increase)/Decrease in debtors	(34,268)	(4,739)
Increase/(Decrease) in creditors	86,768	(33,703)
Net cash (outflow)/inflow from continuing operating activities	(1,927,906)	(1,577,347)

14 Reconciliation of net cash flow to movement in bank balance

	2007	2006
	£	£
Increase/(Decrease) in cash	72,343	(35,154)
Bank balance at 1 April 2006	129,571	164,725
Bank balance at 31 March 2007	201,914	129,571

15 Capital commitments

There were no capital commitments at the balance sheet date.

16 Contingent liabilities

The Consumer Council is receiving ongoing advice on a recruitment issue that may have the potential to lead to legal action. Based on current developments the Consumer Council would consider this to be low risk and as such have not included any provision for liability for compensation costs to the applicant who is party to the issue.

17 Related party transactions

The Consumer Council is a Non-Departmental Public Body funded by DETI.

The DETI is regarded as a related party. During the year the Consumer Council had no material transactions with DETI 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 Consumer Council.

18 Approval of Accounts

The financial statements on pages 65 - 77 were approved by the Council on 20 June 2007 and signed on its behalf by:

By order of the Council



Stephen Costello
Chairman

25 June 2007



Eleanor Gill
Chief Executive

25 June 2007

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Notes

championing
driving
change
information
responsible choices
safe for all
purpose
fit for purpose

Notes

championing
safer
fit for
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change
information
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choices

***Making the
consumer voice
heard and making it
count***



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Executive Summary available in other formats on request