





**The General Consumer Council  
for Northern Ireland  
Annual Report and Accounts  
For the year ended 31 March 2016**

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Under paragraph 12(7) of Schedule 1 to the  
General Consumer Council (Northern Ireland) 1984  
By the Department for the Economy on

31 August 2016

## Contents

	Page
<b>Performance Report</b>	<b>02</b>
Overview	03
Performance Analysis	14
<b>Accountability Report</b>	<b>36</b>
Corporate Governance Report	37
Remuneration and Staff Report	51
Assembly Accountability and Audit Report	64
<b>The Certificate and Report of Comptroller and Auditor General to the Northern Ireland Assembly</b>	<b>65</b>
<b>Financial Statements</b>	<b>68</b>
Statement of Comprehensive Net Expenditure	69
Statement of Financial Position	70
Statement of Cash Flows	71
Statement of Changes in Taxpayers' Equity	72
Notes to the Accounts	73



## Performance Report

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### Overview

#### Chair and Chief Executive's Perspective on Performance in 2015-16

This last year (2015-16) has been a significant year of change for the Consumer Council:

- **Board:** A new Chair (Sheila McClelland) and Deputy Chair (Judena Leslie) were appointed in May 2015. Five Board members' appointments came to an end in December 2015 (Kit Chivers, Deirdre Fitzpatrick, Jill Gillespie, Margaret Ward, and Lee Wilson). In addition, Judena Leslie resigned from her role to become the Commissioner for Public Appointments;
- **Executive:** A new Chief Executive (John French) began in July 2015. In addition, eight members of staff left under the Voluntary Exit Scheme; and
- **Location:** After 30 years, the Consumer Council moved from Elizabeth House to modern premises in the centre of Belfast (Seatem House). This move will produce significant financial savings and provide the Consumer Council with the facilities to support our statutory role of "safeguarding and promoting the interests of Northern Ireland consumers".

However, against this background of change, 2015-16 has been a really successful year for the Consumer Council:

- Our complaints handling function yielded a record amount of financial redress for consumers (almost £900k), beating last year's record by over 40%;
- We engaged directly with over 2,000 consumers to raise awareness of their rights and encourage them to switch service providers to save money;
- We also contacted over 1,000 businesses about water efficiency (in partnership with Invest NI and NI Water) and 90% of companies were able to save money as a result of our advice;
- To further promote switching, by the end of the reporting period, we had developed a web based interactive energy price comparison switching tool for consumers. This is the first in the UK to be developed and managed by an independent consumer body. It was launched in early 2016-17, with a view to stimulating greater competition among energy suppliers and achieving even better deals for consumers in NI;

- We led a high profile campaign with counterparts (Citizens Advice Scotland and Citizens Advice Bureau) in Scotland, England and Wales on parcel delivery charges. Our research on consumer detriment in this area stimulated significant media and Parliamentary interest. An adjournment debate secured by a local MP (Gavin Robinson) led to a roundtable of key political and industry stakeholders from across the UK. This roundtable was chaired by a UK Government Minister (Nick Boles) and gained commitment to address the issues raised;
- In partnership with disabled and reduced mobility representative organisations (Inclusive Mobility and Transport Advisory Committee (IMTAC), Parkinson's UK, Action on Hearing Loss, Age Sector Platform, Guide Dogs NI, and the Orchardville Society), we physically audited and made recommendations to improve the accessibility of Belfast and Larne ferry terminals. We also worked with Autism NI to develop air travel guidance for passengers with autism;
- Memoranda of Understanding were developed with the Department of Enterprise, Trade and Investment (now the Department for the Economy) and the Department for Regional Development (now the Department for Infrastructure);
- In addition, a Memorandum of Understanding was developed with the advice sector (Advice NI, the Northern Ireland Association of Citizens Advice Bureaux, and the Law Centre) to establish the 'Consumer Rights Initiative Northern Ireland'. This initiative aims to bring closer collaboration between the organisations on consumer issues and to ensure consumers know whom to contact when they have a consumer rights problem;
- We provided advice to business (through Invest NI) and consumers about the new Consumer Rights Act 2015. The Act replaced three major pieces of consumer legislation - the Sale of Goods Act, Unfair Terms in Consumer Contracts Regulations, and the Supply of Goods and Services Act - and is the biggest shake-up in consumer law in a generation. Its aim is to simplify, strengthen and modernise consumer law, giving people clearer consumer rights; and

- Through extensive consumer and stakeholder consultation we developed a new Corporate Plan, which will set the strategic direction and priorities for the Consumer Council's work for the next five years.

Going forward, the Consumer Council will support the new Programme for Government (PfG) through our strategic aims of:

1. Empowering consumers;
2. Representing consumers;
3. Protecting consumers;
4. Understanding the needs of future consumers and sustainable consumption; and
5. Provide value for money and good governance.



Sheila McClelland  
**Chairperson**



John French  
**Chief Executive**

## The Purpose and Activities of the Consumer Council

The General Consumer Council for Northern Ireland (the Consumer Council) is a non departmental public body (NDPB), sponsored by the Department of Enterprise, Trade and Investment (DETI).<sup>1</sup> The Consumer Council was established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland.

Our main statutory functions are to:

- Consider any <sup>2</sup> complaint made to the Consumer Council relating to consumer affairs and, where it appears to the Council to be appropriate having regard to any other remedy which may be available to the complainant, investigate the complaint and take such further action in relation thereto as the Council may determine;
- Carry out, or assist in the carrying out of, inquiries and research into matters relating to consumer affairs;
- Promote discussion of, and the dissemination of information relating to, consumer affairs; and
- Report to a Northern Ireland department on any matter relating to consumer affairs which is referred to the Council by that department.

The Consumer Council has specific statutory duties in relation to energy,<sup>3</sup> postal services,<sup>4</sup> transport,<sup>5</sup> and water and sewerage.<sup>6</sup> In these areas, we are to have particular regard to consumers:

- Who are disabled or chronically sick;
- Of pensionable age;
- With low incomes; or
- Who reside in rural areas.

The Consumer Council is a designated consumer body under the Enterprise Act 2002 and the Financial Services and Markets Act Order 2013. Designated consumer bodies can raise a super-complaint to the Competition and Markets Authority (CMA), in the case of goods and services, and the Financial Conduct Authority (FCA) or the Payment Systems Regulator (PSR) as appropriate, in the case of financial services if a market in the UK is, or appears to be, significantly harming the interests of consumers. Following the submission of a super-complaint the CMA, or FCA/PSR, will be required to investigate the issue and publish a response within 90 days.

In addition, under the Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015, the Consumer Council can make an appeal to the CMA if we believe a modification by the Utility Regulator (UR) to a gas or electricity company's licence is detrimental to the interests of consumers.

<sup>1</sup> DETI was subsumed into the new Department for the Economy from May 2016. DETI is referred to as the sponsoring body in this document as it held this role throughout 2015-16.

<sup>2</sup> In agreement with DETI, the Consumer Council handles complaints relating to energy, postal affairs, transport, and water and sewerage (in agreement with the Department for Regional Development). Consumerline and the Northern Ireland Trading Standards Service provide complaints services in relation to goods and services.

<sup>3</sup> The General Consumer Council Order (Northern Ireland) 1984; Electricity Order (Northern Ireland) 1992; The Gas Order (Northern Ireland) 1996; Energy Order (Northern Ireland) 2003; Energy Act (Northern Ireland) 2011; The Gas and Electricity (Internal Markets) Regulations (Northern Ireland) 2011; The Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015; and Electricity and Gas regulatory Licences. In September 1995, following direction

from the then President of the Board of Trade, the Consumer Council took the role of promoting and safeguarding the interests of domestic coal consumers in Northern Ireland, including the functions of the Coal Ombudsman.

<sup>4</sup> The Public Bodies Order (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc) 2014.

<sup>5</sup> Transport (Northern Ireland) Act 1967; General Consumer Council Order (Northern Ireland) 1984; The Airports (Northern Ireland) Order 1994, Taxi Act 2008; Transport Act 2011; Maritime Passenger Rights Regulation 2012.

<sup>6</sup> The Water and Sewerage Services (Northern Ireland) Order 2006 and NI Water's Regulatory Licence.

The Consumer Council undertakes an integrated model of consumer representation by working in the areas of:

- **Consumer advocacy** – the representation of consumers' interests and the defence of their rights. Our advocacy role is to act independently, within our statutory remit, on behalf of consumers, to identify issues that are detrimental to them. We use our expertise, knowledge and insight to advise others, including government, on how consumer focused policies can work for the benefit of society, businesses and the UK economy. We challenge current and proposed policies that unnecessarily restrict or impede consumer choice and we work with government, regulators and business to help them understand the benefits of doing so.
- **Consumer redress** – the ability of consumers to seek amends or compensation when things go wrong. Consumer redress mechanisms safeguard consumers and maximise their participation and trust in the markets. This in turn contributes to the growth of competitive markets as consumers are able to gain redress and dispute resolution without the need to resort to court procedures which are lengthy and costly for them and all involved. The Consumer Council investigates complaints from consumers regarding energy, postal services, transport, and water and sewerage matters.
- **Consumer empowerment** – for consumers to be empowered it is essential that they have information about their rights and are able to understand how to use this to prevent or resolve problems in buying goods and services. Confident consumers who feel empowered to make good choices will in turn increase consumer trust in business and public services. Empowered consumers help to drive competition by shopping around and demanding more of businesses. In turn businesses must work harder to win and retain custom by offering higher standards of customer care, better products, innovation, and by reducing costs. This increases productivity and drives economic growth. The Consumer Council provides information (for consumers who are capable of choosing effectively and asserting their rights if pointed to the right material); advice (for consumers who need help to interpret or apply information); and education (for consumers who may not be aware of the risks in relevant markets, or the importance of exercising choice carefully, or that they have particular rights as consumers).

### Key Issues and Risks Affecting the Consumer Council in 2015-16

The Consumer Council experienced significant change in 2015-16.

A substantial reduction (20%) in our funding allocation for 2015-16 was addressed mainly through the operation of a Voluntary Exit Scheme (VES). Five staff left their posts under the VES on 30 September 2015, resulting in pay bill savings of approximately £94k in 2015-16.<sup>7</sup>

Following the VES departures, interim staffing arrangements were put in place pending a structural review, which is planned for early 2016-17.

The VES was funded from the Public Sector Transformation Fund. Confirmation of this funding was not received until September 2015. As a contingency measure, the Consumer Council held back expenditure on a number of business objectives until this funding was confirmed. As a result, the timetable for the delivery of some outputs was delayed.

Other actions to reduce costs included:

- The transfer of information and communication technology (ICT) services from in-house provision to IT Assist, the shared service provider for the Northern Ireland Civil Service (NICS) and other public bodies. As a result, two staff transferred from the Consumer Council to IT Assist; and
- Not filling vacancies.

In June 2015 the Consumer Council relocated to new premises on the Government Estate (Seatem House). This move is expected to result in substantial savings over time. However, the costs of relocation and the Consumer Council's liability for dilapidations on its former premises (Elizabeth House) offset savings in 2015-16.

<sup>7</sup> Three others also left under the Voluntary Exit Scheme, but these did not result in pay bill savings in 2015-16. Of these, two staff had transferred to IT Assist in June 2015 after their applications had been accepted under the Scheme, and one was on a career break.



A settlement for the costs of dilapidations was agreed with the Landlord of Elizabeth House in February 2016. This was less than had been anticipated and enabled funds to be released for other activities, notably staff development, that had been held back pending the outcome of negotiations.

There were also significant changes in the Consumer Council's senior management and Board. These are described in the Corporate Governance Report.

The key corporate risks that were managed by the Consumer Council in 2015-16 were as follows:

- Changes associated with relocation disrupt the delivery of key corporate objectives and/or fail to deliver efficiency savings required for 2015-16 and beyond;
- Failure to recruit and/or retain appropriately skilled staff results in the Consumer Council not being able to deliver its business objectives and impacts on the reputation of the organisation;
- Staff morale and commitment to deliver the Consumer Council's aims and objectives adversely affected by concerns about organisational changes and job security;
- Provision of poor information or advice results in failure to achieve the Consumer Council's policy positions and/or causes reputational damage; and
- External influences/factors damage the reputation of the Consumer Council and result in the Consumer Council not being able to deliver its business objectives.

None of these risks materialised in 2015-16.

In addition to managing these risks, the Consumer Council closely monitored its arrangements for corporate governance and financial management to ensure that these remained effective while the organisation was going through a period of significant change.

### Going Concern

As of the 31st March 2016, the Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £28,189. These and other liabilities will be met by future grant-in-aid, received from and approved annually by the Department for the Economy (DfE), Department for Infrastructure (DfI), and Department for Business Innovation and Skills (BIS). All funding has been approved for 2016-2017. Planned activities for 2016-17 have been formulated in light of the funding available to the Consumer Council. The future financing of any Consumer Council liabilities will be met by DfE. In this context, the accounts have been prepared on a going concern basis.

### Performance Summary

The Consumer Council was successful in delivering the majority of its planned outputs for 2015-16. This was achieved against a backdrop of substantial resource constraints. A 20% reduction in the Consumer Council's budget necessitated the use of a VES to achieve the required financial savings. Uncertainties over the availability of funding for this meant that planned expenditure had to be held back until the staff exits were able to proceed in September 2015. This delayed a number of the planned outputs – seven of which will be completed in 2016-17.

The key achievements during 2015-16 were:

- Returning £897k in redress to consumers from our complaints handling work. This is the highest amount in the Consumer Council's history, beating last year's amount (which was the previous record) by over 40%;
- Establishing a partnership with key advice sector organisations (Advice NI, Citizens Advice Bureaux Northern Ireland, and Law Centre (NI)) under the Consumer Rights Initiative NI. This will help ensure seamless referrals between our organisations so that consumer complaints can be addressed even more effectively, and provide intelligence on emerging consumer issues;

- Work with Translink to monitor its Passenger Charter results. The Spring 2015 survey included 'passenger experience' scores for the first time – an improvement based on a recommendation from the Consumer Council. The Autumn 2015 survey, following a request from the Consumer Council, included questions about the impact of service changes – the results of this will be published in 2016-17;
- In partnership with the Food Standards Agency, publication of recommendations to improve the balance of healthy and less healthy food offers by supermarkets. A key outcome is the acceptance by the main supermarkets of a recommendation to establish a Food Retailers Forum;
- Playing a key role on electricity meter tampering, which has led to agreement on a public awareness campaign and the development of an industry Code of Practice on energy theft in 2016-17;
- In partnership with representative organisations of disabled consumers, conducted audits of the main passenger ferry terminals and made recommendations to improve accessibility to the port operator and ferry companies;
- Engaging with over 1,000 businesses about water efficiency. Of those contacted, 90% have saved money as a result of our advice;
- Agreement with the Utility Regulator and NI Water of new customer service and satisfaction measures for water customers. These will be trialled in 2016-17 with a view to replacing the previous measures;
- Engaging directly with over 2,000 consumers to promote awareness of their rights and encouraging switching to save money;
- Developing a web based interactive price comparison switching tool for electricity and natural gas consumers – this is the first in the UK to be developed and managed by an independent body;
- Producing, in partnership with Autism NI, a factsheet providing information for people with autism when travelling by air;
- Working with Invest NI to disseminate guidance to businesses across NI on legislative changes brought about by the Consumer Rights Act 2015;
- Continuing to assess the impact of the Network Transformation Programme (NTP) on post office users. This included 'mystery shopping' visits to assess compliance with the NTP Code of Practice. Most recommendations promulgated by the Consumer Council were accepted by Post Office Limited;
- Publication of a research report on the cost to NI consumers of poor online delivery practices. This received significant media, political and stakeholder attention. It was the catalyst for a number of high profile activities, including an Adjournment Debate in Parliament and a Minister-led roundtable of key stakeholders across the UK;
- Agreed a Memorandum of Understanding with DRD to cover our respective roles regarding public transport – we also agreed a Memorandum of Understanding with DETI to cover operational management issues to supplement the Management Statement and Financial Memorandum; and
- Relocation from our premises of 30 years to Seatem House in June 2015. This was managed without significant disruption to our services, and will realise longer term financial savings.



# Performance Analysis

## Performance Monitoring

Following direction from the NI Executive, and in common with other public bodies, the Consumer Council's Corporate Plan for 2011-15 was extended to cover 2015-16. The Consumer Council's objectives and outputs for the year were set out in our Business Plan for 2015-16, which was approved by DETI. This Business Plan incorporated the Consumer Council's Forward Work Programme, which we are required to consult on and publish under the legislation covering our responsibilities for energy, postal services, transport, and water and sewerage.

Delivery of the objectives was managed through projects, each with a project manager and an agreed budget. Progress against project milestones was reported to the Chief Executive on a weekly basis.

Progress against the objectives was reported quarterly to the Board, and discussed with DETI officials at regular Oversight and Liaison meetings.

## Performance Against Objectives

The Consumer Council's work in 2015-16 was aligned under five strategic objectives, under which specific objectives and outputs were set. Overall, the Consumer Council delivered, or delivered in large part, 41 of the 44 (93%) outputs contained in our Business Plan for 2015-16.

There was some slippage in timetables for a number of planned outputs. This was largely a result of resource constraints: initially, because expenditure had to be held back pending the outcome of the VES in September 2015; and consequential loss of staff in particular areas. We were able to overcome these issues and most outputs were delivered by the year end. However, of these outputs, seven could not be fully completed in 2015-16 and will be delivered in early 2016-17.

Three planned outputs were not delivered, as follows:

- The 'Food Challenge' (Objective 3b) did not proceed. This project had aimed to build on research undertaken in 2014-15 on the costs of a healthy food basket to highlight the challenges this presents for consumers on low incomes. However, following a policy rethink, we were concerned that this risked the Consumer Council straying into areas beyond our statutory remit, such as welfare benefits and cooking skills.
- We were only able to recognise four Water Champions (Objective 5c), with a further 12 in the pipeline, against a target of 25. This is a multi agency programme, run in partnership with Invest NI and local government. This programme relies, in part, on referrals from environmental programmes run by district councils, where structural changes have slowed progress. However, 2015-16 was the first year of a three year programme to recognise 75 Water Champions. On reflection, given the need to lay the foundations to achieve this cumulative target, and the change experienced by key partners, the Year 1 target was too ambitious.
- We had planned to undertake an early reassessment against the revised Investors in People Standard (Objective 10d) to benchmark our approach to staff learning and development against its new requirements. However, the Consumer Council is not required to be reassessed until 2017. With a review of the organisational structure planned for early 2016-17 in light of the new Corporate Plan, we decided to wait until the outcome of this has been implemented before undergoing reassessment.

Our achievement of the objectives and delivery of the planned outputs for 2015-16 are recorded under each strategic objective below.

## To improve the consumer experience, both within the Consumer Council and with external service providers

Objective	Key outputs for the Objective	Performance
1. To provide an effective complaints resolution service for the energy, transport and water sectors.	a) Effective referral mechanisms agreed with the advice sector by the end of September 2015.	<b>Output partially delivered.</b> The Consumer Council, the Northern Ireland Association of Citizens Advice Bureaux, Advice NI, and the Law Centre (NI) have formed the Consumer Rights Initiative NI. This is to facilitate effective referral arrangements and share intelligence on emerging consumer issues. This partnership is underpinned by a Memorandum of Understanding, which was signed in October 2015. Referral arrangements are being piloted and should be operational early in 2016-17.
	b) Consumer complaints handled in line with service standards and protocols agreed with energy, transport and water suppliers.	<b>Output delivered.</b> In 2015-16, the Consumer Council: <ul style="list-style-type: none"> <li>Investigated 296 consumer complaints (2014-15: 431);</li> <li>Achieved £897k in redress for consumers (2014-15: £630k); and</li> <li>Achieved 99% customer satisfaction (2014-15: 98%).</li> </ul> These were all handled in line with agreed service standards and protocols.

Objective	Key outputs for the Objective	Performance
2. To support service providers in key sectors to become even more responsive to consumer needs by influencing and monitoring the setting and achievement of challenging customer targets.	a) Recommendations for service improvements, following complaint assessments, made to Translink and NI Water by the end of December 2015.	<b>Output partially delivered.</b> NI Water complaints were assessed. Implementation of the recommendations for improvement will be monitored in 2016-17.  Restructuring within Translink has delayed similar work with it until May 2016.
	b) Recommendations for service improvements made to Translink following Passenger Charter analysis (published every six months), and other opportunities, as they arise.	<b>Output delivered.</b> Translink's Passenger Charter monitoring results for Spring and Autumn 2015 were analysed and recommendations for improvement made. The recommendations included seeking passengers' views on when a service is considered to be unacceptably late, and measures to promote awareness of best value ticket options. Translink's Passenger Charter results were published in April 2015 with 'passenger experience' scores included for the first time – an improvement based our recommendation.
	c) New customer service and satisfaction measures agreed with the Utility Regulator and NI Water by the end of January 2016.	<b>Output delivered.</b> The new measures will be tested in parallel with established measures during 2016-17, with a view to them becoming fully operational in 2017-18.
	d) Recommendations to improve products and services made where appropriate to each of the four main banks in NI, at least twice per year.	<b>Output delivered.</b> Discussions have been held with the banks on a range of issues such as bank branch closures, digital inclusion,

Continued...

Objective	Key outputs for the Objective	Performance
		<p>financial abuse of older people, and the findings and remedies set out in the Competition and Market Authority's review of retail banking.</p> <p>The British Bankers' Association has agreed to consult the Consumer Council as part of its review of the operation of the Bank Branch Closure Protocol, with a view to this being extended to NI.</p> <p>A further round of meetings is planned in 2016-17 to discuss the Consumer Council's research on awareness of community banking options in light of bank branch closures. This will include monitoring the impact of Ulster Bank's recent announcement to cease weekend opening in a number of branches.</p>
3. To understand consumer concerns and proficiency levels and reflect these to government and business.	a) Consumers' views and concerns about household expenditure reflected to government and businesses, following analysis of the results of a twice yearly tracking survey conducted in June and December 2015.	<p><b>Output delivered.</b></p> <p>The Consumer Outlook Index research is conducted every six months and the results published. They are shared with economists and Government, and are used by the Consumer Council as an evidence base in our policy development work.</p>
	b) 'Food challenge' undertaken in October 2015 to highlight the difficulties of living on a restricted food budget.	<p><b>Output not delivered.</b></p> <p>The appropriateness of the Consumer Council undertaking this work was reviewed. It was decided that this risked the Consumer Council being drawn into areas beyond its remit and therefore it was decided not to proceed with this activity.</p>

Objective	Key outputs for the Objective	Performance
Objective 3 continued...	c) Recommendations from food promotions research reflected in the review of the Fitter Futures for All Strategy – timetable to be agreed with partners.	<p><b>Output delivered.</b></p> <p>The research was published jointly by the Food Standards Agency and the Consumer Council. A number of recommendations to improve the balance of healthy and less healthy food offers were made. A key recommendation was the creation of a Bi Annual Food Retailers Forum, which will have its inaugural meeting in June 2016.</p>
	d) Research report on consumer proficiency levels/behaviour, with recommendations, published by the end of March 2016.	<p><b>Output partially delivered.</b></p> <p>The research was conducted and the results have been published. A report with recommendations will be published in early 2016-17.</p>
4. To represent the views of consumers in respect of changes and implementation of policy on key consumer issues, and in regulated markets, in line with the Consumer Council's statutory remit.	a) Recommendations for action made following a joint review with the Utility Regulator and energy suppliers of policy and regulatory issues in respect of meter tampering – timetable to be agreed with the project partners.	<p><b>Output delivered.</b></p> <p>Recommendations include an anti energy theft public awareness campaign, and the development of an industry Code of Practice on energy theft. These will be implemented in 2016-17.</p>
	b) Research reports on consumer views, with recommendations, published on a range of transport developments, including: <ul style="list-style-type: none"> <li>Impact of service changes to public transport due to budget constraints; and</li> <li>Sea port audits. Timetables to be agreed with stakeholders.</li> </ul>	<p><b>Output delivered.</b></p> <p>The Consumer Council secured additional questions in the Autumn 2015 Passenger Charter monitoring survey to seek information on passengers' views of the changes in service introduced in September 2015 as part of Translink's cost saving measures. The results of this will be published by Translink in 2016-17</p>

Continued...

Objective	Key outputs for the Objective	Performance
Objective 4 continued...		Site visits were conducted at the main passenger ferry terminals with representative organisations of disabled consumers in January 2016. A number of recommendations have been made to the port operators and ferry companies. The report of the outcome of the audits will be published in 2016-17.
	c) NI postal consumer views represented in relevant UK wide reviews on mail and parcel markets – timetable to be agreed with the project partners.	<p><b>Output delivered.</b> The Consumer Council worked with Citizens Advice and Citizens Advice Scotland to ensure NI consumers were represented at a UK level. We jointly responded as the UK's consumer advocacy bodies to five stakeholder consultations.</p> <p>We led on work to finalise a customer notification system for Royal Mail's post box and relocation process, which improved access to this information for consumers.</p> <p>Extensive briefing was provided for key stakeholders and elected representatives on online delivery issues affecting NI consumers (and others in more geographically remote parts of the UK). The briefing was provided to the Committee for Enterprise, Trade and Investment; local MPs and BIS ahead of a House of Commons Adjournment Debate; and a roundtable of Ministers, politicians and stakeholders (see Objective 9c).</p>

Objective	Key outputs for the Objective	Performance
Objective 4 continued...	d) Active participation on committees, working groups and other fora, and with key stakeholders, to contribute to policy development at an NI, UK and European level as appropriate.	<p><b>Output delivered.</b> The Consumer Council was an active participant on a range of groups and other fora in 2015-16, including:</p> <ul style="list-style-type: none"> <li>• <b>General consumer affairs:</b> the UK Consumer Protection Partnership; the NI Digital Inclusion Steering Group;</li> <li>• <b>Energy:</b> Central Design Authority; Electricity Retail Industry Group; Gas Market Opening Group; Keypad Meter Tampering Industry Working Group; Home Energy Conservation Authority; DETI's Energy Stakeholders Group;</li> <li>• <b>Food:</b> All Ireland Food Poverty Network; Belfast Food Network;</li> <li>• <b>Money Affairs:</b> LINK's Consumer Council; All Party Group on Car Insurance; Money Advice Service forum; hosted a roundtable with the FCA on the mortgage market; participated in a roundtable on financial abuse facilitated by the Commissioner for Older People.</li> <li>• <b>Post:</b> Post Office Advisory Group; the All Party Group on Postal Issues;</li> </ul>

Objective	Key outputs for the Objective	Performance
Objective 4 continued...		<ul style="list-style-type: none"> <li><b>Transport:</b> City of Derry Airport forum; George Best Belfast City Airport forum; NI Transport Advisory Committee; and</li> <li><b>Water:</b> Regional Community Resilience Group; Consumer Engagement Oversight Group; Output Review Group; Water Investment Co-ordination Group.</li> </ul>
	e) Market intelligence, policy advice and responses to requests for briefing and consultation exercises provided to Government and Regulators on key consumer policy issues within agreed timeframes.	<b>Output delivered.</b> The Consumer Council responded to over 30 consultation exercises by Government and Regulators on key consumer policy issues in 2015-16. The responses are published on the Consumer Council's website. The outcome of these exercises is monitored and reported to the Consumer Council's Board.
	f) Consumer views represented in energy and water price controls and tariff reviews and/or their implementation in accordance with timetables agreed with the Utility Regulator.	<b>Output delivered.</b> The Consumer Council participated in the NIE Networks' stakeholder engagement workshop to provide views on investment proposals as part of the RP6 Price Control. We also provided a response to the Utility Regulator's consultation on its approach to gas and electricity supply Price Controls.  The review of NI Water's 2016-17 scheme of charges is underway.

## To give consumers the confidence, tools and skills to get the best deal

Objective	Key outputs for the Objective	Performance
5. To develop in partnership with the Department for Regional Development and Northern Ireland Water a three year (2015-16) water efficiency and education programme to promote water conservation and help save money for consumers and businesses.	a) Household water efficiency programme with integrated energy savings developed by the end of March 2016 for piloting in 2016-17.	<b>Output delivered.</b> The trial programme has been agreed with DETI, DRD and NI Water. The timetable is being determined by the development and approval of DETI's EnergyWise programme.
	b) 1,000 businesses contacted about water efficiency and entitlements during 2015-16.	<b>Output delivered.</b> Over 1,000 businesses have been contacted about water efficiency. 90% have saved money as a result of our engagement.
	c) 25 new Water Champions recognised by the end of March 2016.	<b>Output not delivered.</b> Four awards were presented in 2015-16. A further 12 potential Champions, whose applications will be completed in 2016-17, are in the pipeline.  2015-16 was the first year of a three-year programme to recognise 75 Water Champions. This is run in partnership with Invest NI and local government. The programme relies, in part, on referrals from environmental programmes run by district councils, where structural changes have slowed progress. As a result, fewer referrals than anticipated were received. This matter is being addressed to ensure that the cumulative target is achieved.



Objective	Key outputs for the Objective	Performance
6. To improve consumers' skills through the provision of information and guidance to help them get the best deal.	a) 33 direct consumer contact events held (three in each local council area), targeting vulnerable consumers, advice, community and voluntary organisations, and businesses during 2015-16.	<b>Output delivered.</b> 39 events were held in 2015-16, attracting almost 2,000 consumers.  The events included five 'Power to the Pocket' workshops. These are 'train the trainer' events aimed at frontline workers from community, voluntary, advice, and social care sectors who are then able to cascade the information and advice to their service users.
	b) A programme of six energy 'switch and save' events delivered during 2015-16.	<b>Output delivered.</b> Seven 'switch and save' events were held in 2015-16, attracting over 200 consumers.
	c) Increased protection for home heating oil consumers through enhancements agreed with the Northern Ireland Oil Federation in respect of its Customer Charter by the end of March 2016.	<b>Output delivered.</b> The Home Heating Oil booklet was reviewed and substantially revised. This provides enhanced consumer guidance on shopping around for oil, oil safety, and protecting against oil theft. Discussions are underway with the NIOF on a boiler servicing promotion campaign.
	d) Web based interactive price comparison switching tools developed for domestic and small business electricity and natural gas consumers by the end of March 2016.	<b>Output delivered.</b> This was completed by the end of March and subsequently launched in May 2016.
	e) Research report with recommendations for improving information and support to help small businesses get the best energy deal published by the end of March 2016.	<b>Output partially delivered.</b> The research and analysis have been completed. The report with recommendations will be published in 2016-17.

Objective	Key outputs for the Objective	Performance
7. To raise awareness of consumer rights, responsibilities, consumer law and best practice with consumers and businesses.	a) Air passenger information updated by the end of June 2015.	<b>Output delivered.</b> The online versions of Plane Facts, Access to Air Travel, and Access to Ferry Travel guides were reviewed and updated in June 2015, ahead of the peak holiday season. In partnership with Autism NI, we developed a new factsheet providing information for people with autism when travelling by air. This was launched in November 2015.
	b) Pre-Christmas campaign to raise awareness of consumers' rights and businesses' responsibilities regarding online shopping and parcel delivery undertaken by early December 2015.	<b>Output delivered.</b> The campaign comprised: <ul style="list-style-type: none"> <li>An online Advent Calendar, supported by topical tweets, cartoons, and photographs to illustrate key messages;</li> <li>Promoting the Consumer Council's Shopping Safely Online guide at the PSNI's Christmas Crime Prevention and Safety event at Belfast City Hall on 2 December 2015. This was attended by around 1,200 consumers; and</li> <li>Participating in seven radio interviews highlighting consumer rights.</li> </ul>
	c) Consumer information campaign on changes to rights and responsibilities produced and disseminated through an awareness raising campaign by the end of March 2016.	<b>Output delivered.</b> The Consumer Council launched a consumer factsheet to mark the implementation of the Consumer Rights Act on 1 October 2015. This was supported by a short introductory cartoon. A longer teachers' version of the cartoon was well received by teaching stakeholders.

Continued...



Objective	Key outputs for the Objective	Performance
Objective 7 continued...		<p>Key consumer education resources were updated with details of the changes in rights. These included the Shop Around website (<a href="http://www.shoparound.org.uk">www.shoparound.org.uk</a>) and CCEA resources for schools.</p> <p>Together with Girlguiding Ulster we developed the 'Guided Consumer' initiative and resource pack. This was piloted successfully with a group in Bangor.</p>
	d) Business information resources on changes to consumer legislation and best practice in customer service produced and disseminated in partnership with business sector stakeholders and representative bodies by the end of March 2016.	<p><b>Output delivered.</b> The Consumer Council produced a factsheet on the Consumer Rights Act aimed at traders. This was disseminated to almost 22,000 business contacts through Invest NI's e-newsletter. We also worked with Invest NI to develop a page on <a href="http://www.nibusinessinfo.co.uk">www.nibusinessinfo.co.uk</a>, entitled 'The Consumer Rights Act 2015 – what you need to know'.</p>

## To improve the access of consumers to the services they need

Objective	Key outputs for the Objective	Performance
8. To improve consumers' access to affordable financial services that meets their needs.	a) Recommendations to address financial inclusion in areas affected by bank branch closures published by the end of July 2015.	<p><b>Output delivered.</b> The recommendations have been agreed and form a programme of work with the main banks and other key stakeholders for 2016-17.</p>
	b) Recommendations to support local communities that are currently, or are at risk of becoming, financially excluded due to lack of access to fee-free cash machines made by the end of September 2015.	<p><b>Output delivered.</b> The Consumer Council has worked in partnership with LINK to ensure that 75 economically deprived areas have access to fee-free ATMs. A new list of 43 target areas has been agreed with LINK.</p>

Objective	Key outputs for the Objective	Performance
9. To ensure that consumers benefit from postal services that meet their needs.	a) Recommendations to address concerns identified in respect of proposed changes to post offices under the Network Transformation Programme made within five working days of receipt of each case.	<p><b>Output delivered.</b> The Consumer Council reviewed 97 proposals under the Network Transformation Programme (NTP), and over 2,000 consumer responses to these, all within five working days.</p> <p>We worked with Post Office Ltd (POL) to make sure all the issues were identified and action was taken to address any concerns. We received assurances from POL on a range of issues for most proposals. In addition, where improvements were required, we discussed these with POL to address consumers' concerns. Our discussions led to improvements in 55% of cases where post offices moved location as part of the NTP.</p>
	b) Recommendations to address concerns about Post Office Limited's compliance with communication and consultation processes outlined in the agreed Code of Practice made following twice yearly monitoring.	<p><b>Output delivered.</b> The Consumer Council found that there was low consumer awareness of, and involvement in, the NTP consultation and customer engagement process. Therefore, we felt it important to investigate the levels of compliance with the Code of Practice to see if this was a contributing factor. As part of this we undertook 'mystery shopping' visits to 12 post offices to check compliance. Recommendations have been made to POL as a result of these visits.</p>

Objective	Key outputs for the Objective	Performance
Objective 9 continued...	c) Research report on the cost to NI consumers of poor online delivery practices, with recommendations, published by the end of June 2015.	<p><b>Output delivered.</b> The report was published in June 2015. It was discussed with the Committee for Enterprise, Trade and Investment, the main NI political parties, Ofcom, Citizens Advice and Citizens Advice Scotland, Royal Mail, BIS, Competition and Markets Authority, and Interactive Media in Retail Group (the main trade body for e-retailers).</p> <p>This research report received significant media, political and stakeholder attention and was the catalyst for a number of high profile activities by the Consumer Council in 2015-16.</p>
	d) Research report on the effectiveness of the Network Transformation Programme in meeting the needs of NI consumers, with recommendations, published by the end of March 2016.	<p><b>Output delivered.</b> The research has been conducted and a draft report prepared. This outlines postal consumers' experience of the Network Transformation Programme and makes recommendations to improve their experience at the new post office models. The report is due to be published in June 2016, following pre-publication discussions with Royal Mail and Post Office Limited.</p>

Objective	Key outputs for the Objective	Performance
Objective 9 continued...	e) Research report on the effectiveness of the cross border postal market in meeting consumer needs and improving cross border trade, with recommendations, published by the end of March 2016.	<p><b>Output partially delivered.</b> This work was delayed by a staffing constraint, and a European Commission consultation on the same issue. Quantitative and qualitative research with consumers and small businesses in NI has been completed. The report and recommendations are being prepared and will be published in 2016-17.</p> <p>In light of the Consumer Council's response to the European Commission's consultation exercise, the final report will incorporate input from staff at the European Commission's Directorate General for Internal Market, Industry, Entrepreneurship and SMEs.</p>

## To ensure the Consumer Council works even better for consumers

Objective	Key outputs for the Objective	Performance
10. To implement an organisational development plan to further improve the Consumer Council's ability to meet its statutory role and its value for money by 31 March 2016.	a) Relocation to Seatem House by the end of July 2015.	<p><b>Output delivered.</b> The Consumer Council relocated to Seatem House on 1 June 2015.</p>
	b) New performance management system implemented from April 2015.	<p><b>Output delivered.</b> The new performance management framework provided the basis for personal work and development plans for all staff, and reviews of individual performance in 2015-16.</p>
	c) Annual Staff Survey completed by the end of January 2016.	<p><b>Output delivered.</b> This included a survey against the Health and Safety Executive's stress management standards. The report on the outcome of this will be considered in early 2016-17.</p>

Objective	Key outputs for the Objective	Performance
Objective 10 continued...	d) Investors in People re assessment in February 2016.	<b>Output not delivered.</b> It was decided to delay re-assessment to allow for the outcome of a structural review in 2016-17 to be implemented.
<b>11. To deliver good governance in the management of the Consumer Council's resources in line with the requirements placed on public bodies.</b>	a) Budget outturns: 98% resource budget and 97% capital budget.	<b>Output delivered.</b> The Consumer Council spent £2,374k of its resource budget of £2,385k. This is an outturn of 99.5%.  The Consumer Council had no capital expenditure in 2015-16.
	b) Annual Report and Accounts for 2014-15 published by the end of September 2015.	<b>Output delivered.</b> Annual Report and Accounts for 2014-15 was certified without qualification, and published in July 2015.
	c) Internal Audit Plan for 2015-16 implemented by the end of January 2016.	<b>Output delivered.</b> The Internal Audit Plan was implemented on schedule. The Consumer Council received a satisfactory Audit Plan assurance rating.
	d) New Council Members inducted by the end of January 2016.	<b>Output delivered.</b> Five new Board members were appointed with effect from 1 January 2016. Initial induction activities took place in February, with further learning and development events planned for 2016-17.
	e) Corporate Plan submitted to DETI for approval by the end of March 2016.	<b>Output partially delivered.</b> The Corporate Plan for 2016-21 has been consulted on and finalised. Approval and publication of this is pending the new Programme for Government and the new Department for the Economy's Corporate Plan, which are expected to be published after the Assembly elections in May 2016.

### Financial Performance

The Consumer Council's expenditure for the financial year was £2,373,783 (2014-15: £2,718,240).

Expenditure was significantly less in 2015-16 than 2014-15 in the following areas:

- Staff salaries (–£268k): this was because average staff numbers decreased by over 20% as a result of five departures under the Voluntary Exit Scheme, the transfer of two staff to IT Assist, and not filling other posts that became vacant during the year;
- Rent, rates, and premises service charges (–£90k): this resulted from the Consumer Council's relocation to smaller, more cost effective premises on the Government Estate in June 2015;
- Legal and professional fees (–£4k): the previous year included costs incurred by the Government Actuary's Department in the calculation of pension liabilities for two staff who joined the Consumer Council from Consumer Futures following the transfer of the consumer representation role for postal services in NI;
- Recruitment and selection (–£3k): the previous year included the costs incurred in the recruitment of the new Chair, Deputy Chair, and Chief Executive;
- Operating leases (–£4k): this reflects savings achieved from a reduction in the number of photocopiers/printers leased;
- Telephone and postal charges (–£5k): this reflects reduced costs from moving telecommunications provision to IT Assist and fewer staff; and
- Internal Audit (–£3k): the previous year included the costs incurred from an additional audit.

Expenditure was significantly more in 2015-16 than 2014-15 in the following areas:

- Office machinery rental and licences (+£48k): this reflects the outsourcing of the Consumer Council's information and communications technology services to IT Assist;
- Maintenance, repairs and cleaning (+£77k): this includes the costs of dilapidations to the Consumer Council's former premises;
- Training and development (+£27k): this reflects additional investment in staff training compared to the previous year when an in-year budget reduction constrained the amount of funding available for this. The amount includes specialist training on how prices and service levels are set for companies in regulated markets;
- Staff travel (+£2k): expenditure returned to expected levels following constraints in the previous year that resulted from an in-year budget reduction; and
- Disposal of fixed assets (+£10k): resulting from relocation and the transfer of ICT service provision to IT Assist.

### Sustainability

The Consumer Council believes in the need to embed the role of the consumer in all sustainability issues and encourage consumers to change their behaviour to benefit them today and tomorrow.

Among other areas, we represent consumers in relation to transport, water, energy and food, all of which have a prominent focus in the sustainability agenda. We educate consumers about their rights and responsibilities, and inform them how they can make more responsible consumption choices.

We aim to ensure consumers are provided with information, choice and value for money, and that the negative environmental impacts of the production and consumption of goods and services are minimised.

The Consumer Council also has a duty as a public body and a consumer representative to contribute to and promote the achievement of sustainable development, which – if done correctly – will not incur additional costs.

Our Power to the Pocket workshops and Switch and Save events include a host of money saving tips that will not only benefit budgets, but will lead to using energy more wisely.

The Consumer Council's Shop Around website ([www.shoparound.org.uk](http://www.shoparound.org.uk)) for teachers, essential skills tutors, and voluntary and community group leaders contains a section on 'Sustainability' providing a fun and informative way to learn about cutting waste, reducing carbon footprints, and caring for the environment.

The EcoWorld website ([www.ecoworld.org.uk](http://www.ecoworld.org.uk)), developed in partnership with the Council for the Curriculum, Examinations and Assessment (CCEA), contains an interactive computer game for young people covering the management of natural resources, environmental responsibility, and sustainable consumerism. The six topics – Energy, Water, Transport, Food, Our Planet, and Waste – are being reviewed and refreshed to keep them up to date and the game will be updated to make best use of new gaming technology.

The Consumer Council has also developed a number of lesson plans, presentations, games and activities to support consumer awareness aspects of the A level and GCSE Home Economics curriculum, including ethical buying decisions.

Our work with the Food Standards Agency looked at the balance between healthy and less healthy special offers and the ways in which these are promoted. This research is being used to engage further with food sector representatives and retailers to encourage a greater emphasis on single item discounts, as opposed to often wasteful multi buy offers.

The Consumer Council specifically targeted businesses in 2015-16 to encourage them to use water more efficiently. We also promoted the Water Champions Award. The Award recognises businesses, farms and other organisations that have taken steps to reduce their water consumption and ultimately lower their water and sewerage bills.

The Consumer Council supports the DRD in its aim of providing a public transport system that provides an attractive alternative to the private car. Modern, sustainable transport solutions that are tailored to the travel needs of consumers are essential if real modal shift is to be achieved, which will have the ultimate benefit of reducing transport related carbon emissions.

Given the Consumer Council's prominent role in influencing the wider sustainability agenda, we aim to lead by example, maximising the conservation and efficiency of our own energy and resource use, thereby reducing environmental impact and unnecessary costs and maximising value for money. The Consumer Council is committed to improving its environmental performance in respect of staff travel, procurement, energy use, and waste management to reduce its ecological footprint.

We dispose of computer related and other electrical equipment responsibly, and recycle paper. In 2015-16, we recycled 4,750 kg of waste paper (4,900 kg in 2014-15).

Consumer Council staff are encouraged to think before they print, and printers are set as default to print black and white only. If there is a requirement to print documents, double sided printing should be used. Normally, all documents are previewed and tracked changes are used to electronically exchange suggested amendments rather than printing hard copy documents and physically writing on these. All internal communications, including newspaper clippings, are distributed via email.

Our new location in Seatem House, on the Government Estate, is a more energy efficient building. Furthermore, no car parking places are provided, which has encouraged greater use of public transport by staff. This was facilitated by a briefing event by Translink to journey plan using public transport and identify the best value fare options for staff.

Beyond environmental issues, the Consumer Council's work impacts on the sustainability of communities. For example, our work on financial inclusion seeks to mitigate the impact on communities of bank branch closures, as well as ensure that consumers – particularly those living in areas of social and economic deprivation – are able to access financial services. Similarly, by representing consumers in the Post Office Network Transformation Programme, we help

ensure that communities have continuing access to postal services and the financial services that are available through post offices. Also, access to public transport in rural areas is a key feature of our work to represent the interests of passengers.

Lastly, the Consumer Council is committed to, and active in, its corporate social responsibility. This includes various activities to raise money for local charities.



**John French**  
**Accounting Officer and Chief Executive**  
**Date: 7 July 2016**





## Accountability Report

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## Corporate Governance Report

### Directors' Report

#### Chairperson and Chief Executive

The Chair of the Consumer Council for Northern Ireland during 2015-16 was Sheila McClelland.

Following a recruitment process, John French was appointed as the Consumer Council's Chief Executive and Accounting Officer, with effect from 1 July 2015. Prior to this, the role was fulfilled by Don Leeson on an interim basis.

#### Board

The overall strategic direction and governance arrangements of the Consumer Council, and the delivery of its functions as set out in legislation, are set and overseen by a Board. Board members are appointed by the Minister for Enterprise, Trade and Investment (the Minister for the Economy, from May 2016).

Judena Leslie, the Deputy Chairperson, stepped down from her appointment as Deputy Chairperson in September 2015 to become the Commissioner for Public Appointments in Northern Ireland. A recruitment process is currently under way to appoint a new Deputy Chairperson.

The terms of office of five Board members ended on 31 December 2015; five new Board members were appointed with effect from 1 January 2016.

Information about the Consumer Council's Board members is set out in the Governance Statement on pages 41-50.

Details of Board members' remuneration is set out in the Remuneration and Staff Report on pages 51-64.

#### Executive Team

The day to day management of the Consumer Council is undertaken by an Executive Team, comprising the Chief Executive, and two Directors covering operations and policy respectively.

Information about the Consumer Council's Executive Team is set out in the



Governance Statement on pages 41-50.

Details of Executive Team members' remuneration is set out in the Remuneration and Staff Report on pages 51 to 64.

#### Register of Interests

The Register of Interests of Board and Executive Team members is published on the Consumer Council's website.<sup>8</sup>

#### Pension liabilities

Details of the Consumer Council's pension schemes are set out in the Remuneration and Staff Report on pages 51 to 64, and Note 1.8 to the Financial Statements.

#### Creditor payment, policy and performance

The Consumer Council is committed to the prompt payment of bills for goods and services received, in accordance with the Government's Better Payments Practice Payment Code. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later. In 2015-16, 100% of invoices were paid within 30 days (2014-15: 95%).

In December 2008, the Finance Minister announced that departments had been set a target of ensuring that invoices are paid within 10 working days, in order to help local businesses. In 2015-16, the Consumer Council paid 95% of invoices (2014-15: 87%) within the 10 working day target.

#### Charitable donations

There were no charitable donations made during 2015-16 (2014-15: £nil).

#### Personal data related incidents.

The Consumer Council incurred no personal data breaches in 2015-16 (2014-15: none).

#### Complaints Procedure

One of the Consumer Council's main roles is to handle complaints about service providers in respect of buses, trains, planes, ferries, natural gas, electricity, coal, postal services, and water. Given this, it is important that we handle complaints about the Consumer Council in an exemplary manner and our complaints procedures – both about service providers and about us – are publicised extensively.

No complaints about the Consumer Council were received in 2015-16 (2014-15: none).

No matters about us were referred to the Northern Ireland Ombudsman for investigation in 2015-16 (2014-15: none).

#### Auditor

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the General Consumer Council (Northern Ireland) Order 1984. The C&AG is head of the Northern Ireland Audit Office, which is wholly independent of the Consumer Council and its findings are reported to the Northern Ireland Assembly.

As Accounting Officer, I confirm that there is no relevant audit information of which the auditor is unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditor is informed of it.

The total audit fee was £9,750.

There was no non-audit work carried out by the Northern Ireland Audit Office or its subcontractors during 2015-16.

#### Events after the reporting period

The Stormont House Agreement contained a commitment to reduce the number of NICS departments from 12 to 9 following the Assembly election in May 2016. The names and high level functions of the new departments have been agreed

<sup>8</sup> The Register of Interests is available at this web link: [http://www.consumercouncil.org.uk/images/uploads/languages/15\\_16\\_Composite\\_Register\\_of\\_Financial\\_and\\_Non\\_Financial\\_Interests.pdf](http://www.consumercouncil.org.uk/images/uploads/languages/15_16_Composite_Register_of_Financial_and_Non_Financial_Interests.pdf)

by Ministers and details can be found in the Departments Bill and Transfer of Functions Order 2016. The 9-departmental model constitutes a Machinery of Government change and DETI, the Consumer Council's sponsoring department, has become DfE.

### Statement of Accounting Officer's Responsibilities

Under paragraph 12(4) of Schedule 1 to the General Consumer Council (Northern Ireland) Order 1984, DETI has directed the Consumer Council to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Consumer Council and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Chief Executive as Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular 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 as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

The Accounting Officer for DETI has designated the Chief Executive as the Accounting Officer for the Consumer Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Consumer Council's assets, are set out in Managing Public Money (NI), published by the Department of Finance and Personnel (DFP).

## Governance Statement

### Introduction

This Governance Statement is intended to give a clear understanding of the dynamics and control structure of the Consumer Council by reflecting the organisation's governance, risk management, and internal control arrangements during 2015-16.

As Accounting Officer I have responsibility for ensuring there are sound systems of governance, risk management, and internal control to support the achievement of the Consumer Council's aims and objectives. I am also required to ensure that the Consumer Council's business is conducted in accordance with Managing Public Money (NI) to ensure public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

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

I am designated as the Consumer Council's Accounting Officer by the Departmental Accounting Officer. This means I am personally responsible for:

- Safeguarding the public funds for which I have charge;
- Ensuring propriety and regularity in the handling of those public funds; and
- The day-to-day operations and management of the Consumer Council.

The structure that supports the delivery of corporate governance is the Consumer Council Board and its Committees, and the Executive Team.

### The Board and its Committees

The Board has corporate responsibility for ensuring the Consumer Council fulfils its statutory functions and the aims and objectives set by DETI and approved by the Minister for Enterprise, Trade and Investment; and for promoting the efficient, economic and effective use of staff and other resources by the Consumer Council.

The Board is supported by two committees:

- The Audit and Risk Assurance Committee deals with a range of issues relating to governance, internal control, accountability, and risk management. The Audit and Risk Assurance Committee is an advisory committee with no executive powers other than those delegated by the Board. It provides recommendations to the Board for approval.
- The Remuneration Committee meets to consider the Chief Executive's remuneration and receives assurance from the Chief Executive, as Accounting Officer, that remuneration of staff is in line with NICS guidelines. It also agrees the objectives for, and reviews the Chief Executive's performance against, these guidelines. The Remuneration Committee is also an advisory committee with no executive powers, other than those delegated by the Board. It may make recommendations on matters of significance for consideration by the Board.

In 2015-16, the Board met eight times; the Audit and Risk Assurance Committee met four times; and the Remuneration Committee met once.

The Chairperson, Deputy Chairperson, and 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 Interests is available for public inspection at [www.consumerCouncil.org.uk/images/uploads/languages/15\\_16\\_Composite-Register\\_of\\_Financial\\_and\\_Non\\_Financial\\_Interests.pdf](http://www.consumerCouncil.org.uk/images/uploads/languages/15_16_Composite-Register_of_Financial_and_Non_Financial_Interests.pdf).

Declaration of conflict of interest is a standing agenda item at every Board and committee meeting. The Chairperson, Deputy Chairperson, Board members, and other attendees are required to declare any conflict of interest at the start of each meeting. Any potential conflicts are appropriately managed.

### The Executive Team

The Executive Team (Chief Executive and two Directors) meets weekly to discuss ongoing operational issues, progress against business plan targets, and governance. Every month the Executive Team has a focused discussion on finances and risk.

The Executive Team and Section Heads meet weekly to ensure effective coordination of activities. This wider Senior Management Team also meets monthly to discuss budget monitoring and strategic consumer policy issues respectively.

Directors and Section Heads each provide the Chief Executive with a written weekly report on their work, meetings with stakeholders, and operational risks. The Directors and Section Heads, collectively and individually, provide advice and support to the Chief Executive in exercising responsibility for ensuring that effective systems of internal control are maintained and operated.

The Directors and Section Heads, collectively and individually, provide advice and support to the Chief Executive in exercising responsibility for ensuring that effective systems of internal control are maintained and operated.

### Board Performance and Effectiveness

The Board and its committees provide scrutiny and oversight of the work and effectiveness of the Consumer Council. The Board is provided with strategic updates, reviews key policy and strategy activities, and reviews risk and the organisation's financial position.

The performance of each member is assessed by the Chairperson and each member receives a formal performance review annually. All new Board members received an induction into the work of the Consumer Council, the operation of the Board, its responsibilities, and the strategic issues the Board needs to consider.

The attendance records of all Board members during the 2015-16 are shown below.

#### **Board meetings:<sup>9</sup>**

Sheila McClelland (Chairperson):	7 out of 8 meetings
Judena Leslie (Deputy Chairperson):	3 out of 4 meetings
David Beattie	5 out of 8 meetings
Kit Chivers	5 out of 6 meetings
Noyona Chundur	2 out of 2 meetings
Lynne Crowther	2 out of 2 meetings
Deirdre Fitzpatrick	6 out of 6 meetings
Sinéad Furey	2 out of 2 meetings
David Galloway	2 out of 8 meetings
Jill Gillespie	6 out of 6 meetings
Joan Martin	2 out of 2 meetings
Sam Snodden	8 out of 8 meetings
Margaret Ward	3 out of 6 meetings
Lee Wilson	4 out of 6 meetings
Mary Woods	2 out of 2 meetings

#### **Audit and Risk Assurance Committee meetings:**

Sam Snodden (Chairperson)	4 out of 4 meetings
Kit Chivers	2 out of 3 meetings
Noyona Chundur	1 out of 1 meetings
Lynne Crowther	0 out of 1 meetings
Deirdre Fitzpatrick	3 out of 3 meetings
Lee Wilson	1 out of 3 meetings
Mary Woods	1 out of 1 meetings

#### **Remuneration Committee meetings:**

Sheila McClelland (Chairperson):	1 out of 1 meetings
David Beattie	1 out of 1 meetings
Jill Gillespie	1 out of 1 meetings

The Board is guided by the Corporate Governance in Central Government Departments: Code of Good Practice 2013. As a Non-Departmental Public Body (NDPB), the Consumer Council is compliant with all of its principles. The Code sets out the responsibilities of the Board to support, guide and challenge the Executive Team and to provide leadership under the five main areas of responsibility within the Code:

- Strategic Clarity;
- Commercial Sense;
- Talented People;
- Results Focus; and
- Management Information.

During Board and Committee meetings, Board members can directly question staff and seek clarification or further information as they present on key issues for discussion.

A review is conducted at the end of each Board and Committee meeting by the members. This is done without the presence of staff to facilitate frank discussions. Board members have confirmed that they are content with the quality of the papers and information presented, and the expertise of staff.

<sup>9</sup> Judena Leslie resigned with effect from 24 September 2015. The appointments of Kit Chivers, Deirdre Fitzpatrick, Jill Gillespie, Margaret Ward, and Lee Wilson ended on 31 December 2015. Noyona Chundur, Lynne Crowther, Sinéad Furey, Joan Martin, and Mary Woods were appointed from 1 January 2016.

The Board and Audit and Risk Assurance Committee conduct self assessments of their effectiveness at the end of each year. These were conducted in March 2015 and the results considered in June 2015. These will be conducted again in 2016-17, once the new Committee members have had an opportunity to fully settle in to their role.

#### Key governance issues considered in 2015-16

By the Board:

- The recruitment of the new Chief Executive;
- The appointment and induction of new Board members;
- Relocation to new premises and the transfer of ICT provision to IT Assist;
- Dilapidations on the Consumer Council's former premises;
- The Annual Report and Accounts for 2014-15, and the Report To Those Charged With Governance (RTTCWG) on the outcome of the audit of this, which is issued by the External Auditor;
- Progress against the Business Plan for 2015-16 as presented in quarterly performance reports;
- The budget for 2015-16 and regular management accounts;
- Approval of the Corporate Risk Register for 2015-16 and quarterly reviews of this;
- The Voluntary Exit Scheme;
- The staff pay award for 2015-16;
- Memoranda of Understanding with DETI and DRD;
- The draft Corporate Plan for 2016-21 and Forward Work Programme for 2016-17;
- Business cases for funding in 2016-17; and
- The Budget for 2016-17.

The Board also discussed a range of key policy issues in 2015-16 as follows:

- The Enquiries and Complaints Report for 2014-15 and 2015-16 quarterly updates;
- Consumer Outlook research;
- Postal services online parcel delivery research;
- Consumer proficiency research;
- Research into various energy related issues;
- Research into various general consumer affairs related issues;
- Research into various transport related issues; and
- Various policy position papers.

The approved minutes of all Board meetings are published on the Consumer Council's website. These provide further details about the issues considered by the Board.

The work of the Board is supported and advised by the Audit and Risk Assurance Committee. The Chair of the Audit and Risk Assurance Committee gives an oral update to the Board following each Committee meeting; a written report on the Committee's activities is also presented to the Board at the end of each financial year.

The Audit and Risk Assurance Committee considered the following key elements of the risk and control framework in 2015-16:

- The External Auditor's RTTCWG;
- The Corporate Risk Register for 2015-16 (including the risk appetite) and quarterly reviews of this;
- The Chief Executive's bi-annual assurance report and checklist; and
- The Internal Audit Plan for 2015-16, and subsequent reports on the internal audits undertaken.



The Corporate Risk Register is considered in detail by both the Audit and Risk Assurance Committee and the Board at the end of each quarter. A new risk was added to the Register for 2015-16. This risk identified the potential for disruption to the Consumer Council's activities caused by relocation and the change in ICT services – this was removed from the Register once these changes had been successfully managed.

Underpinning the Risk Register is a Risk Management Strategy/Policy. The combined strategy and policy sets out the context of risk management in the Consumer Council in terms of the control environment, describing the risk management framework and individual roles and responsibilities to cover all operational, project and corporate risks. The policy also describes the process of risk assessment and assurance both internally, and to DETI, as well as stating how risk appetite is considered for each type of corporate risk.

#### Internal Audit

ASM carried out the Internal Audit function for the Consumer Council in 2015 -16. The internal audit programme operated to requirements defined in the Public Sector Internal Audit Standards (PSIAS). The work of ASM is informed by an analysis of the risks to which the Consumer Council is exposed, and annual internal audit plans are based on this analysis.

In 2015-16, three internal audits were carried out by ASM in the following areas:

- Corporate governance and risk management;
- Operational structures; and
- Business continuity and disaster recovery planning.

The controls in each of these three areas were given a satisfactory assurance rating by Internal Audit.

ASM also undertook a review of the implementation of the prior year's internal audit recommendations – all were found to have been implemented effectively.

The Annual Internal Audit Assurance report for 2015-16 provides overall satisfactory assurance.

#### External Audit

The external audit is undertaken by the Northern Ireland Audit Office. As Accounting Officer I confirm that there were no recommendations included within the RTTCWG for the Annual Reports and Accounts for 2015-16.

#### Ministerial Direction

No Ministerial Directions were received in 2015-16.

#### Data Security

In relation to managing information risk, the Consumer Council recognises the importance of managing our information effectively. In conjunction with IT Assist, we have controls and measures in place regarding the encryption of data, removable media, laptops, and data transfer. We have a dedicated Senior Information Risk Owner and link in to all central NICS or DETI plans and reviews in relation to information and data security.

There were no personal data related incidents in the year.

#### Going Concern

As of the 31st March 2016, the Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £28,189. These and other liabilities will be met by future grant in aid, received from and approved annually by DfE, DfI, and BIS. All funding has been approved for 2016-17. Planned activities for 2016-17 have been formulated in light of the funding available to the Consumer Council. The future financing of any Consumer Council liabilities will be met by DfE. In this context, the accounts have been prepared on a going concern basis.



# Remuneration and Staff Report

## Governance issues identified between 2015-16

No governance issues were identified in 2015-16.

## Conclusion

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the work of the internal and external auditors, and their comments and recommendations. It is also informed by managers within the Consumer Council who have responsibility for the development and maintenance of the internal control framework. I am aware of the importance of my ongoing review of the effectiveness of the systems of governance and internal controls within the Consumer Council and I will continue to review these systems and processes to ensure continuous improvement.



**John French**

**Accounting Officer and Chief Executive**

**Date: 7 July 2016**

## Remuneration Report

### Remuneration Policy

#### Chairperson and Board Members

The Chairperson, Deputy Chairperson, and Board members are appointed by the Minister for Enterprise, Trade and Investment in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. They are appointed for a fixed period of up to three years. Thereafter, they may be reappointed in accordance with the Code of Practice.

The remuneration of the Chairperson, Deputy Chairperson, and Board members is set by DETI. There are no arrangements in place for the payment of bonuses.

The Chairperson, Deputy Chairperson, and Board members do not receive pension contributions from the Consumer Council or DETI.

The Consumer Council reimburses the Chairperson, Deputy Chairperson, and Board members for any incidental expenses incurred for carrying out their duties relevant to the organisation. These expenses amounting to £1,411 (2014-15: £862) have been paid during the year and are reflected under other expenditure in Note 4 to the accounts.

#### Chief Executive and Executive Team

Members of the Executive Team are paid in line with Northern Ireland Civil Service (NICS) salary bands. Increases in remuneration are in line with NICS pay awards. The Consumer Council's Chief Executive post is equivalent to Assistant Secretary (Grade 5) within the Senior Civil Service (SCS).

The Minister of Finance approves the pay remit for the SCS. The SCS remuneration arrangements are based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance. In 2012, upon creation, there were 11 points on each scale. This was subsequently reduced to 10 points in 2014 and 9 points in 2015 to allow progression through the pay scales within a reasonable period of time.

## Service Contracts

Consumer Council appointments are made in accordance with the Consumer Council's Recruitment and Selection policy, which requires appointments to be on merit on the basis of fair and open competition, but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the staff covered by this report hold appointments, which are open ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

## Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Consumer Council's Chairperson, Deputy Chairperson, Board members, and Executive Team.

Chairperson, Deputy Chairperson, and Board members	2015-16			2014-15		
	Salary £'000	Bonus £'000	Benefits in kind (to nearest £100)	Salary £'000	Bonus £'000	Benefits in kind (to nearest £100)
Mr Richard Hill (Former Chairperson - appointment ended on 31 March 2015)	–	–	–	20-25	–	–
Ms Sheila McClelland (Chairperson)	20-25	–	–	–	–	–
Deputy Chairperson and Board members	5-10	–	–	5-10	–	–

Executive Team	2015-16					2014-15				
	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Pension Benefits <sup>10</sup> (to nearest £1,000)	Total (to nearest £1,000)	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)	Total (to nearest £1,000)
Mr John French Chief Executive (appointed from 1 Jul 2015) <sup>11</sup>	75-80	–	–	23,000	80-85	–	–	–	–	–
Mr Don Leeson Director of Operations (Interim Chief Executive from 16 February to 30 June 2015) <sup>12</sup>	45-50	–	–	21,000	65-70	45-50	–	–	18,000	65-70
Mrs Kathy Graham Interim Director of Policy	45-50	–	–	22,000	65-70	45-50	–	–	20,000	65-70
Mr Aodhan O'Donnell (Interim Chief Executive until 16 Feb 2015)	–	–	–	–	–	60-65	–	–	41,000	105-110

<sup>10</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases include increases due to inflation and any increase or decrease due to a transfer of pension rights.

<sup>11</sup> £100–105k full year equivalent total.

<sup>12</sup> £65–70k full year equivalent salary as Interim Chief Executive in 2014-15 and 2015-16.

## Salary

'Salary' includes gross salary; overtime; and any other allowance to the extent that it is subject to UK taxation and ex gratia payments.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were no benefits in kind paid to Senior Management during the year (2014-15: £nil).

## Bonuses

No bonuses were paid during 2015-16 (2014-15: £nil).

## Pension Entitlements

Executive Team	Accrued pension at pension age as at 31/03/16 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/16	CETV at 31/03/15	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mr John French Chief Executive (appointed from 1 July 2015)	0-2.5 Nil lump sum	0-2.5 Nil lump sum	12	–	8	–
Mr Don Leeson Director of Operations  (Interim Chief Executive from 16 Feb to 30 June 2015)	2.5-5 Nil lump sum	0-2.5 Nil lump sum	63	45	12	–
Mrs Kathy Graham Interim Director of Policy	5-10 Nil lump sum	0-2.5 Nil lump sum	98	78	9	–

### Pension Scheme

Pension benefits are provided through the Northern Ireland Civil Service (NICS) pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by the Assembly each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which

members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI.

A new pension scheme, alpha, was introduced for new entrants from 1 April 2015. The majority of existing members of the NICS pension arrangements have also moved to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age will not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. alpha is also a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate will be 2.32%. CARE pension benefits are increased annually in line with increases in the CPI.

Increases to public service pensions are the responsibility of HM Treasury. Pensions are reviewed each year in line with the cost of living. Increases are applied from April and are determined by the CPI figure for the preceding September. The CPI in September 2015 was negative (-0.1%) and HM Treasury has announced that there will be no increase to public service pensions from April 2016. Therefore public service pensions will remain at their current level.

Employee contribution rates for all members for the period covering 1 April 2016 – 31 March 2017 are as follows:

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates Classic members or classic members who moved into alpha scheme	Contribution rates All other members
From	To	From 1 April 2016 to 31 March 2017	From 1 April 2016 to 31 March 2017
£0	£15,000.99	3.8%	4.6%
£15,001.00	£21,210.99	4.6%	4.6%
£21,211.00	£48,471.99	5.45%	5.45%
£48,472.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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 as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 14.7% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. The normal

pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension arrangements can be found at the website: [www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni](http://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni).

### 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 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. 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 in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include 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. The actuarial factors used to calculate CETVs changed during the 2015-16 year and, consequently, CETV figures increased even without any further pension accrual. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

### Compensation for loss of office

There was no compensation paid on early retirement or for loss of office made to past members of the Board or Executive Team during 2015-16 (2014-15: none).

Information on the Consumer Council's Voluntary Exit Scheme is disclosed on pages 63-64.

### Fair pay disclosure

The band of the total annualised full time equivalent remuneration for the Chief Executive (the highest paid member of the Executive Team) is £75k – £80k (2014-15: £60k – £65k).

The median total annualised full time equivalent remuneration of staff, excluding the Chief Executive, is £29,027 (2014-15: £29,027).

The ratio of the Chief Executive's total annualised full time equivalent remuneration to median staff remuneration is 2.67 to 1 (2014-15: 2.15 to 1). The Chief Executive post was filled on an interim basis until 30 June 2015, with the post holder paid at minimum of the relevant pay scale, in line with the policy for temporary promotion. With the approval of DETI, the substantive post holder was appointed on 1 July 2015 with a salary above this minimum.



# Staff Report

## Staff costs (including Chairperson, Deputy Chairperson and Board members)

		2015-16	2014-15	
		Total	Total	
		£	£	
<b>Board members</b>				
Chairperson's salary		20,785	22,498	
Social security costs		1,852	2,005	
Deputy Chairperson and members' fees		7,584	8,245	
		<b>30,221</b>	<b>32,748</b>	
		2015-16	2014-15	
		Total	Total	
		£	£	
Permanently employed staff	Others			
£	£	£	£	
<b>Staff salaries</b>				
Wages and salaries	1,073,701	–	1,073,701	1,335,874
Social security costs	83,102	–	83,102	102,624
Other pension costs	248,359	–	248,359	263,468
Voluntary Exit Scheme	193,000	–	193,000	–
Agency Staff	–	26,835	26,835	–
	<b>1,598,162</b>	<b>26,835</b>	<b>1,624,997</b>	<b>1,701,966</b>
Less recoveries in respect of outward secondments	(16,882)	–	(16,882)	(18,368)
<b>Subtotal</b>	<b>1,581,280</b>	<b>26,835</b>	<b>1,608,115</b>	<b>1,683,598</b>
<b>Total</b>	<b>1,581,280</b>	<b>26,835</b>	<b>1,638,336</b>	<b>1,716,346</b>

## Pension Costs

The pension arrangements are unfunded multi-employer defined benefit schemes, 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 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DFP Superannuation and Other Allowances Resource Accounts as at 31 March 2016.

For 2015-16, employers' contributions of £246,237 were payable to the NICS pension arrangements (2014-15: £261,737) at one of four rates in the range 18% to 25% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2015-16, the new rates ranged from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2015-16 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £2,122 (2014-15: £1,588) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% (2014-15: 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £146, 0.8% (2014-15: £143, 0.8%) of pensionable pay, 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 due to the partnership pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil.

Ill-health retirement costs are met by the pension scheme. No members of staff retired early on ill health grounds in 2015-16 (2014-15: none); the total additional accrued pension liabilities in the year amounted to £nil (2014-15: £nil).



## Average number of persons employed

The average number of whole time equivalent persons employed (including the Executive Team) during the period, excluding Board members, was as follows:

	Permanently employed staff	Others/ Agency Staff	2015-16	2014-15
			Total	Total
Directly employed	36	–	36	46
Others/Agency staff	–	1	1	–
Students	–	–	–	2
<b>Total</b>	<b>36</b>	<b>1</b>	<b>37</b>	<b>48</b>

## Staff composition

The composition of the Consumer Council's staff, by NICS grade and gender, as 31 March 2016 is set out below. The composition as at 31 March 2015 is in brackets.

Grade	Male	Female	Total
Grade 5	1 (2)	0 (0)	1 (2)
Grade 7	1 (0)	1 (1)	2 (1)
Deputy Principal	3 (3)	3 (8)	6 (11)
Staff Officer	3 (6)	6 (7)	9 (13)
Executive Officer 1	2 (3)	4 (4)	6 (7)
Executive Officer 2	1 (1)	5 (5)	6 (6)
Admin Officer	0 (1)	3 (2)	3 (3)
Admin Assistant	0 (0)	0 (2)	0 (2)
<b>Total</b>	<b>11 (16)</b>	<b>22 (29)</b>	<b>33 (45)</b>

## Sickness absence data

The percentage of available working days lost due to sickness absence in the year was 4.0% (2014-15: 3.1%). This figure reduces to 1.9% when adjusted for staff on long term sickness absence over 19 days (2014-15: 1.5%).

## Staff policies applied during 2015-16 regarding disabled people

The Consumer Council is an equal opportunities employer, dedicated to the promotion of equality in all aspects of working life. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Reasonable adjustments for disabled job applicants are made on request.

Arrangements were made for staff who acquired a disability in 2015-16. The Occupational Health Service was used to advise on arrangements to support their return to work to ensure that they were able to continue to perform effectively.

The Consumer Council has achieved recognition as an Investor in People Silver organisation. We are committed to the ongoing professional and personal development of all our staff, regardless of disability. Personal resilience workshops were held in 2015-16 for all staff and line managers to raise awareness of mental health issues.

## Expenditure on consultancy

There was no expenditure on consultancy during 2015-16 (2014-15: none).

## Off payroll payments

There were no off payroll payments made during 2015-16 (2014-15: none).

## Voluntary Exit Scheme

The Consumer Council operated a Voluntary Exit Scheme during 2015-16. Eight members of staff left their posts under this Scheme on 30 September 2015,

with compensation payments totalling £193,000 (2014-15: £nil). Of these, five were members of staff in post at the Consumer Council; two had transferred to IT Assist on 1 June 2015, whose applications had been accepted under the Consumer Council Scheme prior to transfer; and one was on a career break who had been due to return to their post at the Consumer Council.

Exit package cost band	No of compulsory redundancies	No of other departures agreed	Total no of exit packages by cost band
< £10,000	–	–	–
£10,000-£25,000	–	4	4
£25,000-£50,000	–	4	4
£50,000-£100,000	–	–	–
£100,000-£150,000	–	–	–
£150,000-£200,000	–	–	–
<b>Total number of exit packages</b>	–	<b>8</b>	<b>8</b>
<b>Total cost</b>	–	<b>£193,000</b>	<b>£193,000</b>

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in full in the year of departure. Where the Consumer Council has agreed early retirements, the additional costs are met by the Consumer Council and not by the Civil Service pension scheme.

## Assembly Accountability and Audit Report

There were no remote contingent liabilities as at 31 March 2016 (2014-15: none).

There were no losses or special payments during 2015-16 (2014-15: one write off, with a value of £33).



**John French**

**Accounting Officer and Chief Executive**

**Date: 7 July 2016**

## 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 31 March 2016 under the General Consumer Council (Northern Ireland) Order 1984. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the 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 and Staff Report and Accountability and Audit Report within the Accountability Report that is described in that report as having been audited.

### Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the General Consumer Council (Northern Ireland) Order 1984. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the General Consumer Council for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Consumer Council for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on,

or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the General Consumer Council for Northern Ireland's affairs as at 31 March 2016 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department for the Economy (formerly the Department of Enterprise, Trade and Investment) directions issued thereunder.

### Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Accountability and Audit Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the General Consumer Council (Northern Ireland) Order 1984; and

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration and Staff Report and the Accountability and Audit Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.

### Report

I have no observations to make on these financial statements.



**KJ Donnelly**  
**Comptroller and Auditor General**  
**Northern Ireland Audit Office**  
**106 University Street**  
**Belfast**  
**BT7 1EU**  
**8 July 2016**



## FINANCIAL STATEMENTS

### Statement of Comprehensive Net Expenditure for the year ended 31 March 2016

	Note	2015-16 £	2014-15 £
<b>Expenditure</b>			
Staff costs <sup>13</sup>		<b>1,638,336</b>	1,716,346
Work programme	3	<b>173,207</b>	247,227
Depreciation and amortisation	4	<b>65,349</b>	312,716
Other expenditures	4	<b>496,891</b>	441,951
		<b>2,373,783</b>	2,718,240
<b>Income</b>			
Income from activities	5	–	35,300
		–	35,300
Total comprehensive Net Expenditure for the year ended 31 March 2016		<b>(2,373,783)</b>	(2,682,940)

The notes on pages 73-92 form part of the financial statements.

13 See Remuneration and Staff Report

## Statement of Financial Position as at 31 March 2016

	Note	2016		2015	
		£	£	£	£
<b>Non-current assets:</b>					
Property, plant and equipment	6	6,714		71,547	
Intangible assets	7	39,373		55,807	
<b>Total non-current assets</b>		<b>46,087</b>		127,354	
<b>Current assets:</b>					
Trade and other receivables	9	11,738		29,937	
Cash and cash equivalents	10	107,205		8,716	
<b>Total current assets</b>		<b>118,943</b>		38,653	
<b>Total assets</b>		<b>165,030</b>		166,007	
<b>Current liabilities:</b>					
Trade and other payables	12	(193,219)		(139,906)	
<b>Total current liabilities</b>		<b>(193,219)</b>		(139,906)	
<b>Assets less liabilities</b>		<b>(28,189)</b>		26,101	
<b>Taxpayers' equity</b>					
Revaluation reserve		–		642,103	
General reserve		(28,189)		(616,002)	
		<b>(28,189)</b>		26,101	

The financial statements on pages 69-92 were approved by the Board on 21 June 2016 and were signed on its behalf by:



**John French**  
Accounting Officer and Chief Executive  
Date: 7 July 2016

The notes on pages 73-92 form part of the financial statements.

## Statement of Cash Flows for the year ended 31 March 2016

	Note	2015-16	2014-15
		£	£
<b>Cashflows from operating activities</b>			
Net expenditure		(2,373,783)	(2,682,940)
Adjustments for non cash transactions:			
Depreciation	4	17,543	302,211
Amortisation	4	47,806	10,505
Loss on disposal	4	7,428	1,340
Change in Accounting Policy		7,002	–
Decrease in trade and other receivables		18,199	10,849
Increase/(Decrease) in trade payables		53,313	(13,512)
<b>Net cash outflow from operating activities</b>		<b>(2,222,492)</b>	(2,371,547)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	–	(13,490)
Purchase of intangible assets	7	–	–
Proceeds of disposal		1,488	–
<b>Net cash outflow from investing activities</b>		<b>1,488</b>	(13,490)
<b>Cash flows from financing activities</b>			
Grants from sponsoring bodies (DETI, DRD, and BIS)		2,319,493	2,389,772
<b>Net financing</b>		<b>2,319,493</b>	2,389,772
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>	10	<b>98,489</b>	4,735
<b>Cash and cash equivalents at the beginning of the period</b>	10	<b>8,716</b>	3,981
<b>Cash and cash equivalents at the end of the period</b>	10	<b>107,205</b>	8,716

The notes on pages 73-92 form part of the financial statements.



## Statement of Changes in Taxpayers' Equity as at the year ended 31 March 2016

	General reserve	Revaluation reserve	Total reserve
	£	£	£
<b>Balance at 1 April 2014</b>	<b>(322,834)</b>	<b>642,103</b>	<b>319,269</b>
<b>Changes in taxpayers' equity 2014-15</b>			
Comprehensive expenditure for financial year	(2,682,940)	–	(2,682,940)
Grants from sponsoring bodies (DETI, DRD, and BIS)	2,389,772	–	2,389,772
<b>Balance at 31 March 2015</b>	<b>(616,002)</b>	<b>642,103</b>	<b>26,101</b>
<b>Balance at 1 April 2015</b>	<b>(616,002)</b>	<b>642,103</b>	<b>26,101</b>
Comprehensive expenditure for financial year	(2,373,783)	–	(2,373,783)
Movement in Revaluation Reserve	642,103	(642,103)	–
Grants from sponsoring bodies (DETI, DRD, and BIS)	2,319,493	–	2,319,493
<b>Balance at 31 March 2016</b>	<b>(28,189)</b>	<b>–</b>	<b>(28,189)</b>

The notes on pages 73 to 92 form part of the financial statements.

## Notes forming part of the financial statements for the year ended 31 March 2016

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by DFP. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Consumer Council for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Consumer Council are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### 1.1 Changes to accounting policy and disclosure

The following additional or revised accounting standards and new (or amendments to) interpretations are contained within the Government Financial Reporting Manual (FReM) 2015-16:

- Consolidated Financial Statements (IFRS 10);
- Joint Arrangements (IFRS 11);
- Disclosure of Interests in Other Entities (IFRS 12);
- Separate Financial Statements (IAS 27); and
- Investments in Associates and Joint Ventures (IAS 28).

The Consumer Council considers that these changes are not relevant to its operations.

### Accounting standards, interpretations and amendments to published standards not yet effective.

The Consumer Council has reviewed the following additional or revised accounting standards and new (or amendments to) interpretations contained within the Government Financial Reporting Manual (FReM) 2015-16.

- Fair Value Measurement (IFRS 13)
- Defined Benefits Plan: Employee contributions (Amendments to ISA 19)
- Annual Improvement 2010-12 Cycle (IFRS 2, 3, 8, 13 and IAS 16, 38, 24)
- Annual Improvement 2011-13 Cycle (IFRS 1, 3, 13 and IAS 40)

These changes will be mandatory for accounting periods beginning on or after 1 April 2016 or later periods, but which the Consumer Council has not adopted early. The Consumer Council considers that these changes are not relevant to or will have minimal impact on its operations.

In addition, certain new standards, interpretations and amendments to existing standards have been drafted but not yet issued and will come into effect in accounting periods beginning on or after 1 April 2015. It is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

### **1.2 Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of leasehold alterations (prior years).

### **1.3 Property, plant and equipment**

The Consumer Council's property, plant and equipment comprise office equipment, furniture and fittings and previously leasehold alterations. The assets of the Consumer Council are carried at fair value. Depreciated historical cost is used as a proxy for fair value for the organisation's tangible assets given their low values and short useful lives. All assets are therefore stated at cost less accumulated depreciation and any impairment losses.

After a change in accounting policy the organisation's minimum level for capitalisation of an item of property, plant and equipment has been raised from £250 to £1,000 as at 31 March 2016. Those items less than £1,000 have been expensed to Income and Expenditure.

Historically a valuation of the leasehold alterations was completed at 31 March and included in the accounts. In March 2015 the lease on the previous premises expired and the Consumer Council relocated to Seatem House, Alfred Street, Belfast on the 1 June 2015. The valuations completed in previous years were based on continuing use which is no longer appropriate as occupancy of the previous premises ceased at the end of May. The leasehold alterations were therefore not revalued and were depreciated over their remaining useful life up until the end of May 2015, to leave a valuation of £nil at that date.

### **1.4 Intangible assets**

The Consumer Council's intangible assets comprise software and software licences. The assets are carried at fair value, with depreciated historical cost being used as a proxy for fair value given the low values and short useful lives of the intangible assets. Where computer software is not an integral part of a related item of computer hardware, the software licence is treated as an intangible asset.

Following a change in accounting policy the Consumer Council's minimum level for capitalisation of an intangible asset has been raised from £250 to £1,000 as at 31 March 2016. Those items less than £1,000 have been expensed to Income and Expenditure.

### **1.5 Depreciation and amortisation**

Depreciation is calculated to write off the original cost or revalued amount of property, plant and equipment to their expected residual values by equal annual instalments over their estimated useful lives as follows:

- Alterations: over the remaining period of lease;
- Furniture and fittings: 20% straight line; and
- Office equipment: 33 $\frac{1}{3}$ % straight line.

Amortisation is calculated to write off the original cost of intangible assets to their expected residual values by equal annual instalments over their useful lives at a rate of 10% on a straight line basis.

Depreciation and amortisation are provided from the month of addition.

### 1.6 Impairment review

The Consumer Council carries out an impairment review of its tangible and intangible assets when a change in circumstances or situation indicates that those assets may have suffered an impairment loss. Impairment is measured by comparing the carrying amount of an asset with the 'recoverable amount', that is the higher of its fair value less costs to sell and its 'value in use'. 'Value in use' is assumed to equal the cost of replacing the service potential provided by the asset, unless there has been a reduction in service potential. Impairments are debited to the revaluation reserve to the extent that they reverse previously recognised upward revaluations with any remaining impairment recognised in the Statement of Comprehensive Net Expenditure.

### 1.7 Financial instruments

#### Recognition

Financial assets and financial liabilities are recognised on the Consumer Council's Statement of Financial Position when the Consumer Council becomes party to the contractual provisions of the instrument on a trade date basis.

#### Financial assets

Financial assets are classified into the following specified categories: at fair value through profit or loss (FVTPL); held-to-maturity investments, available-for-sale (AFS) financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Consumer Council's financial assets comprise trade and other receivables and cash and cash equivalents, and are held at cost, which approximates to fair value because of their short maturities.

#### Financial liabilities

Financial liabilities of the Consumer Council, including trade and other payables, are measured at cost which approximates to fair value because of their short maturities.

### 1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). Employer contributions are determined following a scheme valuation carried out every four years by the Government Actuary.

Pension costs are included within staff costs in the Statement of Comprehensive Net Expenditure. For more information refer to the Remuneration and Staff Report on pages 51-64.

#### 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.

### 1.9 Grants from sponsoring bodies

These are grants-in-aid received from DETI, DRD, and BIS, and are credited to the General Reserve.

### 1.10 Income from activities

No funding was received from other activities in 2015-16. Income of £35,300 was received from the Civil Aviation Authority in 2014-15 as a contribution to staff costs incurred in handling of complaints from passengers about air travel.

### 1.11 Operating leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and benefits to the lessee. Rentals payable under operating leases are expensed to the net expenditure account on a straight-line basis over the lease term.

### 1.12 Value added tax (VAT)

The Consumer Council is not registered for VAT.

### 1.13 Staff costs

Under IAS 19 Employee Benefits legislation, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave at the year end. The cost of untaken leave has been determined using data from leave records.

### 1.14 Accounting estimates

No material accounting estimates or judgements were made by the Consumer Council in preparing these accounts.

### 1.15 Segmental reporting

FRS 8 *Operating Segments* requires disclosure of information about the Consumer Council's operating segments. Information is based on internal management reports, both in the identification of operating segments and measurement of disclosed segment information.

### 1.16 Going concern

As of the 31st March 2016, the Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £28,189. These and other liabilities will be met by future grant in aid, received from and approved annually by DfE, DfI, and BIS. All funding has been approved for 2016-17. Planned activities for 2016-17 have been formulated in light of the funding available to the Consumer Council. The future financing of any Consumer Council liabilities will be met by DfE. In this context, the accounts have been prepared on a going concern basis.

## 2. Statement of Operating Costs by Operating Segment

### 2.1 Analysis of net expenditure by segment

2015-16	Energy	Postal Services	Water	Other Sections	Total
	£	£	£	£	£
Gross expenditure	444,112	255,000	324,787	1,349,884	2,373,783
Income*	–	–	–	–	–
Net expenditure	(444,112)	(255,000)	(324,787)	(1,349,884)	(2,373,783)
Total assets	–	–	–	165,030	165,030
Total liabilities	–	–	–	(193,219)	(193,219)
Net assets	–	–	–	(28,189)	(28,189)

  

2014-15	Energy	Postal Services	Water	Other Sections	Adminis- tration Incor- porating Corporate Services	Total
	£	£	£	£	£	£
Gross expenditure	553,894	255,044	408,966	556,230	944,106	2,718,240
Income*	–	–	–	35,300	–	35,300
Net expenditure	(553,894)	(255,044)	(408,966)	(520,930)	(944,106)	(2,682,940)
Total assets	–	–	–	–	166,007	166,007
Total liabilities	–	–	–	–	(139,906)	(139,906)
Net assets	–	–	–	–	26,101	26,101

\* Funding from DETI, DRD and BIS is not included within income; it is categorised as funding within the accounts.

The Consumer Council has three separately funded reportable sections: Energy, Postal Services, and Water. Funding is received to enable the Consumer Council to perform its statutory role to represent the interests of consumers in these regulated markets.

The other sections comprise Consumer Affairs and Transport, which are funded primarily by DETI.

Corporate functions (communications, corporate services, and management) are now included on a pro rata basis under the relevant operating segment.

The Consumer Council has disclosed all income and expenses in line with the business cases as presented to the relevant funder. The net assets of the Consumer Council are not separately identifiable on a segmental basis and have therefore been disclosed in total under the other sections heading. All activities of the Consumer Council and assets held by the Consumer Council are within the UK.

### 3. Work programme

	2015-16	2014-15
	£	£
Core Costs	16,835	52,403
Complaints Resolution	6,821	–
Supporting Service Providers	3,742	–
Consumer Proficiency	33,533	–
Consumer Representation	462	–
Water Efficiency	6,060	–
Consumer Skills	22,674	–
Consumer Rights	24,440	–
Affordable Financial Services	2,030	–
Postal Services	56,610	–
Water Services	–	30,020
Energy Regulation	–	20,230
Financial Capability and Initiatives	–	19,962
Household Efficiency	–	17,640
Launch of Postal Services	–	14,400
Mail and Parcel Deliveries	–	14,280
Post Office Network and Network Transformation Programme	–	11,968
Public Transport Reform	–	11,728
Increasing Consumer Skills and Confidence	–	11,352
Fuel Affordability	–	9,484
Improving Customer Care	–	9,249
Outreach Strategy	–	9,060
Water Efficiency and Billing	–	7,105
Online Shopping and Parcel Delivery	–	4,633
Passenger Rights	–	2,846
Flooding	–	867
	<b>173,207</b>	<b>247,227</b>



## 4. Other expenditure

	2015-16	2014-15
	£	£
Rent and service charge	117,976	182,103
Rates	51,807	77,264
Office machinery – annual licences and maintenance	85,743	30,469
Legal and professional fees	21,321	25,223
Maintenance, repairs and cleaning	97,320	19,849
Recruitment and induction costs	12,042	15,173
Electricity	13,218	14,323
Telephone and postage	8,868	13,704
Staff and members training and development	40,336	13,599
Audit fees – internal audit	8,880	11,544
Audit fees – external audit	9,750	9,051
Print, design and stationery	6,781	7,084
Operating leases – office machinery	2,099	5,767
Project costs	–	4,463
Staff travel	6,288	3,973
Sundry expenses	1,695	1,495
Professional relationships and memberships	2,605	2,670
Loss on disposal	7,428	1,340
Library	416	1,267
Members' expenses	1,411	862
Hospitality, including catering	907	728
	<b>496,891</b>	441,951
<b>Non-cash items</b>		
Depreciation	17,543	302,211
Amortisation	47,806	10,505
	<b>65,349</b>	312,716
	<b>562,240</b>	754,667

## 5. Income

	2015-16	2014-15
	£	£
<b>Income from Activities</b>		
Civil Aviation Authority	–	35,300
	<b>–</b>	<b>35,300</b>

## 6. Property, plant and equipment

2015-16	Alterations	Furniture and fittings	Office equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2015	1,025,977	145,859	179,389	1,351,225
Additions	-	-	-	-
Revaluation	-	-	-	-
Disposals	(1,025,977)	(118,384)	(161,199)	(1,305,560)
Change in Accounting policy	-	(689)	(3,026)	(3,715)
<b>At 31 March 2016</b>	<b>-</b>	<b>26,786</b>	<b>15,164</b>	<b>41,950</b>
<b>Depreciation</b>				
At 1 April 2015	978,171	144,698	156,809	1,279,678
Charged in year	47,806	260	6,615	54,681
Disposals	(1,025,977)	(117,883)	(152,784)	(1,296,644)
Change in Accounting Policy	-	(289)	(2,190)	(2,479)
<b>At 31 March 2016</b>	<b>-</b>	<b>26,786</b>	<b>8,450</b>	<b>35,236</b>
<b>Carrying amount</b>				
<b>At 31 March 2016</b>	<b>-</b>	<b>-</b>	<b>6,714</b>	<b>6,714</b>
Carrying amount				
At 31 March 2015	47,806	1,161	22,580	71,547
<b>Asset financing:</b>				
Owned	-	-	6,714	6,714
<b>Carrying amount at 31 March 2016</b>			<b>6,714</b>	<b>6,714</b>

Note: The change in accounting policy represented an increase in the capitalisation threshold from £250 to £1,000, which was agreed by the Consumer Council Board in March 2016. This change in accounting policy figure of £7,002, which relates to property, plant and equipment and intangible assets, was expensed to office machinery – annual licences and maintenance.

## 6. Property, plant and equipment

(continued)

2014-15	Alterations	Furniture and fittings	Office equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2014	1,025,977	145,452	221,797	1,393,226
Reclassification adjustment	-	-	1,265	1,265
Additions	-	407	14,852	15,259
Revaluation	-	-	-	-
Disposals	-	-	(58,525)	(58,525)
<b>At 31 March 2015</b>	<b>1,025,977</b>	<b>145,859</b>	<b>179,389</b>	<b>1,351,225</b>
<b>Depreciation</b>				
At 1 April 2014	691,299	144,038	198,957	1,034,294
Reclassification adjustment	-	-	358	358
Charged in year	286,872	660	14,679	302,211
Disposals	-	-	(57,185)	(57,185)
<b>At 31 March 2015</b>	<b>978,171</b>	<b>144,698</b>	<b>156,809</b>	<b>1,279,678</b>
<b>Carrying amount</b>				
<b>At 31 March 2015</b>	<b>47,806</b>	<b>1,161</b>	<b>22,580</b>	<b>71,547</b>
Carrying amount				
At 31 March 2014	334,678	1,414	22,840	358,932
<b>Asset financing:</b>				
Owned	47,806	1,161	22,580	71,547
<b>Carrying amount at 31 March 2015</b>	<b>47,806</b>	<b>1,161</b>	<b>22,580</b>	<b>71,547</b>

## 7. Intangible assets

Intangible assets comprise software and software licences.

	Total
	£
<b>Cost or valuation</b>	
At 1 April 2015	106,674
Additions	–
Change in Accounting policy	(13,876)
<b>At 31 March 2016</b>	<b>92,798</b>
<b>Amortisation (Restated)</b>	
At 1 April 2015	50,867
Charged in year	10,668
Change in Accounting policy	(8,110)
<b>At 31 March 2016</b>	<b>53,425</b>
<b>Carrying amount at 31 March 2016</b>	<b>39,373</b>
Carrying amount at 31 March 2015	55,807
<b>Asset financing:</b>	
Owned	39,373
<b>Carrying amount at 31 March 2016</b>	<b>39,373</b>

## 7. Intangible assets

(continued)

	Total
	£
<b>Cost or valuation</b>	
At 1 April 2014	108,949
Reclassification adjustment	(1,265)
Adjustment	(2,630)
Additions	1,620
<b>At 31 March 2015</b>	<b>106,674</b>
<b>Amortisation</b>	
At 1 April 2014	40,720
Reclassification adjustment	(358)
Charged in year	10,505
<b>At 31 March 2015</b>	<b>50,867</b>
<b>Carrying amount at 31 March 2015</b>	<b>55,807</b>
Carrying amount at 31 March 2014	68,229
<b>Asset financing:</b>	
Owned	55,807
<b>Carrying amount at 31 March 2015 (Restated)</b>	<b>55,807</b>

Note: The change in accounting policy represented an increase in the capitalisation threshold from £250 to £1,000, which was agreed by the Consumer Council Board in March 2016. This change in accounting policy figure of £7,002, which relates to property, plant and equipment and intangible assets, was expensed to office machinery – annual licences and maintenance.

## 8. Financial instruments

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

### Trade and other receivables

Trade receivables do not carry any interest and are recognised and carried at the lower of their original invoiced value and recoverable amount. A bad debt provision is made when there is objective evidence that the recoverable amount is less than the original invoiced value. Balances are written off when the probability of recovery is assessed as being remote.

### Trade and other payables

Trade payables are not interest bearing and are stated at their nominal value.

## 9. Trade receivables and other current assets

	2015-16	2014-15
	£	£
<b>Amounts falling due within one year:</b>		
Prepayments	10,981	29,866
Sundry Receivables	757	71
	<b>11,738</b>	<b>29,937</b>
<b>9.1 Intra-Government Balances</b>		
	2015-16	2014-15
	£	£
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	–	–
Subtotal: intra-government balances	–	–
Balances with bodies external to government	11,738	29,937
<b>Total receivables at 31 March 2016</b>	<b>11,738</b>	<b>29,937</b>

## 10. Cash and cash equivalents

	2015-16	2014-15
	£	£
Balance at 1 April 2015	8,716	3,981
Net change in cash and cash equivalents balance	98,489	4,735
<b>Balance at 31 March 2016</b>	<b>107,205</b>	<b>8,716</b>

The entire cash and cash equivalents balance was held at a commercial bank as cash in hand.

## 11. Trade payables and other current liabilities

	2015-16	2014-15
	£	£
<b>Amounts falling due within one year</b>		
Trade payables	36,688	27,375
Accruals and deferred income	156,531	112,531
	<b>193,219</b>	<b>139,906</b>

### 11.1 Intra-Government Balances

	2015-16	2014-15
	£	£
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	63,688	5,943
Subtotal: intra-government balances	63,688	5,943
Balances with bodies external to government	129,531	133,963
<b>Total payables at 31 March 2016</b>	<b>193,219</b>	<b>139,906</b>

## 12. Provision for liabilities and charges

There were no provisions for liabilities or charges as at the statement of financial position date (2014-15: none).

## 13. Capital commitments

There were no capital commitments as at the statement of financial position date (2014-15: none).

## 14. Commitments under leases

### 14.1 Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

	2015-16	2014-15
	£	£
<b>Obligations under operating leases comprise:</b>		
<b>Buildings:</b>		
Not later than 1 year	–	–
Later than 1 year and not later than 5 years	–	–
Later than 5 years	–	–
	–	–
<b>Other:</b>		
Not later than 1 year	2,099	2,099
Later than 1 year and not later than 5 years	5,028	7,127
Later than 5 years	–	–
	<b>7,127</b>	9,226
	<b>7,127</b>	9,226

The Consumer Council relocated to Seatem House, Alfred Street, Belfast on 1 June 2015. The new agreement for Seatem House is a 12 month licence agreement, rather than an operating lease. The cost per annum for the licence is £61,500, with an estimated service charge of £10,500.

### 14.2 Finance leases

The Consumer Council has no commitments under finance leases.

## 15. Contingent liability

There were no contingent liabilities as at 31 March 2016 (2014-15: none).

## 16. Related Party Transactions

The Consumer Council is a Non-Departmental Public Body funded by the Department of Enterprise, Trade and Investment (DETI). DETI also sponsors Invest NI, Tourism NI, and the Health and Safety Executive.

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 £2,319,493 of grant-in-aid was received via DETI, DRD, and BIS (2014-15: £2,389,772).

In addition, the Consumer Council has had a small number of transactions with other government departments.

The Consumer Council works with many public and private sector organisations including companies in which Board members of the Consumer Council have a beneficial interest. There were no transactions during the year with such companies.



## 17. Events after the Reporting Period

The Stormont House Agreement contained a commitment to reduce the number of NICS departments from 12 to 9 following the Assembly election in May 2016. The names and high level functions of the new departments have been agreed by Ministers and details can be found in the new Departments Bill and Transfer of Functions Order.

The new 9-department model constitutes a Machinery of Government change. The Consumer Council will remain unchanged under the new Department for the Economy. This department will replace the Department of Enterprise, Trade and Investment.

There were no other events requiring disclosure between the statement of financial position date and the date the accounts were signed.

### **Date of authorisation for issue**

The Accounting Officer authorised the issue of these financial statements on 7 July 2016.



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Consumer Council Northern Ireland



ConsumerCouncil