

**The General Consumer Council for Northern Ireland
Annual Report and Accounts
For the year ended 31 March 2006**

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

18 July 2006

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Foreword

This Annual Report is all about the power of the consumer voice.

The Consumer Council is committed to working closely with consumers to drive real and lasting change in the market place and public services. The Secretary of State has publicly acknowledged the significance of the consumer in the reform of our public services. This report shows how effectively consumers' voices have been heard and responded to.

The Competition Commission's inquiry into the Personal Current Account market is ongoing. Its investigation focuses on how competitive the banking market is and how well it is working for consumers. This inquiry is the direct result of the super-complaint submitted to the Office of Fair Trading by Which? and the Consumer Council. Consumers have responded positively to our challenge to use their power to change the banking market and make it work for them. Some 25,000 consumers have switched their current account and more than 600 people have

got involved in our Stop Unfair Charges campaign.

We are already seeing the first seeds of change among two of the Big Four clearing banks. More needs to be done but it is clear that consumers can make the greatest and most lasting changes.

Water charging is the biggest and most contentious issue facing every household and business here. The Consumer Council worked with social partners and others to ensure that any charge is fair, affordable and sustainable. As incomes stay static and household, rates and energy bills rise, our primary focus this year was to look at affordability.

Through an evidence-based approach we secured a unique Government-funded £30m water affordability package for people on benefits. More needs to be done for those on low incomes who find themselves above the benefits level and outside other vulnerable groups. Once again, consumers and their representatives have demonstrated the power of

their voice in matters that have such a direct impact on their quality of life and ability to pay.

This Annual Report is set in exciting and challenging times for consumers. The Consumer Council believes that consumers are recognised as having a significant part to play in our economic, social and environmental framework. Consumers increasingly recognise that alongside consumer rights they also have responsibilities. The choices we make today will have an impact on tomorrow. The Consumer Council has been addressing this need to balance our rights and responsibilities within the context of the Government's recent Sustainable Development Strategy.

We present this account to you of how we are using our resources to work more effectively and efficiently with and for consumers. We do this in a way that respects and embraces diversity and seeks increased impacts, especially for the most vulnerable consumers. But we cannot do this alone. We acknowledge the



hard work, dedication and support of Council members, staff and our many partners. Their insights add value to our work and give us special moments of collective joy and inspiration when we achieve our common goals and increase our understanding.

We look forward with enthusiasm and anticipation as we continue our job of making the consumer voice heard and making it count in the challenging environment in which we operate.

We trust you will find our report helpful and interesting. As always, we welcome your feedback so that we can continue to make sure that our work is relevant to the consumers we represent.

A handwritten signature in black ink that reads "SA Costello". The signature is written in a cursive style with a horizontal line underneath.

Stephen Costello
Chairman

A handwritten signature in black ink that reads "E Gill". The signature is written in a cursive style.

Eleanor Gill
Chief Executive

About the Report

This is the first annual reporting period since the publication of the Consumer Council's Corporate Plan 2005-2008. The Plan is the culmination of extensive research, feedback and discussions with stakeholders. It sets out the four key consumer themes that provide the framework for all of our work. These are:

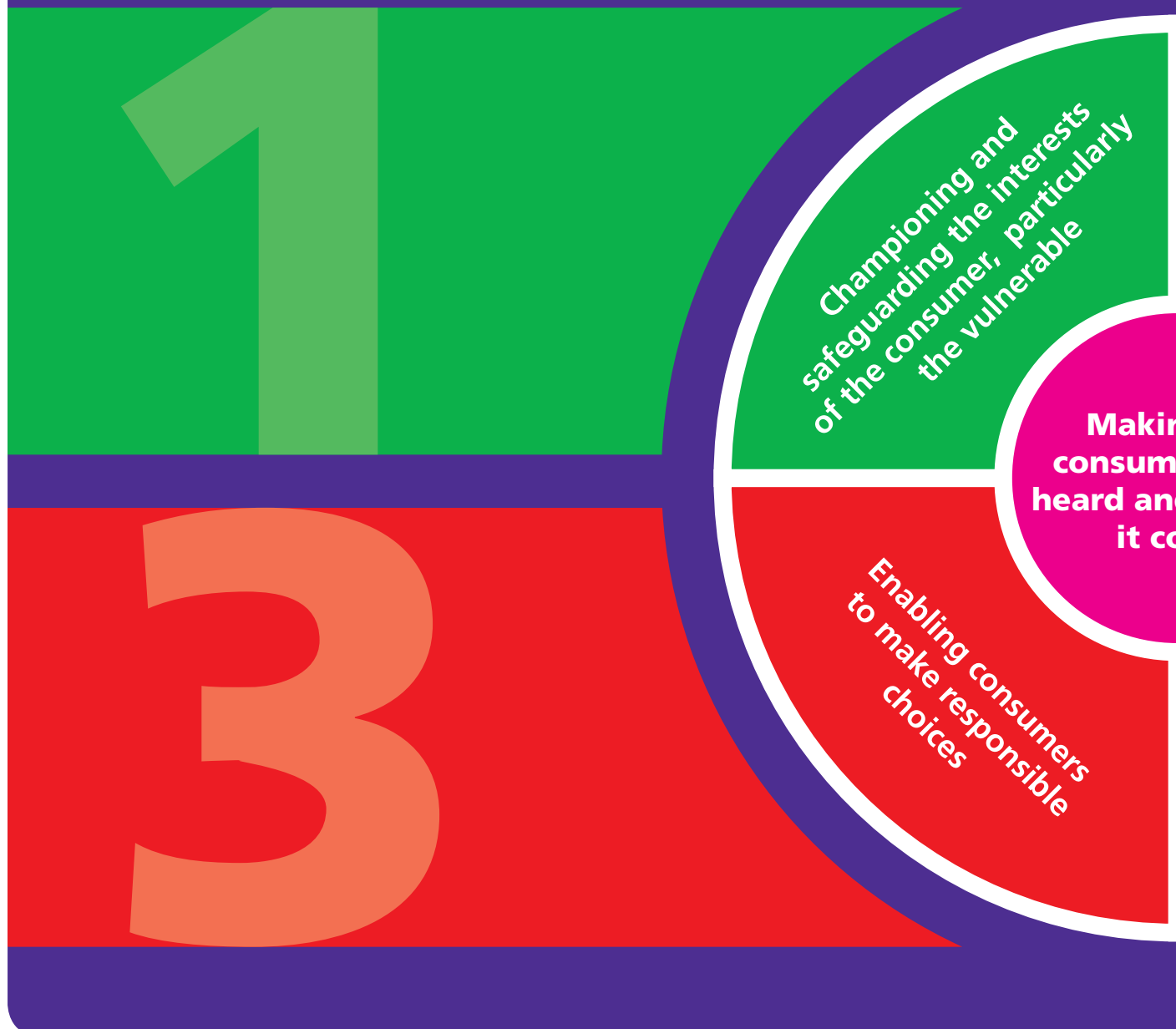
- *Championing and safeguarding the interests of the consumer, particularly the vulnerable;*
- *Delivering consumer education, skills and information for all;*
- *Enabling consumers to make responsible choices, and*
- *Driving change to benefit consumers in the public and private sectors.*

Our fifth and internal theme - Fit for Purpose and Delivering Value for Money - underpins all our work under the above four outward-facing themes.

In line with this approach, this Annual Report is structured around the corporate themes. We set out the impacts that we have achieved under each theme and identify the learning we can take forward. We also explain the Consumer Council's view that an inclusive approach that respects diversity and challenges inequality and disadvantage is vital to how we operate. Finally, we publish the Consumer Council's new corporate performance indicators, which have been developed to help demonstrate both our accountability and our organisational achievement.

Consumer Themes

The Consumer Council has developed four key consumer themes



er themes that provide the framework for all our work.



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Theme 1: Championing and safeguarding the interests of the consumer, particularly the vulnerable

People can be vulnerable for many reasons. This may be due to poor health, disability, debt, deprivation or other reasons. We also acknowledge that vulnerability can be transient in nature and this theme is based on the assumption that any consumer can be vulnerable or suffer disadvantage at any point in time.

We take a wide-ranging approach to championing the interests of consumers and take action in many ways to bring about the greatest benefits to consumers, especially those who most need our help. We strive to:

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

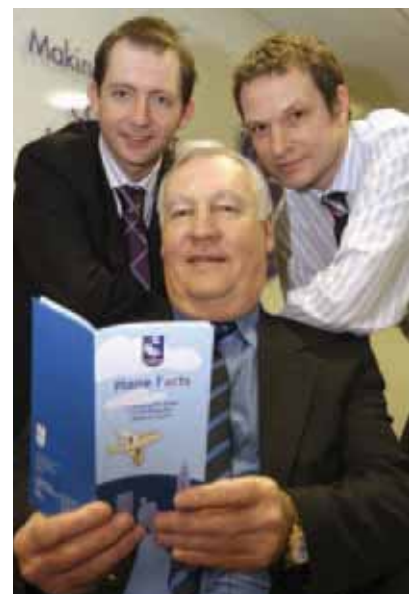
Highlight

In June 2005, the Consumer Council called for a one year delay to the water reform timetable in order to allow time to get the proposals right and to address the needs of the most vulnerable households. In September 2005, Shaun Woodward MP, the then Minister for Regional Development, announced that he would delay the reform proposals until April 2007.

We campaigned vigorously and successfully to secure protection for vulnerable water consumer groups in the shape of the affordability tariff. Shaun Woodward announced the new water reform proposals in December 2005. He described a unique £30 million protection package to support those on benefits, a lower average price for all and some movement toward domestic metering.

Impacts Achieved

- In a landmark case, the Consumer Council helped an airline passenger to take his complaint to the Small Claims Court for compensation after a serious delay on an EasyJet flight from Edinburgh to Belfast. We advised the passenger on his rights under new EU regulations introduced in February 2005 and helped him recover nearly £700. We believe that it is the first time that a Northern Ireland passenger has received compensation under these regulations.





- We recruited MLAs from all the main political parties to take part in the Metro Challenge in February 2006. Journeys were made across the Metro network by MLAs, Consumer Council staff and passengers including older people and people with disabilities to test how the Metro bus service in Belfast was meeting the needs of passengers one year on. The challenge found that:

- Seven out of ten buses arrived at the stop on time;
- Only half of buses reached their destination on time;
- The average delay for late journeys was seven minutes; and
- Cleanliness was a problem on some buses.

- The Consumer Council persuaded Translink to temporarily waive the £1.50 administration charge for a Smartlink Card to encourage more people to buy one. Passengers were able to get a card free for one month until the

end of April 2006. The card helps Metro and Ulsterbus passengers to save up to 40 per cent on some journeys.

- The Consumer Council published Northern Ireland's first independent research on Pay As You Go (PAYG) meter usage and self-disconnection by electricity and gas customers. The research made a number of recommendations to energy supply companies that will improve services to PAYG customers, particularly those vulnerable to debt. As a result of the research, Northern Ireland Electricity (NIE) agreed to distribute information on keypad metering and the Consumer Council's complaints leaflet to 170,000 customers.
- At the Consumer Council's request, energy supply companies are promoting their energy care schemes and registers more actively. Phoenix Natural Gas (PNG) increased the number of customers registered on its scheme by 63 per cent over a

two-year period. At our request, NIE is currently looking at ways to increase the numbers on its priority services register and critical care scheme.

- NIE agreed not to charge customers for force-fitting keypad meters in cases of large debt. The Consumer Council was strongly opposed to this because of the hardship it would cause to the most vulnerable consumers. The Regulator (Ofreg) supported our view and considered that, based on NIE's pricing structures, there was no charging basis to do this.

Overall, most volunteers had a positive journey and commented that the buses were convenient and accessible, but the need for more bus lanes and other bus priority measures is clear. The Consumer Council reported the findings to Translink and the Department for Regional Development. They will also be included in a wider review of the Metro service, along with what passengers have told us about the service over the past year.



- We increased our impacts in nTSN areas of North and West Belfast, Londonderry and in rural areas in Ballymena, East Down, Lisburn, Newry and Mourne and Strabane with 22 community groups publishing the Consumer Council's article Don't Get Snowed Under with Debt this Christmas in their newsletters.
- A database for targeting consumer information was developed to help rural groups, women's organisations, ethnic minority groups, nTSN areas of North, West and East Belfast and other pockets of deprivation in Northern Ireland. A similar database has been produced for Sure Start providers, training centres and Further Education colleges across Northern Ireland to build contacts among Job Skills and Essential Skills tutors.
- The Consumer Council raised awareness among socially disadvantaged 16 to 18 year old women by distributing 400 information packs at a Young Women's Conference. The packs contained a selection of energy and transport leaflets and complaints promotional merchandise.
- The Consumer Council produced financial tips for ethnic minority groups by translating the Money Tips for Parents leaflet into ethnic minority languages. 1,000 leaflets were produced in Chinese and distributed through the Chinese Welfare Association. Portuguese and Polish translations were available on the Consumer Council's website.
- We worked with the Nerve Centre and the British Deaf Association to film a signed version of the Buy Rights – Have Your Say Youth Sector DVD. The film will now be available with subtitles and with British and Irish sign language.
- We supported the Indian Community Safety Family Event and St Ninian's Pensioners' Community Safety Event with exhibition stands and presentations in co-operation with Consumerline Helpline staff.
- We developed a series of worksheets for Essential Skills tutors using relevant and practical topics to allow practitioners to raise consumer skills levels among vulnerable and disadvantaged learners. This has the potential to target one in four of the population.
- The Consumer Council carried out research in Northern Ireland to advise our campaign on food advertising to children. We want to see the introduction of a 9pm watershed that bans or restricts advertising foods high in fat, sugar or salt to children and young people under 16 years immediately before, during and after children's programmes.

Theme 2: Delivering consumer education, skills and information for all

Giving consumers the power to make choices by improving their skills and increasing their confidence to act for themselves is an important part of our role. We particularly focus on those consumers who are vulnerable or marginalised, giving them information that will enable them to fully participate as confident and demanding consumers of goods and services.

We:

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

Highlight

Some 236 participants attended the Young Consumers Competition Final in March 2006. Banbridge Academy won the quiz section beating Omagh Academy and Abbey Grammar School. Originally, 2,000 students from 39 schools entered the competition.

Pupils from 17 schools were awarded prizes in the newsletter project section of the competition, with Bangor Academy and Sixth Form Centre emerging victorious. Overall, 170 certificates were awarded to participants in secondary, integrated, Irish medium and special schools. 30,000 copies of the winning newsletter will be sent to every post primary school in Northern Ireland.

Impacts Achieved

- Our complaints campaign resulted in a 42 per cent increase in the number of consumers making an enquiry or a complaint to the Consumer Council. Activity promoting our complaints role increased throughout the year and included exhibitions at Belfast City, Belfast International and City of Derry Airports, the Ideal Home Exhibition, five Young at Heart Exhibitions, 11 advertisements/ editorials in newspapers and publications and a travelling exhibition that will visit every library across Northern Ireland.
- With Northern Ireland consumers owing around £3 billion on credit and debt, the ability to manage money assumes critical importance. A groundbreaking Financial Capability Conference - Your Money and Your Life - was held at Stormont in February 2006. Lord Rooker flew in specially to address the 100 key delegates. The event was run in co-operation



with the Financial Services Authority and the Office of the First Minister and Deputy First Minister (OFMDFM) Central Anti-Poverty Unit. It promoted some of the excellent work already taking place in Northern Ireland, highlighted the existing gaps and set up a Northern Ireland Financial Capability Partnership to take this work forward.

- We also sent 300 copies of the Money In Your Life DVD produced for the event to key players. It contains examples of how financial capability is being tackled in practical and strategic ways in Northern Ireland by schools, colleges, the community sector and the Government.
- The Consumer Council launched the Buy Rights – Have Your Say DVD at a gala premiere for 87 guests in Derry’s Nerve Centre on World Consumer Rights Day in March. The DVD is a resource for the Youth Sector and copies of the DVD along with Youth Curriculum support materials will be available to 2,000 youth workers through the Youth Curriculum Unit’s training programme.
- The Money Tips for Parents leaflet was so successful that we needed to produce more copies. In addition to the 11,000 already distributed, 4,000 extra copies of the leaflet were distributed throughout Northern Ireland in September. The leaflet was developed in conjunction with the Parents’ Advice Centre.
- In partnership with the East Belfast Independent Advice Centre we worked to produce and launch a reprint of 3,000 copies of Are You Worried About Money?
- The Consumer Council secured a place on a national steering group set up by HM Treasury. The group aims to look at what financial education should be available to ensure that children with a Child Trust Fund and their parents understand what it is and how it works.
- The Consumer Council hosted Lithuanian and Ukrainian study delegations and delivered presentations on the Consumer Council’s role and its education work to inform consumer development in these countries.
- More than 7,000 Plane Facts booklets and 13,000 promotional items were distributed to passengers at Belfast City, Belfast International, and City of Derry Airports. We also responded to further requests for Plane Facts following coverage on UTV Live.
- Around 2,000 Energywise information packs were distributed to a wide range of advice, housing and energy organisations. The Energywise pack was launched in partnership with Fermanagh District Council at the Town Hall in Enniskillen in April 2005.



- Our campaign to encourage consumers to switch personal current accounts continued. Some 20,000 switching leaflets were distributed to help consumers switch bank accounts.
- Hits on our Consumerline website rose by 16.6 per cent from 1.6m last year to just over 1.8m in 2005-2006.
- The Consumer Council distributed 10,000 GCSE and 3,000 A level Home Economic Booklets to students in partnership with Council for the Curriculum, Examination and Assessments (CCEA).
- Bruce Robinson, the then Department of Enterprise, Trade and Investment Permanent Secretary, paid tribute to our contribution to delivering consumer skills in the community and our influence in shaping consumer education developments beyond Northern Ireland at the Consumer Skills for All (CSFA) Evaluation event at Queen's University.

Buy Rights - Have Your Say pack including DVD, workbook and exercises for young consumers



Theme 3: Enabling consumers to make responsible choices

As well as improving consumers' skills to help them assert their rights, we also have a role to play in raising awareness of their responsibilities. The challenge is to promote more responsible forms of consumerism. For example, concern with quality of life rather than mass consumption, satisfying needs with minimal use of resources and at a wider social level, reducing the need for travel and energy consumption and eliminating wasted resources in all fields of human activity.

We are driving forward the consumer debate, providing the information that consumers need to better understand the consequences of their decisions and ensuring that the broader issue of sustainability takes the consumer viewpoint into account.

We:

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

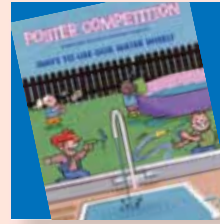
Highlight

We ran Responsible Choices - a highly successful conference on sustainability. Of the 240 delegates attending, approximately a quarter of them were young people. In a first for the Northern Ireland Office, we secured Lord Rooker, the then Minister for the Environment, to pre-record the opening address on DVD. The Permanent Secretary of the Department of the Environment also took part in the panel discussion following contributions from a number

of local and internationally recognised speakers. A conference report and action plan is being published and sent to all delegates and key stakeholders in line with the launch of the Government's Sustainable Development Strategy. It will also be available on our website.

Impacts Achieved

- More than 3,000 pupils from 176 primary and special schools took part in the Consumer Council's Using Water Wisely Poster Competition. This was a 50 per cent increase in participation compared to the previous year. Prizes were distributed at a very successful awards ceremony in June 2005. The Water Service displayed the posters in their regional offices and footage from the awards presentation was shown at our Responsible Choices event in September. The posters were made into a calendar and 7,000 were distributed to all primary, post primary and special schools in Northern Ireland.



- 168 secondary schools and 50 special schools were invited to take part in the Young Consumers Competition Newsletter Project in September 2005 on the theme of Consumer Rights and Responsibilities.
- The Energy Saving Trust (EST) says that consumers can save up to £250 on their total energy bill per year by being more energy efficient. To help spread this message, everyone who contacts our complaints line receives information on energy efficiency and grants for implementing energy efficiency measures in the home.
- Our Energy Challenge showed how householders could reduce their daily electricity consumption by 28 per cent - saving £107 in a year. UTV broadcasted the Challenge over three weeks. It provided live examples of simple and free energy efficiency measures for the home that could save money and reduce the amount of CO2 emissions released into the atmosphere. The initiative was developed in partnership with the Energy Saving Trust Advice Centre.
- Information for businesses on how to take advantage of the newly competitive electricity market and getting the best contract was developed for the Consumer Council's website. Supporting leaflets are in production.
- The Consumer Council advised consumers on how to save money on public transport by using smartcards and availing of the innovative Metro fares. This served to highlight the option of public transport at a time of increasing petrol prices.
- We worked with CCEA and the Trading Standards Institute to produce a pilot financial questionnaire for 15 schools involved in maths financial capability trials.
- Our Shoppers' Rights card was adapted by the National Consumer Agency in the Republic of Ireland and all 1.2 million households there received a card. This was supported by a major advertising campaign on consumer rights.
- The Shoppers' Rights Card and consumer education publications were distributed to 25 nTSN groups, all 24 Sure Start groups, Shankill Community Council, North West Institute Student Services and the Training for Women Network Young Women's Conference. This was in addition to the 500,000 cards already distributed in Northern Ireland, including versions in Chinese and Portuguese.

Theme 4: Driving change to benefit consumers in the public and private sectors

We are currently achieving a high level of change that benefits consumers but it is essential that we continue to drive this forward and maximise our effectiveness.

We need to continue to act creatively to influence developments that affect consumers in Northern Ireland and beyond and to encourage innovation and best business practice. In some cases this means tackling high-risk issues that are of real concern to consumers. But, in doing so, we try to show that as well as getting the best deal for consumers, we also want to see changes reflected in better value for money (in standards, pricing, quality and competition) so that the money consumers contribute, directly or indirectly, is efficiently and effectively spent.

We:

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

Highlight

The Consumer Council became a super-complaint body on 1 October 2005 - the first organisation in Northern Ireland to receive this designation and one of only eight in the United Kingdom.

Following consideration of our super-complaint on the £1.9 billion personal current account banking market, the OFT referred it to the

Competition Commission for further investigation of competition issues, including penalty charges applied by the Big Four banks for authorised and unauthorised overdrafts.

Almost 200 consumers responded to the Consumer Council's press advertisement calling for consumers' experiences of banking in Northern Ireland. We also mounted a joint e-consultation with Advice NI on the banking investigation.

In a parallel action, the Consumer Council made an official complaint to the Advertising Standards Authority (ASA) about a First Trust Bank campaign which claimed to offer a fee-free packaged current account when it actually cost £8 per month. As a result of the Consumer Council complaint, First Trust Bank agreed to remove all implications that this account was free from posters, advertisements and direct mail.

Since the super-complaint was launched two of the Big Four banks have made changes to the products

As a result of the Consumer Council complaint, First Trust Bank agreed to remove all implications that this account was free from posters, advertisements and direct mail.



they offer. Northern Bank removed charges for setting up, amending and cancelling Direct Debits and standing orders and launched a new current account that did not apply transaction charges and account maintenance fees. Ulster Bank also removed Direct Debit, standing order and transaction charges for all of their 400,000 personal current account customers.

Impacts Achieved

- firmus energy - the natural gas company operating outside Belfast - agreed to the Consumer Council's request to provide four bills a year for Direct Debit and standard credit customers. It also agreed to consult the Consumer Council for feedback on customer contracts and draft gas application forms.
- The Consumer Council lobbied NIE to ensure that prospective price increases were kept to a minimum. The subsequent increase of 10.8 per cent was the lowest of any increase

imposed in the UK.

- NIE and firmus energy approved in principle our proposal for a financial remedy framework for dealing with billing complaints. This will provide a consistent approach for consumers, the companies and the Consumer Council. PNG also indicated that they would respond positively.
- Businesses should experience fewer problems and delays when they want to switch electricity supplier. This follows Ofreg's agreement to the Consumer Council's request to develop Service Level Agreements between all electricity supply companies operating in the competitive market in Northern Ireland and NIE Transmission and Distribution (T&D).
- On the recommendation of the Consumer Council, PNG accepted suggestions in relation to the layout and wording of tariff information for customers. This helped to provide additional clarity about the nature of

the tariff changes.

- Following representations made by the Consumer Council, Northern Ireland Energy Holdings (NIEH – the company that owns the Moyle electricity interconnector between Northern Ireland and Scotland) announced a £12.4 million contribution to offsetting electricity price increases. The Consumer Council welcomed this transfer of funds as good news for electricity consumers but also highlighted the need for a balanced approach to meeting consumer needs now and in the future.
- The Competition Commission's investigation into the supply of bulk Liquefied Petroleum Gas (LPG) in the UK produced preliminary findings and issues that echoed many of those uncovered by the Consumer Council in a report on the same subject in Northern Ireland.

- The Consumer Council worked with the Review of Public Administration (RPA) team to ensure that the consumer was placed at the heart of public service reform. As evidence for our response to the consultation we commissioned qualitative research on public opinion and expectations of the RPA and public services.
- In the light of research conducted by the Consumer Council on behalf of OFMDFM, it was agreed that the new Yellow Pages would be published with redesigned Government Services pages aimed at making Government contacts more accessible.
- The Consumer Council urged HM Treasury to ensure that Northern Ireland consumers were not being disadvantaged by banks printing their own banknotes. The Treasury stated that these banks enjoyed an £35 million competitive advantage over those that did not issue their own notes. Consumers told us they found it difficult to use Northern Ireland notes in other parts of the UK or they were charged when they changed them into Bank of England notes.
- Following criticism by the Consumer Council of Belfast International Airport's short term parking charges, Q Park, an international car park developer and operator, took over the car parking operation. It introduced measures to reduce prices including an online advance booking system that allows passengers to make savings of up to 25 per cent.
- Additional changes in company policy or action following receipt of a complaint included:
 - Implementation of the Radar National Key Scheme in disabled toilets at all Translink stations;
 - Removal of Translink's policy where young people holding a discount card were not allowed on buses after 8pm;
 - Provision of additional buses by Translink on Ulsterbus routes at peak periods;
 - PNG's new procedure to ensure customers' Direct Debit payments reflect the recommendation by the sales agent; and
 - NIE redrafting their connection contract to make it more customer friendly and transparent in terms of connection costs.

Theme 5: Fit for purpose and delivering value for money



Underpinning all of the work is the critical issue of our fitness for purpose. In other words, it is essential that the organisation makes good decisions, is clear about the outcomes and has the capacity and capability to deliver against the main themes of its corporate plan. We:

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

Highlight

The Consumer Council published its Corporate Plan for 2005-2008 in June 2005. The Plan contains four external themes and one internal theme. It was the culmination of a year's consultation with members, staff and stakeholders, including elected representatives and the public, private and voluntary sectors. The development of the Plan, which sets the Consumer Council's strategic direction over the next three years, was characterised by an inclusive approach ensuring that the outcome reflected stakeholders' input.

Impacts Achieved

A new staff performance management system, incorporating personal development plans has been introduced. This will make us a more effective and strategic organisation with clearer links from corporate objectives to individual staff objectives.

- Seven internal audits were carried out in 2005-06. One full assurance and six substantial assurances were given. This reflects best practice in governance and accountability. All 28 scheduled internal audit recommendations for 2005-2006 were completed.
- We produced the Annual Report 2004-2005 for 50 per cent less than the cost of the 2003-2004 report. In addition, the Annual Report, Complaints Report and two versions of the Corporate Plan were produced for less than the cost of the 2003-2004 Annual Report.



- In 2005-2006, 2.6 per cent of days were lost due to sickness. The percentage for 2004-2005 was 3.9 per cent. The latest available comparable figure for the NI Civil Service (2004-2005) is 6.5 per cent.
- Since 1 April 2005, the complaints team has dealt with 2,721 contacts - an increase of 42 per cent on 2004-2005. Of these, 80 per cent involved the provision of information and advice to consumers. We also recorded a 96 per cent satisfaction rating for complaint handling.
- The Consumer Council's Chief Executive, Eleanor Gill, was appointed Visiting Professor in the Faculty of Business and Management at the University of Ulster at Jordanstown. This honour provides opportunities for the Consumer Council to strengthen its partnership with the University of Ulster for the benefit of consumers. Eleanor was also accepted onto the "Leadership in a Changing World" programme for senior civil servants at Harvard University, Boston. This programme, designed to enhance development and equip participants to deal with the challenge of change, will be a major contribution to the Consumer Council's commitment to organisational development through the Prime Resource initiative.
- A staff recognition scheme and a work well scheme have been introduced to demonstrate our commitment to valuing our employees.

Learning for the Future



Learning from our experiences improves the Consumer Council as an organisation as well as individuals. This is a process of continuous improvement that allows us to build on the knowledge and experiences we have gained through tackling issues on behalf of consumers and in providing vital information to those who need it.

Here, we set out some examples of how our work during 2005-2006 can serve us in the future by helping us to target new areas of work or change how we approach our work.

Education

Initial work with vulnerable groups in the voluntary and community sectors highlighted the need for more direct contact with front line community groups. As a result, we targeted community newsletters with tips on avoiding debt at Christmas. This was followed up with Catch on to Consumer Rights - a series of tailor made sessions about knowing your rights.

In developing the Buy Rights - Have Your Say DVD for the youth sector, we learnt that youth workers need a specialist approach to the provision of consumer support materials to match the youth curriculum. We therefore worked in partnership with the Youth Curriculum Development Unit to produce a support pack of confidence building activities to create a better understanding of consumer rights and choices. This pack is the first of its kind in the UK and ROI.

Our Shop Around quiz pack was developed to teach consumers about rights and responsibilities in an entertaining and fun way. It was in the top six nominations in the 2006 UK Education Resources Awards. The success of this resource has validated the Consumer Council's approach to raising levels of consumer proficiency in Northern Ireland especially when targeting younger and older consumers and those on lower incomes. Our event – Your Money and Your Life - at Stormont helped identify the need for ways to share good practice in promoting

financial capability across Northern Ireland and identify significant gaps to be addressed. As a result the Consumer Council is working with the FSA and OFMDFM to establish a Northern Ireland Financial Capability Strategic Partnership to help tackle poverty and reduce social exclusion.

Energy and Utilities

We have already worked closely with the regulator and prospective entrants to the energy markets in Northern Ireland. We will run an education campaign to ensure that domestic and business consumers have enough information to enable them to benefit from competition in the gas and electricity markets that are due to open fully in July 2007.

The Consumer Council's successful Energy Challenge raised the profile of energy efficiency. Working with the curriculum authorities we will expand this concept and develop an online resource to encourage responsible use of energy and resources.



We will learn from our experience in representing consumers and handling complaints in utilities like energy and transport. We will transfer this knowledge and expertise to inform our work as we take up the consumer representative role for domestic water and sewerage consumers and become a one-stop shop for all utilities from 1 April 2007. We will also continue to exercise the 'challenge' role, building on the successes already achieved to ensure that we provide constructive scrutiny of the legislative change programme and intervene where necessary on behalf of consumers.

Consumer Affairs

The Consumer Council will continue to lead and inform the debate on responsible consumer choices by using the experience from our Responsible Choices event to make the issue relevant to consumers in their daily lives. Working with partners, we will influence Government policy to encourage long-term behavioural change and identify and highlight contradictions or omissions in public and private sector policies.

Our Older People's Consumer Panel has been invaluable in informing our policy work and identifying improvements in key services for older people, particularly in relation to food access, transport and water. We will expand this approach and put mechanisms in place to allow us to keep in touch with a wide range of consumers and stay up to date with the issues that matter to them.

Transport

We will continue to monitor the performance of public transport and bring forward areas of improvement to better meet passengers' needs. In particular, we will use the feedback from passengers who participated in our Metro Challenge to help identify improvements needed in Metro phase 2. We will work with Translink to ensure that changes are made to improve the service.

Public Services

The Consumer Council's long and close involvement with the Review of Public Administration (RPA) project has been vital in creating a focus on consumer-centred services. This work will continue. The Department of the Environment has invited the Consumer Council's Chief Executive to sit on the Local Government Taskforce Working Group. This Group was set up in response to the need to develop a programme of local government modernisation and to implement decisions that will flow from the RPA. It



will produce proposals for modern and effective local government in light of the RPA and other drivers for change.

We will work with the Chief Executives' Forum and the RPA team on a series of events highlighting research findings showing that people want to have their voice heard by all those planning, designing and delivering public services so that they meet people's needs

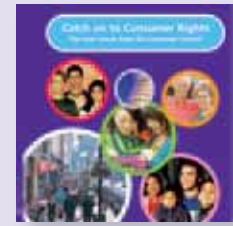
We will also continue to improve consumer access to public services by representing the consumer perspective on the Multi Channel Contact Centre Strategy Project Board and leading research into contacting government in the Access to Government Services Project Team.

Corporate Services

The Consumer Council has placed a major emphasis on organisational development in 2005-2006, recognising the value and contribution of our staff and members. We will now take the learning from this work, along with the new staff performance management system, and develop a corporate training plan in 2006-2007. This final link in the organisational development strategy will allow the Consumer Council to ensure that our human resource is supported and trained to match the requirements of the Corporate Plan and Operational Plan.

We will also continue to develop, review and enhance our key procedures and controls in line with internal audit recommendations and our risk management strategy.

Embracing Diversity



Diversity is about difference. The Consumer Council seeks to identify and embrace differences so that no one is left behind in the work that we do. This covers Section 75 groups, rural communities, people living in deprived areas or simply those whose knowledge or educational requirements on certain issues could benefit from special help.

It is also about being inclusive and ensuring equal opportunities for all. The development of consumer skills plays a key role in reducing inequalities and the problems experienced by the most disadvantaged consumers. Our research shows that only around two in five consumers (41 per cent) consider themselves to be well informed about their consumer rights (compared with 70 per cent in England and Wales). While all consumers suffer some form of detriment through lack of consumer skills, the consequences for particularly vulnerable consumers are potentially greater.

Older, younger and disabled people, those from minority and ethnic groups and the less well off face problems in functioning in society as consumers. In championing and safeguarding the interests of consumers we consider it vital to target and address the needs of vulnerable consumers – reaching those who need our help most.

Promoting Equality and Good Relations



The promotion of equality and good relations is critical in delivering a good-quality public service. As a long-term strategy, the Consumer Council is committed to carrying out its duty under Section 75 legislation and to playing its part in promoting good relations and sustaining change. In supporting the Government's 'A Shared Future' strategy, the Consumer Council delivers its services to help towards facilitating the development of a shared community in which all individuals are considered as equals, where all people are treated impartially and where there is equity, respect for diversity and recognition of our interdependence.

In practical terms, the Consumer Council uses a combination of outreach initiatives to contact, inform and consult 'hard to reach' groups. For example, we provide information specifically to older people and to people with disabilities. The Consumer Council also organises competitions on consumer issues for primary, post-primary, Irish medium, integrated and

special schools. We help to promote civic-mindedness through citizenship education in schools, through lifelong learning and in the dissemination of educational resources. We ensure these reach ethnic minority groups by translation into other languages.

The Consumer Council has developed a consumer rights training course through its outreach strategy. We have targeted communities who are vulnerable or disadvantaged using NINIS/ NISRA Super Output Area deprivation indicators. These incremental steps help build local capacity and confidence and provide valuable sign posting in relation to consumer rights and where to turn to for help.

The Consumer Council has impacted on 50 per cent of designated neighbourhood renewal areas and looks forward to continuing work, particularly in disadvantaged, rural areas over the next year. Indeed, we actively seek to increase rural participation – mindful of the fact that the Consumer Council is here to

serve all of Northern Ireland and not just Belfast. This year, 89 per cent of schools that participated in the Schools Poster Competition were from outside Belfast.

We have worked in partnership with the community and voluntary sector and with Trading Standards staff to promote the joint Consumerline website and telephone helpline to ensure that a joined up approach helps to deliver a consumer advice service where it is needed most.

We will continue to work inclusively – developing our outreach initiatives and actions – to ensure that we meet the needs of vulnerable consumers.

Corporate Performance Indicators

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

- **Consumer Impact**
 - Direct contact with consumers, including information and education as well as dealing with statutory complaints.
- **Reputation and Connectivity** – All that we do to bring about and highlight policy changes that benefit consumers. It includes our connections with those who take decisions affecting consumers.
- **Value for Money**
 - Demonstrating our effective and efficient use of resources.

Although this work was only completed in the final quarter of 2005-2006, we decided to immediately work to these indicators and use them to analyse the 2005-2006 reporting year.

This first year of reporting will set quantifiable targets and serve as a benchmark for measurement in subsequent years. We will continue to review and refine this format in order to demonstrate impact on behalf of consumers.

Consumer Impact

<p>1. Skilling up consumers, business and education</p>	<p>(i) Increase hits on Consumer Council websites</p> <p>(ii) Number of documents/resources disseminated</p>	<p>TARGET ACHIEVED</p> <p>2004/05 1,555,996 hits 2005/06 1,812,576 hits (16% increase)</p> <p>TARGET ACHIEVED</p> <p>Over 275,000 copies of key consumer skills publications disseminated, as follows:</p> <p>5,000 - Big Purchase Leaflet 12,000 - Money Tips for Parents Leaflet 8,000 - Schools Calendar 1,500 - Buy Rights - Have Your Say DVD 200,000 - Shoppers Rights Card 39,000 - Plane Facts Leaflet 10,000 - Switching Banks Leaflet</p>
<p>2. Reflecting our message and engaging others in it</p>	<p>(i) Increase number of participants in Consumer Council activities</p>	<p>TARGET ACHIEVED</p> <p>Young Consumer Competition participants:</p> <p>2004/05 1,700 2005/06 2,170 (28% increase)</p> <p>Poster Competition participants: 2004/05 2,000 2005/06 3,000 (50% increase)</p>
<p>3. Effectively dealing with consumer complaints</p>	<p>(i) Achieve 90% target of complainant satisfaction with the way Consumer Council dealt with consumers' complaints</p> <p>(ii) Number of positive changes by providers and suppliers as a result of Consumer Council's complaint handling role</p>	<p>TARGET ACHIEVED</p> <p>96% satisfaction level in 2005/06</p> <p>TARGET ACHIEVED</p> <p>18 positive changes achieved</p>

Reputation and Connectivity

<p>1. Engaging with key stakeholders, consumer representatives, decision makers and opinion formers</p>	<p>(i) Number of key stakeholders the Consumer Council has direct contact with and provides briefings for</p>	<p>TARGET ACHIEVED</p> <p>Met the largest local political parties at least once.</p> <p>Met all NIO Ministers at least once.</p> <p>239 separate meetings held with key representatives from political parties, government organisations, private-sector companies and the media, as follows:</p> <p>Political –18 meetings with political representatives</p> <p>Government –143 meetings with government/public sector organisations</p> <p>Private sector – 72 meetings with energy /transport companies</p> <p>Media – 6 meetings with key journalists</p>
<p>2. Influencing and effecting change in a diverse society</p>	<p>(i) Deliver a major consumer impact in each of the four corporate theme areas:</p> <ul style="list-style-type: none"> • Delivering consumer education, skills and information for all. • Championing and safeguarding the interests of the consumer, particularly the vulnerable. • Driving change to benefit consumers in the public and private sectors. • Enabling consumers to make responsible choices. 	<p>TARGETS ACHIEVED</p> <p>Promotion of our complaints role led to 42% increase in consumers making an enquiry or complaint.</p> <p>Water affordability package – first of its kind in the UK.</p> <p>PCA Supercomplaint referral to Competition Commission</p> <p>High profile “Energy Challenge” on primetime television demonstrated how householders could reduce electricity consumption by 28%.</p>

Value for Money

1. Financial control	(i) Manage and control spending within authorised 15% variance of each quarter's budget	<p>TARGET ACHIEVED</p> <p>Variance ranged from 1.9% to 11.6% over the year</p>
2. Absence and sickness levels	(i) Manage a level of less than 5% days lost due to sickness absence	<p>TARGET ACHIEVED</p> <p>2.6% days lost due to sickness in 2005/06</p>
	(ii) Manage sickness levels below those of the NI public sector	<p>TARGET ACHIEVED</p> <p>Latest available figures for NICS (2004-2005) was 6.5%</p>
3. Ensuring best practice	(i) Deliver substantial or full assurances within audit process	<p>TARGET ACHIEVED</p> <p>7 audits carried out in 2005/06. These delivered 1 full assurance and 6 substantial assurances</p>
	(ii) Implemented audit recommendations within 6 months	<p>TARGET ACHIEVED</p> <p>Recommendations implemented as timetabled and all within 6 months</p>
4. Training and developing staff's learning and growing in order to be effective in their roles and as part of the Consumer Council team	(i) Retain Investors in People standard (IiP)	<p>TARGET ACHIEVED</p> <p>IiP standard maintained</p>

Glossary

Advertising Standards Authority (ASA)	The independent regulator for advertisements, sales promotion and direct marketing in the UK.
Council for the Curriculum Examinations and Assessment (CCEA)	Organisation that advises Government, monitors education standards and awards qualifications.
Child Trust Fund	A savings and investment account set up by Government for children born on or after 1 September 2002.
Competition Commission	An independent public body established by the Competition Act 1998. It replaced the Monopolies and Mergers Commission and conducts in-depth inquiries into mergers, markets and the regulation of industries.
Energywise	A Consumer Council information pack providing a wide range of advice on energy issues including electricity, gas, oil, coal and energy efficiency.
Energy Saving Trust (EST)	A non-profit organisation funded by Government and the private sector that promotes the sustainable use of energy and reduction of carbon emissions.
Financial Remedy Framework	A Consumer Council approach (based on an original GB model) that seeks to establish consistency for consumers and energy suppliers when it comes to considering whether a financial remedy may be appropriate in specified circumstances relating to billing complaints.
Financial Services Authority (FSA)	An independent body that regulates the financial services industry in the UK.
Firmus Energy	The company providing natural gas outside Greater Belfast, specifically along the routes of the North-West and South-North gas pipelines.
Keypad Meter	A meter introduced by NIE. Keypad customers pay for their electricity as they use it and do not receive bills from NIE.
Liquefied Petroleum Gas (LPG)	Generally supplied as propane for gas central heating and cooking, and as butane for use in portable gas heaters.
Multi Channel Contact Centre Strategy Project Board	Multi-channel contact centre technology allows businesses to handle phone, e-mail, web enquiry, and SMS and PDA messages, as well as post and fax. Customers can then contact the supplier any way they wish. The e-Government Unit has established a Board to develop this project in Northern Ireland.
Northern Ireland Authority for Energy Regulation. (NIAER)	An independent public body set up to ensure the effective regulation of the Electricity and Gas industries in Northern Ireland.

Northern Ireland Neighbourhood Information Service. (NINIS)	Provided by NISRA (see below), it gives access to statistical and locational information relating to small areas across Northern Ireland.
The Northern Ireland Statistics and Research Agency (NISRA)	An Executive Agency within the Department of Finance and Personnel that provides a statistical and research service for Government.
Office of Communications. (Ofcom)	The independent regulator and competition authority for the UK communications industries.
Office for the Regulation of Electricity and Gas (Ofreg)	The working name of the administration team that supports NIAER (see above).
Office of Fair Trading (OFT)	An independent body responsible for ensuring that markets work well for consumers.
Prime Resource Initiative	The Consumer Council's initiative on organisational development, designed to develop the potential of existing staff and members.
Radar (National Key Scheme)	A national network of disability organisations and disabled people. The National Key Scheme offers independent access to disabled people to around 7,000 locked public toilets around the country.
Section 75	Section 75 of the Northern Ireland Act 1998 imposes a statutory duty on public bodies in relation to promoting equality of opportunity and good relations.
Super-complaint	A complaint submitted by a designated consumer body where any feature, or combination of features of a market in the UK for goods or services is, or appears to be, significantly harming the interests of consumers.
Super Output Area	These are aggregates of 2001 Census Output Areas and are a relatively small-scale unit, containing an average of just less than 2000 people. There are a total of 890 Social Output Areas in Northern Ireland.
Sure Start	A Government programme to deliver the best start in life for every child by bringing together early education, childcare, health and family support.
Sustainability	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
Youth Curriculum Development Unit	The Unit works to raise awareness of youth work, to develop and share resources, and to explore and share models of youth work practice.

Management Commentary

The General Consumer Council for Northern Ireland (Consumer Council) presents its annual report and the audited accounts for the year ended 31 March 2006.

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

History of the Council

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

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

Statutory background

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

Auditors

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

The audit of the financial statements for 2005 / 06 resulted in an estimated audit fee of £4,200 and is included in the administration costs in the operating cost statement. There was no other work carried out by the auditors during 2005 / 06.

Pension Liabilities

Details of pension schemes are set out in note 7 to the financial statements and also in the Remuneration Report on pages 39-42.

Register of Interests of Board Members

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

Board members

The names of persons serving during the year ended 31 March 2006 were:

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

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

Name			Date of Leaving
Mrs	Grace Bennett	Council Member	31 December 2005
Mr	Brendan Bonner	Council Member	31 December 2005
Mr	John Dobson	Council Member	31 December 2005
Mrs	Penny McNeill	Council Member	31 December 2005

Chief Executive

The Chief Executive and Accounting Officer is Mrs Eleanor Gill.

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

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

Review of activities

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

Results for the year

The financial results of the Consumer Council's operation in 2005 / 2006 are set out in detail on page 51 of these accounts. The deficit for the year for operational costs was £2,081 (2004 / 05 surplus of £14,944).

Fixed assets

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

Prompt payment practice

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

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

Research and development

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

Charitable donations

There were no charitable donations made during 2005 / 2006.

Business review

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

Important events occurring after the year end

There has been no change in the financial status of the Consumer Council since 31 March 2006.

Equality Scheme

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

Employee involvement

The Consumer Council is committed to the involvement of employees in the decision making process and to their development in order to achieve the highest standards in the delivery of services. In 2001 the Consumer Council gained the Investors in People award and was re-accredited in 2003 and continues to integrate the general principles of this standard into its personnel policies and daily operation. In 2003 the Consumer Council commenced a formal organisational development initiative known as "Our Prime Resource." Organisational development will continue to be a priority as the Consumer Council addresses its new corporate theme of Fit for Purpose and Delivering Value for Money.

Future development

The Consumer Council will continue to represent the interests of consumers in line with the Corporate Plan, which identifies strategic areas for action. We have been proposed by the Minister for Regional Development as the consumer representative on water and sewerage services. This new role, alongside our existing responsibilities for energy and transport, will provide an opportunity to build on and strengthen our experience in representing the consumer of public utilities.

Remuneration Report

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

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits;
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

The remuneration of all senior civil servants is entirely performance based. Permanent Secretaries pay awards are determined by the Northern Ireland Civil Service (NICS) Permanent Secretary Remuneration Committee.

Service Contracts

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

Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended until they reach the normal retiring age of 65. Policy relating to

notice periods and termination payments is contained in the Consumer Council staff contracts.

Salary and pension entitlements

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

Senior management

Officials	2005/06		2004/05	
	Salary (£'000)	Benefits in kind (to nearest £100)	Salary £'000	Benefits in kind (to nearest £100)
Mrs Eleanor Gill (Chief Executive)	55-60	-	50-55	-
Mr Wesley Henderson (Director of Energy and Corporate Services)	35-40	-	35-40	-

Salary

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

Benefits in kind

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

Civil Service Pensions

Officials	Accrued pension at age 60 as at 31 March 2006 and related lump sum (£'000)	Real increase in pension and related lump sum at age 60 (£'000)	CETV at 31/3/06 (£'000)	CETV at 31/3/05 (£'000)	Real increase in CETV (£'000)	Employer contribution to partnership pension account (to nearest £100)
Mrs Eleanor Gill (Chief Executive)	12.5-15 No lump sum	0-2.5	143	125	9	-

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

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic.

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

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details from 2003/04, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

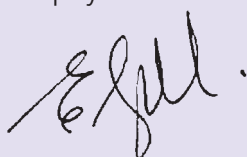
This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation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

Former Senior Managers

No awards or compensation payments have been made to former Senior Managers during 2005 / 06.

Third Parties

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



Eleanor Gill
Accounting Officer

Statement of Council's and Chief Executive's Responsibilities

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

In preparing the accounts the Consumer Council is required to:

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

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

By order of the board



Stephen Costello
Chairman



Eleanor Gill
Chief Executive

Statement of Internal Control

1. Scope of responsibility

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

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

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of Consumer Council policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Consumer Council for the year ended 31 March 2006 and up to the date of approval of the annual report and accounts and accords with DFP guidance.

3. Capacity to handle risk

During the 2005 / 2006 financial year I have improved the robustness of the procedures necessary to ensure that we identify the Consumer Council's objectives and risks and devise a control strategy for each of the significant risks. As a result, risk ownership has been allocated to appropriate staff and members via Audit Committee and Council. More specifically the Consumer Council has:

- complied with the implementation of enhanced Corporate Governance processes directed by the Department of Enterprise, Trade and Investment;
- continued to develop, review, monitor, enhance and implement a risk management process in consultation with the Department of Enterprise, Trade and Investment;
- established a system of reporting and approving governance and risk items discussed at the Audit Committee under the Chairman's agenda section of Council meetings;

- continued to incorporate risk management awareness sessions into Senior Management Team meetings and established quarterly risk management meetings;
- reviewed and updated the fraud response plan;
- continued a process of “planned” systems failures on quarterly basis to test the remote back-up facility for our IT infrastructure and address business continuity requirements;
- developed and implemented a three-year internal audit plan focussing on annual audits of key systems and tri-annual audits of supporting systems, which is kept under close review by the Audit Committee and Council;
- reviewed and updated financial and purchasing procedures;
- carried out a system of quarterly risk reporting via stewardship statements; and
- continued a formal system of risk reporting to the Audit Committee and the Council.

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

In 2004 the Consumer Council appointed McClure Watters to run its Internal Audit programme. This programme operates to standards defined in the new Government Internal Audit Manual. In the 2005/06 financial year audits were carried out in the following areas:

- budgets and funding;
- information management including freedom of information;
- recruitment, retention and absence;
- IS strategy;
- consumer complaints;
- consumer education; and
- risk management and corporate governance.

Overall full assurance was given in budgets and funding. Full assurance was also given in the area of commissioning of consumer education services. Overall substantial ratings for assurance were given in all of the other areas audited.

The Consumer Council has recently put in place Key Corporate Performance Indicators

and we have identified one key measure as the implementation of internal audit recommendations within six months of the recommendation being accepted.

4. The risk and control framework

The Consumer Council has in place a framework for risk management, which includes arrangements to identify, assess and manage risks across all aspects of its governance and business. Risks are monitored and reviewed on a continual basis and the Senior Management Team and myself undertake a formal review on a quarterly basis. Council members also review risk reports.

5. Review of effectiveness

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

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

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

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

Departmental Audit Committee and reports on risk to the Department of Enterprise Trade and Investment.

6. Significant Internal Control Problems

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

A handwritten signature in black ink, appearing to read 'E. Gill', with a small dot at the end.

Eleanor Gill

The Certificate and Report of the Comptroller and Auditor General to the House of Commons and 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 2006 under the General Consumer Council (Northern Ireland) Order 1984. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Council, Chief Executive and auditor

The Council and Chief Executive are responsible for preparing the Annual Report and the financial statements in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Council's and Chief Executive's Responsibilities.

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

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

I review whether the statement on pages 50 to 52 reflects the Council's compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control, and I report if it does not. I am not required to consider whether the Accounting Officer's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Council's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Foreword, Consumer Themes, Learning for the Future, Embracing Diversity, Promoting Equality and Good Relations, Corporate Performance Indicators, the Management

Commentary and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

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

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

Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder of the state of the Council's affairs as at 31 March 2006 and of its deficit for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department of Enterprise Trade and Investment directions made thereunder;
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

A handwritten signature in black ink, appearing to read 'JM Dowdall CB', written in a cursive style.

JM Dowdall CB

Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

July 2006

Income and Expenditure Account Year Ended 31 March 2006

	Note	2006		2005	
		£	£	£	£
Grants received from Department of Enterprise, Trade and Investment	2		1,542,183		1,643,268
Operating receipts	3		3,150		7,358
Independent project income	4		24,170		19,877
OFREG contributions	5		-		254,457
Other operating income	15		103,941		113,657
			<u>1,673,444</u>		<u>2,038,617</u>
Less:					
Work programme	6	284,722		431,914	
Salaries and wages	7	906,274		892,461	
Other operating payments	9	375,219		323,140	
OFREG contribution paid to DETI	5	-		254,457	
Depreciation charge for year	11	103,941		113,657	
Notional cost of capital		5,369		8,044	
			<u>1,675,525</u>		<u>2,023,673</u>
(Deficit)/Surplus for the year			(2,081)		14,944
Credit in respect of notional cost of capital			5,369		8,044
Amount transferred to reserves	15		<u>3,288</u>		<u>22,988</u>

The amounts set out above arise wholly from continuing operations.
The notes on pages 54 to 63 form part of the financial statements.

Statement of Total Recognised Gains and Losses Year ended 31 March 2006

	2006 £	2005 £
(Deficit)/Surplus for the year	(2,081)	14,944
Unrealised surplus on revaluation of fixed assets	-	-
Total recognised (loss)/gain	<u>(2,081)</u>	<u>14,944</u>

The notes on pages 54 to 63 form part of the financial statements.

Cash Flow Statement Year ending 31 March 2006

	Note	2006 £		2005 £	
Net cash (outflow)/inflow from continuing operating activities	16	(35,164)		70,406	
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(42,243)		(16,189)	
Receipts from sale of fixed assets		10		27	
Net cash flow before financing		<u>(77,397)</u>		<u>54,244</u>	
Financing					
Capital grant contributions - DETI		42,243		16,189	
		<u>42,243</u>		<u>16,189</u>	
(Decrease)/Increase in cash	17	<u>(35,154)</u>		<u>70,433</u>	

The notes on pages 54 to 63 form part of the financial statements.

Balance Sheet 31 March 2006

	Note	£	2006 £	£	2005 £
Fixed assets	11		77,780		139,478
Current assets					
Debtors and prepayments	12	24,934		20,195	
Cash at bank	17	129,571		164,725	
		<u>154,505</u>		<u>184,920</u>	
Creditors – amounts falling due within one year	13	(108,097)		(141,800)	
Net current assets			<u>46,408</u>		<u>43,120</u>
Total assets less current liabilities			<u>124,188</u>		<u>182,598</u>
Net assets			<u>124,188</u>		<u>182,598</u>
Capital and reserves					
Government grant reserve	15		77,780		139,478
General fund	15		46,408		43,120
			<u>124,188</u>		<u>182,598</u>

The notes on pages 54 to 63 form part of the financial statements.

Notes Forming Part of the Financial Statements

1 Accounting policies

(i) Basis of accounting

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

(ii) Depreciation

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

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

Depreciation is provided from the month of addition.

(iii) Grant recognition

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

Revenue grant is recognised in the year to which it relates.

(iv) Capital Charge

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

(v) Pensions

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

(vi) Early Departure Costs

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

2 Grants received from Department of Enterprise, Trade and Investment

	2006	2005
	£	£
DETI Grant-in-Aid	1,584,426	1,639,457
Transfer to capital expenditure	(42,243)	(16,189)
Reversal of retention	-	20,000
	<u>1,542,183</u>	<u>1,643,268</u>

3 Operating receipts

	2006	2005
	£	£
Conference attendance fee	294	368
Disposal of assets	10	27
Bank interest received	2,596	-
Inland Revenue bonus re e-submission	250	-
Refund received	-	3,463
Research work	-	3,500
	<u>3,150</u>	<u>7,358</u>

4 Independent project income

	2006	2005
	£	£
Contribution towards Yellow Pages / phone book	9,220	9,616
Contributions towards Young Consumer Competition	9,950	10,000
Contribution towards Money in your Life DVD	5,000	-
Contribution towards MLA Challenge Event	-	261
	<u>24,170</u>	<u>19,877</u>

5 OFREG contributions

Under its arrangements with the Office of Regulation for Electricity and Gas for Northern Ireland (OFREG NI), the Consumer Council incurs expenditure on matters related to the electricity and gas industry in Northern Ireland. From 2006 OFREG reimbursed DETI directly. Prior to this the expenditure was reimbursed by OFREG and then forwarded to DETI.

6 Work programme

	2006	2005
	£	£
Consumer education and skills	90,072	250,183
Energy	46,942	36,236
Complaints	33,870	41,323
Consumer Affairs	61,017	40,465
Corporate Management	5,729	32,214
Communications including website	47,092	31,493
	<u>284,722</u>	<u>431,914</u>
	<u><u>284,722</u></u>	<u><u>431,914</u></u>

The work programme expenditure has been reclassified from the 2005 Annual Report to allow easier reconciliation to Internal Management reports.

7 Staff and pension costs

	2006		2005	
	£	£	£	£
(a) Council members' remuneration and allowances				
Chairman's salary - gross	20,511		20,011	
Social security costs	1,998		1,954	
Members' fees	20,784		22,161	
	<u> </u>	43,293	<u> </u>	44,126
(b) Staff salaries				
Salaries - gross	655,983		559,196	
Social security costs	49,209		42,768	
Superannuation	113,322		72,085	
Consumer Skills for All - salaries	-		91,684	
- social security costs	-		6,932	
- superannuation	-		11,902	
Contract Staff	44,467		62,899	
	<u> </u>	862,981	<u> </u>	847,466
(c) Early departure costs		-		869
		<u> </u>		<u> </u>
		<u><u>906,274</u></u>		<u><u>892,461</u></u>

7 Staff and pension costs (continued)

The number of persons employed by the Consumer Council as at 31 March 2006, excluding Council Members, is shown in the table below.

	2006	2005
Management	9	8
Professional staff	12	11
Administrator (1 part time – 20hrs per week)	1	2
Clerical and secretarial	6	7
	<hr/>	<hr/>
	28	28
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons employed in 2005/06 was 28 (2004/05 28).

Pension

The Principal Civil Service Pension Scheme (NI) (PCSPS (NI)) is an unfunded defined benefit scheme, which produces its own resource accounts, but the Consumer Council is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2003 and details of this valuation are available in the PCSPS(NI) resource accounts.

For 2005-06, employers' contributions of £112,651 were payable to the PCSPS(NI) (2004-05 £83,417) at one of four rates in the range 16.5 to 23.5 per cent of pensionable pay, based on salary bands (2004-05 rates were 12 to 18 per cent). These rates have increased from 1 April 2005 as a result of the latest actuarial valuation. The Consumer Council has no employees with pensionable pay in the highest salary band of 23.5%. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £671 (2004-05 £570) were paid to one or more of a panel of four appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent of pensionable pay. Employers' also match employee contributions up to 3 per cent of pensionable pay.

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

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

(a) Classic Scheme

Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three year's pension is payable on retirement. Members pay contributions of 1.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable

7 Staff and pension costs (continued)

pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

(b) Premium Scheme

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

(c) Classic Plus Scheme

This is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic. All staff in service at 1 October 2002 will be given the option to join the premium or classic plus arrangements.

Pensions payable under classic, premium and classic plus are increased in line with the Retail Prices Index.

(d) Partnership Pension Account

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

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

Contributions prepaid to the PCSPS (NI) at 31 March 2006 were £Nil.

8 Council members' remuneration and allowances

The Council consists of a part-time chairman, a deputy chairman and up to 14 other members, plus co-opted members, as required. The emoluments of the chairman, who was also the highest paid Council member, were £22,509 (2005: £21,965). The emoluments of the Council members (including the chairman) were within the following ranges:

	2006	2005
£0 - £5,000	25	17
£10,001 - £15,000	-	-
£15,001 - £20,000	-	-
£20,001 - £25,000	1	1
	<hr/>	<hr/>
	26	18
	<hr/> <hr/>	<hr/> <hr/>

In addition, Council members' expenses amounting to £23,988 (2005: £11,604) have been paid during the year and are reflected under other operating payments.

9 Other operating payments

	2006	2005
	£	£
Rent, rates and service charges	164,340	141,867
Maintenance, repairs and cleaning	15,827	18,132
Insurance	-	9,263
Electricity	6,205	5,375
Telephone and postage	22,099	17,945
Printing and stationery	20,539	18,610
Office machinery - rentals and maintenance	20,956	25,936
Staff training and development	25,667	26,784
Recruitment and induction costs	20,678	11,181
Staff travel	20,226	22,012
Members' expenses	23,988	11,604
Hospitality, including catering	800	1,247
Audit fees – external audit	3,300	3,492
– internal audit	4,201	4,500
Health and Safety	822	1,029
Legal fees	25,047	4,031
Sundry expenses	339	38
Bank charges	185	94
	<hr/>	<hr/>
	375,219	323,140
	<hr/> <hr/>	<hr/> <hr/>

10 Surplus/(Deficit) for the financial year

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

11 Fixed assets

	Alterations	Furniture and fittings	Office equipment	Total
	£	£	£	£
Cost / valuation				
At 1 April 2005	286,099	78,428	107,413	471,940
Additions	10,045	9,214	22,984	42,243
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2006	296,144	87,642	130,397	514,183
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2005	213,993	39,617	78,852	332,462
Charge for year	72,105	15,803	16,033	103,941
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2006	286,098	55,420	94,885	436,403
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2006	10,046	32,222	35,512	77,780
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	72,106	38,811	28,561	139,478
	<hr/>	<hr/>	<hr/>	<hr/>

12 Debtors

	2006	2005
	£	£
Debtors and Prepayments	24,934	20,195
	<hr/>	<hr/>
	24,934	20,195
	<hr/>	<hr/>

13 Creditors – amounts falling due within one year

	2006 £	2005 £
Sundry Creditors and Accruals	108,097	141,800
	<u>108,097</u>	<u>141,800</u>

14 Provision for liabilities and charges

	2006 £	2005 £
Opening provision – Early departure costs	-	516
Used during year	-	(516)
	<u>-</u>	<u>-</u>
Closing provision	-	-

15 Reconciliation of movement in reserves

	General fund £	Government grant reserve £	2006 Total £	2005 Total £
At 1 April 2005	43,120	139,478	182,598	277,078
Movements on reserve				
Surplus/(Deficit) for year	(2,081)		(2,081)	14,944
DETI Capital grant		42,243	42,243	16,189
Credit for notional cost of capital	5,369		5,369	8,044
Release to income and expenditure		(103,941)	(103,941)	(113,657)
Waiver of retention fee			-	(20,000)
	<u>46,408</u>	<u>77,780</u>	<u>124,188</u>	<u>182,598</u>

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

	2006	2005
	£	£
(Deficit)/Surplus for year	(2,081)	14,944
Adjustments for non-cash transactions		
Depreciation and other amounts written off tangible fixed assets	103,941	113,657
Release from Government Grant Reserve	(103,941)	(133,657)
Profit on disposal of fixed assets	(10)	(27)
Notional cost of capital	5,369	8,044
Adjustments for movements in working capital		
(Increase)/Decrease in debtors	(4,739)	7,351
(Decrease)/Increase in creditors	(33,703)	60,094
Net cash (outflow)/inflow from continuing operating activities	<u>(35,164)</u>	<u>70,406</u>

17 Reconciliation of net cash flow to movement in bank balance

	2006	2005
	£	£
(Decrease)/Increase in cash	(35,154)	70,433
Bank balance at 1 April 2005	164,725	94,292
Bank balance at 31 March 2006	<u>129,571</u>	<u>164,725</u>

18 Capital commitments

There were no capital commitments at the balance sheet date.

19 Contingent liabilities

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

20 Related party transactions

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

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

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

21 Approval of Accounts

The financial statements on pages 54 to 63 were approved by the Council on 21st June 2006 and signed on its behalf by:

By order of the Council



Stephen Costello
Chairman



Eleanor Gill
Chief Executive

