



**The General Consumer Council for Northern Ireland  
Annual Report and Accounts  
For the year ended 31 March 2017**

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

on

6 July 2017

# Contents

	<b>Page</b>
<b>Performance Report</b>	<b>2</b>
Overview	3
Performance Analysis	14
<b>Accountability Report</b>	<b>27</b>
Corporate Governance Report	28
Remuneration and Staff Report	39
Assembly Accountability and Audit Report	48
<b>The Certificate and Report of Comptroller and Auditor General to the Northern Ireland Assembly</b>	<b>49</b>
<b>Financial Statements</b>	<b>51</b>
Statement of Comprehensive Net Expenditure	52
Statement of Financial Position	53
Statement of Cash Flows	54
Statement of Changes in Taxpayers' Equity	55
Notes to the Accounts	56



## **PERFORMANCE REPORT**

## Overview

### Chair and Chief Executive's Perspective on Performance in 2016–17

Northern Ireland consumers spend over £27.5bn<sup>1</sup> a year on goods and services. Confident and active consumers play a key role in driving vigorous competition between firms, which then compete to supply what consumers want at the most efficient price. Consumer confidence is vital for both Northern Ireland's economic growth and the establishment of effective and competitive markets.

The Consumer Council works to make a positive difference for consumers in Northern Ireland. Our principle objective is to promote and safeguard the interests of both existing and future consumers. This includes consumers who are in vulnerable circumstances. For example, of pensionable age, have a disability, are chronically sick, on low incomes, or are living in rural areas.

During 2016-17, we have looked to make a real difference for consumers by developing the five strategic aims of our 2016-21 Corporate Plan:

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

To assist in this, The Consumer Council undertook an organisational restructure during the year. The purpose of the restructure was to put an increased focus on developing our research capability and expertise, and increasing our engagement and interaction with consumers and local communities.

2016-17 has been a busy and successful year for The Consumer Council. During the year, we have:

- Seen a 25% increase in Stage 2 complaints, and a 52% increase in Stage 1 complaints to The Consumer Council, and returned £278k back to consumers across Northern Ireland;
- Developed a more efficient complaints handling process. By working in partnership with energy, water, transport and postal providers we have been able to reduce the average time it takes to resolve a complaint by 13 days (currently 43 days, down from 56 days in 2015-16);
- Worked to promote The Consumer Council website, which has seen the number of visits increase by 7%, and a 15% increase in the average time spent on the website;

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<sup>1</sup> Structure of the Northern Ireland Economy, NISRA, December 2015

- Launched an interactive energy price comparison website tool for Northern Ireland. Since its launch in June 2016, the price comparison tool has received nearly 45,000 website hits;
- Been shortlisted as finalists in the inaugural UK Complaints Handling Award which recognises and rewards outstanding achievement in complaint handling. The Consumer Council was a finalist in the pro-active complaints handling category which examined how an organisation has tried to improve customer experience and how we anticipate consumers' current and future needs;
- Launched the Girl Guides' Guided Consumer Badge, with Economy Minister, Simon Hamilton MLA, in September 2016. To date, over 30 Girl Guide Units/over 900 Girl Guides from across Northern Ireland have completed the award;
- Undertaken the UK's first Consumer Parliament, which took place in Belfast, in March 2017. Over 140 consumers and stakeholders attended, and discussed energy, water, postal, transport and consumer rights issues;
- Worked with the Utility Regulator and the electricity industry to ensure that Open Electric consumers received no interruption to their electricity supply after the company ceased trading in December 2017;
- Worked with Post Office Limited to highlight the impact to consumers with reduced mobility of their proposed post office relocation in Donaghadee. Following this, Post Office Limited decided to withdraw their proposal;
- Worked with Royal Mail to secure the introduction of approximately 280 new post boxes across Northern Ireland. The new boxes will mainly be located in rural areas and new housing developments. Following their installation, 98% of households in Northern Ireland will be within half a mile of a post box;
- Worked in partnership with LINK to help facilitate the provision of a new free to use cash machine in Millisle. As of March 2017, The Consumer Council has helped support LINK to provide 75 free to use cash machines across Northern Ireland in areas of high deprivation;
- Undertaken a site visit at City of Derry Airport with consumers who have disabilities and mobility needs. Participants made suggestions to the Airport for improvements in relation to car parking, the check-in area, security, the departure lounge and travelling with an assistance dog. The Airport has implemented, or are progressing, the majority of the recommendations that were raised during the site visit;
- Engaged with over 1,000 businesses to provide water efficiency advice and water bill checks. During the year, this work has resulted in £173k being returned to local businesses; and

- Gained agreement with the Department for Infrastructure (DfI), NI Water and the Utility Regulator that retrospective charging of non-domestic customers by NI Water would be reduced from 6 years to 18 months. The new policy will commence from the start of April 2017.

Going forward we will continue in our mission of promoting and safeguarding the interests of consumers in Northern Ireland by empowering them and providing a strong representative voice to policy-makers, regulators and service providers.



**Sheila McClelland**  
**Chairperson**



**John French**  
**Chief Executive**

## The Purpose and Activities of The Consumer Council

The General Consumer Council for Northern Ireland (The Consumer Council) is a non-departmental public body (NDPB), sponsored by the Department for the Economy (DfE). The Consumer Council was established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland.

Our main statutory functions are to:

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

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

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

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

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

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

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<sup>3</sup> The General Consumer Council Order (Northern Ireland) 1984; Electricity Order (Northern Ireland) 1992; The Gas Order (Northern Ireland) 1996; Energy Order 2003; Energy Act (Northern Ireland) 2011; The Gas and Electricity (Internal Markets) Regulations (Northern Ireland) 2011; The Gas and Electricity Licence Modification and Appeals Regulations (Northern Ireland) 2015; and Electricity and Gas regulatory Licences. In September 1995, following direction from the then President of the Board of Trade, The Consumer Council took the role of promoting and safeguarding the interests of domestic coal consumers in Northern Ireland, including the functions of the Coal Ombudsman.

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

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

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



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

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

#### Key Issues and Risks Affecting the Consumer Council in 2016–17

The Consumer Council experienced significant change in 2016-17.

The Consumer Council underwent an organisational restructure in 2016-17. Six staff left The Consumer Council through the operation of a Voluntary Exit Scheme (VES). The VES was funded from the Public Sector Transformation Fund. Four staff left their posts under the VES on 30 September 2016, one on 31 October 2016 and one on 28 February 2017. The organisational restructure went live on 1 October 2016. The Consumer Council worked

closely with HR Connect Recruitment and Selection during 2016-17 to recruit the new posts. All posts under the new restructure are expected to be in place by July 2017.

In August 2016, The Consumer Council transferred to HR Connect for the delivery of payroll and recruitment and selection services. ASM (Internal Audit) performed a Payroll and Pensions audit in October 2016 which received satisfactory assurance with no audit recommendations.

In July 2016, Mick McAteer was appointed as the Deputy Chair of The Consumer Council. This appointment is fully described in the Corporate Governance Report.

The key corporate risks that were managed by The Consumer Council in 2016-17 were as follows:

- Inadequate or weak internal controls/governance framework resulting in a breach of the Management Statement and Financial Memorandum (MSFM);
- Year end overspend/underspend and/or qualification resulting from ineffective use and management of financial resources, or from external factors;
- Failure to recruit and/or retain appropriately skilled staff resulting in The Consumer Council not being able to deliver key corporate objectives and impacting on the reputation of the organisation;
- Staff morale and commitment to deliver The Consumer Council's aims and objectives being adversely affected by concerns about organisational changes and job security; and
- Provision of poor information or advice resulting in failure to achieve The Consumer Council policy positions and/or causing reputational damage.

None of these risks materialised in 2016-17. Whilst we did not have full staff resources in place for the full year, we are satisfied that this was managed to enable us to deliver key corporate objectives to maintain our reputation.

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

In June 2016, the UK electorate voted to leave the European Union. It is still too early to tell the impact of this vote on NI consumers. Early indications show that the UK Government will incorporate existing consumer rights into UK law. The Consumer Council will continue to work in partnership with the Consumer Protection Partnership (CPP), European Consumer Centre Network (ECC Net), and other bodies to ensure NI consumers are protected throughout the Brexit process and that the views of NI consumers are taken into account in the development of cross border markets such as:

- All-Island Electricity Market;
- Cross border public transport arrangements (train and bus);
- Air travel to and from NI; and
- Cross border postal issues.

### Going Concern

As of the 31 March 2017, The Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £25,653. These and other liabilities will be met by future grant-in-aid, received from and approved annually by the Department for the Economy (DfE), Department for Infrastructure (DfI), and Department for Business, Energy and Industrial Strategy (BEIS). DfE core grant funding for 2017-18 has yet to be approved. Planned activities for 2017-18 have been formulated in light of the requested funding applied to DfE, DfI and BEIS for 2017-18. Therefore, the future financing of The Consumer Council liabilities is expected to be met by DfE, DfI and BEIS. In this context, the accounts have been prepared on a going concern basis.

### Performance Summary

The Consumer Council successfully delivered the majority of its planned objectives for 2016-17. This was achieved against a period of organisational restructure, in which The Consumer Council did not have the full staff resources in place due to delays to recruitment of posts.

The key achievements during 2016-17 were:

- A 25% increase in Stage 2 complaints, and a 52% increase in Stage 1 complaints. With £278k returned to consumers;
- A 13 day reduction in the average time it took to resolve a complaint (43 days in 2016/17, compared to 56 days in 2015/16);
- Occurrence of 42 events, 52 presentations and 13 “train the trainer” workshops with over 2,800 attendees;
- Increased website visits by 7% and the average time spent on the website by 15%. In addition, Twitter followers have increased by 8% and Facebook followers have increased by 11%;
- Launch of an interactive energy price comparison website tool in June 2016. Since its launch the price comparison tool has received nearly 45,000 website hits. In parallel to the launch of this tool, we developed and published a six-monthly survey of consumers’ overall satisfaction with their electricity supplier;

- Finalists in the inaugural UK Complaints Handling Award for The Consumer Council's energy switching tool;
- Launch of the Girl Guides' Guided Consumer Badge which highlights consumer rights following the introduction of the Consumer Rights Act 2015, with Economy Minister, Simon Hamilton in September 2016. To date, over 30 Girl Guide Units/over 900 Girl Guides from across Northern Ireland have completed the award;
- The inaugural Consumer Parliament in March 2017 in Belfast, with over 140 consumers and stakeholders attending. The Parliament provided an opportunity for consumers to discuss their issues face-to-face with stakeholders;
- Hosting of the bi-annual North/South Consumer Organisations Working Group in both May 2016 and November 2016;
- Review of nearly 30 proposals under Post Office's Network Transformation Programme to ensure access to postal services was maintained;
- Acting as the statutory third party consumer representative in Firmus Energy's appeal of the GD17 Price Control Final Determination. We provided both written and oral evidence to the Competition and Markets Authority licence modification appeal process in March 2017;
- Provision of both written and oral evidence to Northern Ireland Affairs Select Committee inquiry into the Electricity Sector in Northern Ireland, and the Planning Appeals Commission inquiry on the North-South Interconnector. In addition, we worked in partnership with Phoenix Natural Gas to promote its natural gas network extension into East Down;
- Working in partnership with the DfE, NIE Networks, and the Utility Regulator to write and publish a report on consumers' views on the electricity network. This report was the first time in Northern Ireland that consumers' views were formally taken into account as part of the energy price control process. As part of the process, over 1,700 business and domestic consumers were asked their views on NIE Network's proposals to reduce power cuts, increase network resilience against severe weather, and ensure future electricity needs are met;
- Working with the Utility Regulator and the electricity industry to ensure that consumers were fully supported following the closure of Open Electric in December 2017;
- Following Post Office Limited announcement that it was going to close two Crown Offices (Shaftesbury Square, Belfast and Antrim), The Consumer Council provided guidance and advice to local groups, and represented their views to Post Office Limited. As a result of this work, Post Office Limited has agreed to introduce a new

post office service in the Shaftesbury Square area, and ensure that post office services will remain within Antrim town centre;

- Securing the successful withdrawal of Post Office proposed relocation in Donaghadee, which would have caused significant detriment to more vulnerable consumers. In addition, working with Royal Mail we also managed to secure the introduction of around 280 new post boxes to improve consumer access. The new boxes will mainly be located in rural areas and new housing developments. Following this, 98% of households in Northern Ireland will be within half a mile of a post box;
- Continuing our work on online parcel surcharging, and securing commitment from the communications regulator, Ofcom, that they would undertake work on the causes and effects of surcharging for parcels in NI. In parallel to this, we undertook an online survey on consumers experience of on-line retailers, which will provide an evidence base for us to pursue specific issues with UK retailers;
- Working in partnership with LINK to help facilitate the provision of a new free to use cash machine in Millisle. As of March 2017, The Consumer Council has helped support LINK to provide 75 free to use cash machines across Northern Ireland in areas of high deprivation;
- A site visit at City of Derry Airport with participants that have a range of disabilities and mobility needs. Participants made suggestions for improvements in relation to car parking, the check-in area, security, the departure lounge and travelling with an assistance dog. The airport has implemented or are progressing the majority of the recommendations that were made by participants;
- Engaging with over 1,000 businesses to give water efficiency advice and check that their water bills were correct. Our engagement has included direct one on one assessments, publications in trade magazines, ezines, social media and presentations and workshops. During 2016-17, this work has resulted in £173k being returned back to local businesses;
- Agreement with DfI, NI Water and the Utility Regulator that retrospective charging of non-domestic customers by NI Water would be reduced from 6 years to 18 months. This new policy will commence from the start of April 2017;
- Launch in July 2016, in partnership with the Police Service of Northern Ireland (PSNI) and Trading Standards Service (TSS) a scams leaflet warning consumers in Northern Ireland about common scams. This leaflet is entitled 'Know the signs...to stop the crime'. It informs consumers about the different types of scams, how to protect themselves and how to report them. In total, 8,000 scams leaflets have been disseminated directly to consumers and to key stakeholders. In addition, in April 2016, The Consumer Council was invited to become a member of the Scamwise NI Partnership, led by PSNI. The Partnership, which also has representatives from TSS,

Department of Justice, the Commissioner for Older People, and Age Sector Platform, was launched at Parliament Buildings, Stormont, in November 2016;

- A 'Spot and Stop Scams' Conference in partnership with Mark H Durkin MLA in Londonderry in November 2017. The conference's aim was to raise domestic and business consumers' awareness of scams. The event was supported by PSNI, TSS, and the Information Commissioner's Office; and
- In partnership with Libraries NI, The Consumer Council undertook seven drop-in events in towns affected by bank closures, to provide consumers with information and advice on switching bank accounts, avoiding scams, shopping safely online, and using the Post Office for transactions. To support this work, The Consumer Council launched a current account comparison table to help consumers compare the various offers from banks in Northern Ireland.

## Performance Analysis

### Performance Monitoring

The Consumer Council's Corporate Plan covers the period 2016-2021. This plan awaits formal approval from DfE. This approval is dependent on the finalisation of the Programme for Government (PfG). The Consumer Council's objectives and outputs for the year were set out in our Forward Work Programme for 2016-2017, which was publicly consulted upon<sup>7</sup>.

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

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

### Performance Against Objectives

The Consumer Council's work in 2016-17 was aligned under five strategic objectives, under which specific objectives and outputs were set. Our achievement of the objectives and delivery of the planned outputs for 2016-17 are recorded under each strategic objective below.

#### **Objective 1: To Empower Consumers**

Through this objective, The Consumer Council will encourage and assist consumers to develop the knowledge and skills necessary to make choices to enable them to feel confident about taking independent action in pursuit of their rights.

<b>Project Description</b>	<b>Anticipated Outputs for this Project</b>	<b>Performance</b>
1. Develop partnerships with advisory organisations to undertake a 'train the advisor' model for consumer empowerment. A systematic approach to train advisory organisations such as Citizens Advice Bureau NI (CABNI), Advice NI, Disability Action, Macmillan Cancer Support and Save the Children on consumer empowerment issues and the statutory role of the Consumer Council.	An increase in consumer education within Northern Ireland and a greater understanding of the statutory complaints and advocacy role of the Consumer Council throughout the advice sector. In addition, this should mean an increase in Stage 2 complaints referred from partner organisations and an increased evidence base for policy interventions.	<b><i>Output fully delivered.</i></b> Advisor training was provided to Supporting Communities NI, CABNI, Age NI, Disability Action and Causeway Coast and Glens Welfare Officers. In addition, we have delivered a further eight workshops for MLA constituency offices.
2. Develop advice videos to be used on the Consumer Council website and on social media in the areas of energy, food, postal services, transport,	To support consumers who need help to interpret or apply consumer information. The impact of the provision of this advice will be monitored by the expected increased	<b><i>Output fully delivered.</i></b> We have produced consumer advice videos for our website and on social media for energy, post, transport, water and sewerage, consumer rights

<sup>7</sup> The Consumer Council is required under statute to publicly consult on and publish a Forward Work Programme covering our responsibilities for energy, postal services, transport, and water and sewerage.

<p>water and sewerage, consumer rights, shopping safely online, and how to make a complaint. The Consumer Council has a good range of information leaflets. This project will look to take this resource further by supporting consumers to interpret and apply consumer information so that they can choose effectively and assert their rights.</p>	<p>usage of the Consumer Council website and social media pages.</p>	<p>and shopping on-line safely. In addition, we have undertaken joint videos with OFTEC about boiler servicing and the dangers of carbon monoxide.</p>
<p>3. Develop educational partnerships with the education and youth sector to produce consumer education resources on a range of consumer issues. The activities will be designed for educators/group leaders to use to raise awareness of consumer rights and responsibilities, and for learners to develop the skills and confidence to deal with consumer issues.</p>	<p>To develop educational programmes with educational and youth sectors to develop consumer skills and confidence. Build on the success of our work with the Girl Guides Association; we aim to work with at least two education and youth sector partners throughout 2016/17.</p>	<p><b>Output fully delivered.</b> A Ministerial launch with Economy Minister, Simon Hamilton, MLA, on 29 September 2016 with the Girl Guides from 7<sup>th</sup> Bangor Guide Unit. To date, over 30 units have completed the Guided Consumer resources resulting in over 900 girls receiving the Guided Consumer badge and certificate. Educational partnerships have been progressed with both the Boys Brigade and the Scout Association. In collaboration with Save the Children, we have developed a range of workshops for its Families and Schools Together (FAST) programme. These workshops will be piloted by two schools, if there is take-up by the parents involved in these schemes.</p>
<p>4. Develop consumer rights campaigns based around:</p> <ul style="list-style-type: none"> <li>• Scams Awareness Month (July 16);</li> <li>• Summer Holiday Travel (Summer 16);</li> <li>• Gas Safe Week (September 16);</li> <li>• European Mobility Week (September 16);</li> <li>• Energy Savings Week (October 16);</li> <li>• National Consumer Week (November 16);</li> <li>• Cyber Monday/Black Friday (November 16);</li> <li>• Christmas Shopping and returns (December 16 and January 17);</li> <li>• World Water Day (March 17); and</li> <li>• World Consumer Rights Day (March 17).</li> </ul>	<p>To develop consumer rights awareness campaigns with partners such as the CPP and CRINI to highlight topical consumer issues. The impact of these campaigns will be monitored by increased usage of the Consumer Council website and social media pages. In addition, we plan to undertake an independent feedback survey to monitor consumer awareness.</p>	<p><b>Output fully delivered.</b> Consumer rights campaigns were launched throughout the year to highlight topical messages across The Consumer Council's statutory remit. Through this work there has been an increased usage in website traffic and social media pages:</p> <ul style="list-style-type: none"> <li>• Website visits have increased by 7%;</li> <li>• Average time spent on the website has increased by 15%;</li> <li>• Twitter followers increased by 8%; and</li> <li>• Facebook followers increased by 11%.</li> </ul>



## Objective 2: To Represent Consumers

Under this objective, The Consumer Council will speak out on behalf of consumers, and ensure their interests are articulated and defended. The Consumer Council will seek to ensure that public policies are developed with their potential effect on people as consumers in mind, and that their contribution to consumer well-being is recognised as an important policy goal.

Project Description	Anticipated Outputs for this Project	Performance
<p>1. To undertake a consumer “parliament” to allow consumers from across Northern Ireland to have their say on the issues that matter to them.</p>	<p>To hear the views of consumers from across Northern Ireland and provide a forum for them to discuss concerns they have. It will enable consumer issues to be identified and debated. The event will also provide an opportunity to offer consumers education and advice. Following the event a report will be produced highlighting consumer recommendations for policy-makers and regulators.</p>	<p><b>Output fully delivered</b> The inaugural Consumer Parliament was successfully undertaken on 24 March 2017 in Belfast, with over 140 consumers and stakeholders attending. The report from the event is being finalised and will be published in Q1 2017-18.</p>
<p>2. To produce a report on the needs of low income consumers. The Consumer Council, under the Energy Order 2003, Water and Sewerage Order 2006, and the Public Order Act 2014, has a duty to have regard to consumers who are on low income. We will aim to work in partnership with Save the Children and their Families and Schools Together (FAST) Programme to develop an evidence based report on the specific needs of low income consumers in Northern Ireland.</p>	<p>The report will highlight the specific needs of low income consumers in Northern Ireland, and action plans will be developed to address areas of concern.</p>	<p><b>Output fully delivered</b> A report was produced with Andrew Webb Associates. The findings of this report were presented at our Consumer Parliament in March 2017. This work has been used to influence our work with stakeholders. A final published report will be released in Q1 2017-18.</p> <p>In addition to this report, The Consumer Council has undertaken an in-depth study of postal consumers, particularly focusing on those whose circumstances are more vulnerable, including those on low income, in rural areas and disabled and chronically sick. This work has been used to influence our work with stakeholders. A final published report will be released in Q1 2017-18.</p>
<p>3. To produce a report on the needs of disabled and chronically sick consumers. The Consumer Council, under the Energy Order 2003, Water and Sewerage Order 2006 and the Public Order Act 2014, has a duty to have regard to disabled and chronically sick consumers. We will aim to work in partnership with organisations such as Disability Action and the Long-Term Conditions Alliance to develop an evidence based report on the</p>	<p>The report will highlight the specific needs of disabled and chronically sick consumers in Northern Ireland, and action plans will be developed to address areas of concern.</p>	<p><b>Output fully delivered</b> A report was produced with Andrew Webb Associates. The findings of this report were presented at our Consumer Parliament in March 2017. This work has been used to influence our work with stakeholders. A final published report will be released in Q1 2017-18.</p>

<p>specific needs of disabled and chronically sick consumers in Northern Ireland.</p>		
<p>4. Produce a report on the differences between consumers in Northern Ireland versus those in Great Britain. The Ministerial Review called on the Consumer Council to have a greater focus on issues that are of regional significance to Northern Ireland. The aim of this report is to look at the similarities and differences between NI consumers and their counterparts in the rest of the UK.</p>	<p>To produce a report which highlights the specific differences between consumers in Northern Ireland and the rest of the UK, and to develop action plans to address areas of concern.</p>	<p><b>Output fully delivered</b> A report was produced with Andrew Webb Associates. The findings of this report were presented at our Consumer Parliament in March 2017. This work has been used to influence our responses to the NI Government's PfG and Industrial Strategy consultations. A final published report will be released in Qtr 1 2017-18.</p>
<p>5. In-line with our responsibility under Civil Aviation (Access to Air Travel for Disabled Persons and Persons with Reduced Mobility) Regulations 2007 we will work with the three NI Airports and disability groups to update the work that was undertaken during our 2014 review.</p>	<p>To undertake a site visit at City of Derry airport and update findings from the 2014-15 visits at the Belfast airports.</p>	<p><b>Output fully delivered</b> In July 2016, the Consumer Council facilitated a site visit at City of Derry Airport with participants with a range of disabilities and mobility needs. A report summarising the findings from this visit provides an update on the changes that have been made at the Belfast airports since similar visits in 2014-15.</p>
<p>6. To undertake proactive consumer advocacy work around the emerging issues such as:</p> <ul style="list-style-type: none"> <li>• Strategic Energy Framework Review;</li> <li>• I-SEM;</li> <li>• Energy Price Controls;</li> <li>• Fuel Poverty Strategy;</li> <li>• Gas Network Extensions;</li> <li>• Renewables;</li> <li>• Energy Efficiency;</li> <li>• Ofcom Review of Postal Regulation 2016;</li> <li>• Ofcom Parcels;</li> <li>• Review of the Social Value of the Post Office Network;</li> <li>• Post Office NTP;</li> <li>• Review of NI Water's Scheme of Charges;</li> <li>• Consultation on Long Term Water Strategy Action Plans;</li> <li>• Consultation on Water Resource and Resilience Plan;</li> <li>• Review NI Water PC15 monitoring plan for new customer measures and satisfaction surveys;</li> <li>• Belfast Rapid Transport;</li> <li>• Translink Ticketing Review; and</li> <li>• Airport Capacity</li> </ul>	<p>To proactively advocate on behalf of consumers and identify areas in how policy and regulation could improve for the benefit of both current and future consumers. In doing so the Consumer Council would work in partnership with the government, regulators and other organisations to help design policies that identify and address the consumer rights issues in areas that they oversee.</p>	<p><b>Output fully delivered</b> The Consumer Council has undertaken proactive advocacy work in the areas which have been set out. During the year, The Consumer Council has:</p> <ul style="list-style-type: none"> <li>• Liaised with key stakeholders from Food Standards Agency in Northern Ireland and Safefood in terms of our food policy work and have maintained our involvement with the All-Island Food Poverty Network;</li> <li>• Launched a report on the impact of bank branch closures and met with all NI banks to explain recommendations designed to help consumers;</li> <li>• Given both written and oral evidence to the Westminster Northern Ireland Affairs Committee Inquiry into electricity, the North-South Interconnector Public Appeals Commission Inquiry, and the firmus energy licence modifications appeal at the CMA's inquiry;</li> <li>• Actively engaged in Senior Energy and Water Stakeholders Groups, the Airport Forums, the Belfast Rapid Transit, Integrated Transport and Taxi stakeholder forum;</li> <li>• Continued to work in partnership</li> </ul>

		<p>with Ofcom on the issue of parcel surcharging. Ofcom has committed to further work in this area in 2017-18, and a collaborative approach with The Consumer Council;</p> <ul style="list-style-type: none"> <li>• Worked with Translink on customer service, and the design and implementation of its new ticketing system;</li> <li>• Reviewed 29 proposals under Post Office’s NTP, and over 960 consumer responses to these within five working days. We worked with Post Office Ltd (POL) to make sure all the issues were identified and action was taken to address any concerns. We received assurances from POL on a range of issues for most proposals. In addition, where improvements were required, we discussed these with POL to address consumers’ concerns. Our discussions led to the withdrawal of one proposal in Donaghadee and improvements in 54% of cases where post offices moved location as part of the NTP;</li> <li>• Published a report on the postal consumer experience of the Post Office’s Network Transformation Programme (NTP) with stakeholder recommendations to improve consumer access to postal services;</li> <li>• Reviewed and provided consumer input into NI Water’s 2017/18 Scheme of Charges;</li> <li>• Monitored improvements in service provision and coverage of NI Water’s Customer Care Register for vulnerable consumers, and conducted a detailed review to inform the Utility Regulator’s Consumer Protection Strategy;</li> <li>• Represented consumers at the interdepartmental Regional Community Resilience Group and sub-groups helping to develop household and community resilience, focusing primarily on flood risk;</li> <li>• Reviewed NI Water’s website and customer data improvements; and</li> <li>• Responded to consultations on: <ul style="list-style-type: none"> <li>• Ofcom’s consultations on Royal Mail’s Regulatory Review and the proposed</li> </ul> </li> </ul>
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		<p>Universal Service Obligation for broadband services;</p> <ul style="list-style-type: none"><li>• Department of Education’s Children and Young Peoples’ Strategy 2017-2027;</li><li>• FCA’s consultations on the high cost of short term credit, proposals to end compensation claims for the mis-selling of payment protection insurance and changes to the Consumer Credit Act;</li><li>• 17 energy public consultations ranging from the Gas Networks Price Control to an Energy Theft Code of Practice;</li><li>• UK Government’s department of Business, Energy and Industrial Strategy (BEIS) consultation on the Post Office Network and its social value; and</li><li>• Department of Transport’s consultation on airport capacity.</li></ul>
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## Objective 3: To Protect Consumers

Under this objective, The Consumer Council will act as an advocate for individuals with cause for complaint, and seek to change for the better the conditions under which public and private sector services are provided to consumers in Northern Ireland.

Project Description	Anticipated Outputs for this Project	Performance
<p>1. To work with the Utility Regulator, and energy companies/Ni Water on their consumer protection strategy, and highlight the statutory role of the Consumer Council's complaint function. The strategy will have a particular focus on vulnerable consumers who tend to benefit least from competitive markets.</p>	<p>To develop a strategy in partnership with the Utility Regulator which will protect all regulated energy and water consumers, and capitalise on the Consumer Council's statutory complaints role.</p>	<p><b>Output fully delivered.</b> The Consumer Council has worked closely with the Utility Regulator and Northern Ireland's energy companies on the Consumer Protection strategy. During the year we have cooperated on:</p> <ul style="list-style-type: none"> <li>• Codes of Practice on Energy Theft and Suppliers Bills and Statements and Guaranteed Standards of Service;</li> <li>• Consumer Protection workshops;</li> <li>• The closure of Open Electric;</li> <li>• Consumer engagement in the GD17 and RP6 gas and electricity network price controls; and</li> <li>• Switching information and energy price comparison tool.</li> </ul>
<p>2. Undertake joint research with Citizens Advice Bureau (CAB) across the UK on the implementation of the Alternative Dispute Resolution (ADR) and its impact on consumers.</p>	<p>To produce a joint report on the implementation of ADR on consumers in the UK and to develop action plans to address areas of concern.</p>	<p><b>Project changed during the year.</b> Due to policy uncertainty around the ADR process and discussions with CAB it was decided to review the outputs of this project. The Consumer Council has therefore looked to advise consumers of their rights through the various ADR processes and signpost to the relevant ADR provider where appropriate.</p>
<p>3. To review the implementation of the ADR for Northern Ireland's airline passengers. From June 2016, airlines will be expected to provide access to an ADR scheme for complaints that they have been unable to resolve. If a sufficient number of airlines agree to provide ADR, the Civil Aviation Authority will withdraw its complaint resolution service. This means that some passengers may not have access to resolving complaints that airlines do not uphold, other than resorting to court action.</p>	<p>To produce a report on the impact of ADR on Northern Ireland's air passengers and to develop action plans to address areas of concern.</p>	<p><b>Project changed during the year.</b> Due to changes with the ADR process for airline passengers by the Department for Transport and the Civil Aviation Authority during 2016-17 this project did not proceed as initially planned. During 2016-17, however, The Consumer Council has continued to provide complaint resolution services to Northern Ireland's consumers and signposts to relevant ADR providers where appropriate.</p>
<p>4. To monitor consumer prices and service in:</p> <ul style="list-style-type: none"> <li>• Energy and Water Prices/Tariff Reviews;</li> <li>• Translink Fare Reviews and Passenger Charter;</li> <li>• Air/Sea price monitoring;</li> </ul>	<p>To monitor and report on the cost of living in Northern Ireland, using a bi-annual income tracker and other indicators such as the Utility Regulator's transparency reports.</p>	<p><b>Output fully delivered.</b> During the year, The Consumer Council conducted two waves of omnibus research to understand consumers' views on household expenditure. Results were shared with economists and government, and used by The</p>

<ul style="list-style-type: none"> <li>• Royal Mail's Universal Service Obligation; and</li> <li>• Consumer Outlook Index.</li> </ul>		<p>Consumer Council as an evidence base in policy development work. In addition, we have:</p> <ul style="list-style-type: none"> <li>• Represented consumers in regulated electricity and natural gas tariff reviews;</li> <li>• Undertaken price surveys for home heating oil, natural gas and electricity;</li> <li>• Researched NI consumer and business views about the price of sending letters and parcels;</li> <li>• Represented Northern Ireland's postal consumers at monthly meetings with key UK wide postal stakeholders including Royal Mail and UK Consumer Advocacy bodies – Citizens Advice and Citizens Advice Scotland;</li> <li>• Monitored the provision of Royal Mail's Universal Postal Service, through its compliance, financial, complaints and quality of service reports;</li> <li>• Responded to pertinent consultations that may have impacted on postal consumers in NI, including changes to Royal Mail's universal domestic and international postal scheme;</li> <li>• Reviewed Translink's Spring and Autumn Passenger Charter Monitoring reviews;</li> <li>• Represented consumers during Translink fare review in January 2017 and assisted Translink in promoting awareness of the changes to fares to passengers;</li> <li>• Monitored air and ferry fares and published the additional charges table to keep passengers informed on fees such as baggage charges and seat reservations for airlines operating in Northern Ireland;</li> <li>• Reviewed and provided consumer input into NI Water's 2017/18 Scheme of Charges. Secured a review of NI Water's Common Billing Agreement information; and</li> <li>• Monitored progress of NI Water's Billing and Metering Project and monitored to conclusion a full review of NI Water's sewerage and trade effluent consents.</li> </ul>
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## Objective 4: To Understand the Needs of Future Consumers and Sustainable Consumption

Under this objective, The Consumer Council will continue to work for a sustainable future for consumers in Northern Ireland. We are committed to promoting responsible consumerism and encouraging consumers to change their behaviour to benefit them today and tomorrow. Our aim is to ensure consumers are provided with information, choice and value for money whilst the negative environmental impacts of the production and consumption of goods is minimised.

Project Description	Anticipated Outputs for this Project	Performance
1. To develop a Consumer Council strategy for future consumers.	To develop a future consumer strategy and action plans which address the issue of sustainability and efficient consumption.	<b>Output partially delivered.</b> The Future Consumer and Sustainability Strategy has been drafted and will be finalised in Qtr1 2017/18. This strategy will be a living document that will help formulate our policy positions and practical tools developed to anticipate and respond to emerging issues.
2. To educate consumers on sustainable consumption. To work in partnership with organisations such as The Waste and Resources Action Programme (WRAP), Energy Savings Trust, Waterwise and Sustrans to advise consumers on the financial and environmental savings that can be made from sustainable resource consumption.	To develop consumer information and advice on sustainable consumption highlighting the financial and environmental savings that consumers can make.	<b>Output partially delivered</b> The Ecoworld website content for Key Stage 2 pupils has almost been completed by the Council for the Curriculum, Examinations and Assessment (CCEA) and work is progressing on the Key Stage 3 resources. The content covers the topics of Water, Waste, Energy and Food. In addition, the planned 'sustainability hub' will be part of our new website. The Consumer Council tried to procure a website through Northern Ireland Civil Service (NICS) Enterprise Shared Services during 2016-17. Unfortunately this was not possible, therefore we have looked at alternative providers and will look to undertake this project during 2017-18.
3. To work with InvestNI and NI Water to promote the Water Champions award. Water Champions is an award aimed at helping businesses, farms and schools improve water efficiency and save money on bills	To gain a further 25 Water Champions to help reduce the cost of water to businesses, farms and schools.	<b>Output fully delivered.</b> 25 Water Champions were recognised throughout the year. These included sole traders, small retailers, licensed premises and hotels, right up to large international manufacturers and traders.

## Objective 5: To Provide Value for Money and Good Governance

Through this objective, The Consumer Council is committed to providing overall value for money to taxpayers. We will manage our affairs efficiently and effectively, and in accordance with the requirements for corporate and public accountability.

Project Description	Anticipated Outputs for this Project	Performance
1. To develop a new website. The current contract for The Consumer Council website ended in March 2017. This project will review the current website and ensure that one is developed to meet the needs of consumers and the new Corporate Plan.	The development of a new consumer focused website for 1 April 2017.	<b>Output not delivered.</b> The Consumer Council tried to update the current website through NICS Enterprise Shared Services during 2016-17. Unfortunately this was not possible; therefore we have looked at alternative providers and will look to undertake this project during 2017-18.
2. To develop a Social Value Framework Model that will provide a structure to develop robust and measurable performance indicators on the social value of the work of The Consumer Council.	To develop a framework to identify and measure the social value of the work of The Consumer Council.	<b>Output fully delivered.</b> In partnership with Gauge NI a Social Value Framework Model was developed to support the organisation to demonstrate the value of its work. The model will be implemented across the organisation during 2017-18.
3. To review the structure of The Consumer Council. Following the Ministerial Review and the development of a new Corporate Plan 2016-2021, this project will review the internal structures of The Consumer Council to ensure it meets the needs of consumers today.	To ensure The Consumer Council is structured to meet the needs of the new Corporate Plan and the needs of consumers today.	<b>Output fully delivered.</b> A review of the structures was undertaken, and a new restructured organisation was implemented from October 2016.
4. To gain the Customer Service Excellence Award. The UK and NI Governments want public services that are efficient, effective, excellent, equitable and empowering, with the citizen always and everywhere at the heart of service provision. With this in mind, the Customer Service Excellence Award provides The Consumer Council with a practical tool for driving customer-focused change within the organisation.	To achieve the Customer Service Excellence Award accreditation.	<b>Output partially delivered</b> In January 2017, we underwent a draft assessment for the Customer Service Excellence Award. We were found to be compliant with 46 out of the 52 elements contained in the criterion. We will look to remedy the six outstanding elements, and will go forward for full assessment at the end of May 2017.
5. To standardise The Consumer Council's Human Resources functions to HR Connect and participate in the NI Government's HR Centre of Excellence project.	To maximise efficiencies and move to HR Connect.	<b>Output fully delivered</b> In August 2016, The Consumer Council transferred payroll, recruitment and selection services to HR Connect. Internal Audit performed a Payroll and Pensions Audit in October 2016 and satisfactory assurance was provided with no recommendations. The Consumer Council will be moving to the NI Government's HR Centre of Excellence from 1 April 2017.



<p>6. To maximise our performance, impact and overall effectiveness and efficiency, both internally and externally via internal reviews and audits and implementation of agreed recommendations.</p>	<p>To receive an unqualified audit report from the Northern Ireland Audit Office, and implement recommendations from internal audit.</p>	<p><b>Output partially delivered</b>  During 2016-17 the following Internal Audits were completed in line with the annual audit plan:</p> <ul style="list-style-type: none"> <li>• Follow up review of the 2015–16 internal audit recommendations: there were ten recommendations made, eight of which are fully implemented, one no longer applicable and one partially implemented;</li> <li>• Payroll and Pensions – the controls in this area were given a satisfactory assurance rating. There were no recommendations made;</li> <li>• Review of Financial Systems – the controls in this area were given a satisfactory assurance rating. Two priority three recommendations have been made to improve controls, which were implemented in the last quarter of 2016–17; and</li> <li>• Review of Internal and External Communications – the controls in this area were given a satisfactory assurance rating. Two priority three recommendations have been made to improve controls, which are due to be implemented by October 2017.</li> </ul>
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### Financial Performance

The Consumer Council’s expenditure for the financial year was £2,394,339 (2015-16: £2,373,783).

Expenditure was higher in 2016-17 than 2015-16 in the following areas:

- Staff salaries (+£17k): this increase is mainly due to a member of staff returning from a secondment;
- Legal and professional fees (+£49k): This increased mainly due to The Consumer Council transferring its payroll services from an internal function to NICS Shared Services (HR Connect);
- Recruitment and selection (+£19k): This additional cost was due to transferring these services from an internal function to NICS Shared Services (HR Connect);

- Training and development (+£51k): this reflects additional investment in staff training as we have focused on providing specialist utility regulation, analytical and statistical, development, and financial training;
- Office machinery rental and licences (+£12k): this reflects the outsourcing of the Consumer Council's information and communications technology services to IT Assist, and support costs for the new call recording system and tablets;
- Telephone and postal charges (+£2k): included in these costs is £1k associated with a re-directory service with the telephone provider due to the office relocation and higher NICS Shared Services (IT Assist) costs;
- Staff travel (+£5k): due to increased interaction with UK and ROI regulators, consumer bodies, and policy-makers;
- Members' expenses (+£3k): costs are higher than the previous year due to increased travel costs; and
- Print, Design and Stationery (+£8k): this reflects additional investment in resources for outreach activities.

Expenditure was significantly less in 2016-17 than 2015-16 in the following areas:

- Rent, rates, and premises service charges (-£45k): this resulted from The Consumer Council's relocation to smaller, more cost effective premises on the Government Estate in June 2015;
- Electricity (-£6k): as noted above this resulted from the relocation to smaller, more cost effective premises and an emphasis on energy efficiency;
- Maintenance, repairs and cleaning (-£88k): the previous year included £85k costs for dilapidations to the Consumer Council's former premises; and
- Fixed asset loss on disposals (-£7k): there were no disposals of fixed assets in 2016-17.

### Sustainability

The Consumer Council works to encourage consumers to change their behaviour to benefit them today and tomorrow. We educate consumers about their rights and responsibilities, and inform them how they can make more responsible consumption choices.

The Consumer Council recognises its duty as a public body, and a consumer representative, to promote, and contribute to, the achievement of sustainable development. Through our consumer empowerment work we aim to ensure consumers are provided with information, choice and value for money, and that the negative environmental impacts of the production and consumption of goods and services are minimised.

The Consumer Council, in managing its own resources, is committed to maximising the conservation and efficiency of our own resource use. We actively look at ways at which we can reduce our environmental impact and maximising value to Northern Ireland. In addition, as an organisation, we are committed to corporate social responsibility to the community and have undertaken various activities to promote and raise money for local causes.

A handwritten signature in black ink, appearing to read 'J. French', is centered within a light gray rectangular box.

**John French**  
**Accounting Officer and Chief Executive**  
**Date: 20 June 2017**



## **ACCOUNTABILITY REPORT**

# Corporate Governance Report

## Directors' Report

### The Consumer Council's Mission

We are committed to promoting and safeguarding the interests of consumers in Northern Ireland by empowering them and providing a strong representative voice to policy-makers, regulators and service providers.

### The Consumer Council's Values:

- Ambition – We seek to deliver the best possible deal for consumers in Northern Ireland;
- Excellence – We will ensure our work is robust and considered, and bears comparison with the best;
- Commitment – We will provide consumers in Northern Ireland with the best possible service;
- Fairness – We will listen to everyone and respect all consumers' concerns;
- Teamwork – We will work in a collegiate manner;
- Honesty – We will operate openly and transparently;
- Integrity – We seek to be trustworthy and trusted; and
- Objectivity – We will base our conclusions in evidence.

### Chairperson and Chief Executive

The Chair of The Consumer Council for Northern Ireland throughout 2016-17 was Sheila McClelland.

John French is The Consumer Council's Chief Executive and Accounting Officer.

### Board

The overall strategic direction and governance arrangements of The Consumer Council, and the delivery of its functions as set out in legislation, are set and overseen by a Board. Board members are appointed by the Minister for the Economy.

Mick McAteer was appointed as the Deputy Chairperson in July 2016.

Information about The Consumer Council's Board members is set out in the Governance Statement on pages 32-38.

Details of Board members' remuneration is set out in the Remuneration and Staff Report on pages 39 to 48.

The Directors confirm that:

- a) So far as the directors are aware, there is no relevant audit information of which the entity's auditor is unaware; and
- b) They have taken all necessary steps as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Leadership Team

The Leadership Team, previously referred to as 'Executive Team' in the old structure, comprising the Chief Executive and two Directors, undertakes the day-to-day management of the Consumer Council. Don Leeson, Director of Operations ceased employment with the Consumer Council on 31 January 2017. Kathy Graham, Director of Policy ceased employment with the Consumer Council on 28 February 2017. These Director posts will be filled as per the new organisational structure in Quarter 1 of 2017-18.

Information about The Consumer Council's Leadership Team is set out in the Governance Statement on pages 32-38.

Details of the Leadership Team members' remuneration is set out in the Remuneration and Staff Report on pages 39 to 48.

### Register of Interests

The Register of Interests of Board and Leadership Team members can be viewed here.<sup>8</sup>

### Pension liabilities

Details of The Consumer Council's pension schemes are set out in the Remuneration and Staff Report on pages 39 to 48, and Note 1.8 to the Financial Statements.

### Creditor payment, policy and performance

The Consumer Council is committed to the prompt payment of bills for goods and services received, in accordance with the Government's Better Payments Practice Payment Code. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the

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<sup>8</sup> The Register of Interests is available at this web link:

[http://www.consumerCouncil.org.uk/images/uploads/languages/16-17\\_\(March\\_17\)\\_Composite\\_Register\\_of\\_Financial\\_and\\_Non\\_Financial\\_Interests.pdf](http://www.consumerCouncil.org.uk/images/uploads/languages/16-17_(March_17)_Composite_Register_of_Financial_and_Non_Financial_Interests.pdf)

goods or services, or presentation of a valid invoice or similar demand, whichever is later. In 2016-17, 100% of invoices were paid within 30 days (2015-16: 100%).

In December 2008, the Finance Minister announced that departments had been set a target of ensuring that invoices are paid within 10 working days, in order to help local businesses. In 2016-17, the Consumer Council paid 97% of invoices (2015-16: 95%) within the 10 working day target.

#### Charitable donations

There were no charitable donations made during 2016-17 (2015-16: £nil).

#### Personal data related incidents

The Consumer Council incurred no personal data breaches in 2016-17 (2015-16: nil).

#### Complaints Procedure

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

The Consumer Council received one complaint about our work in 2016-17 (2015-16: none). This was referred to the Northern Ireland Public Services Ombudsman for investigation. In May 2017, the Ombudsman confirmed that the complaint “should not be accepted for investigation”.

#### Auditor

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

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

The total audit fee for 2016-17 was £8,800.

During the year, The Consumer Council participated in the National Fraud Initiative and the non-audit work in relation to this was carried out by the Comptroller and Auditor General. The fee was £1,261. There were no issues identified as part of this exercise.

There was no other non-audit work carried out by the Northern Ireland Audit Office or its subcontractors during 2016-17.

### Events after the reporting period

There have been no significant events since the year end that affect the accounts.

### **Statement of Accounting Officer's Responsibilities**

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

In preparing the accounts, the Chief Executive as Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by DfE, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

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

As Accounting Officer, I take personal responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.



## **Governance Statement**

### Introduction

This Governance Statement is intended to give a clear understanding of the dynamics and control structure of The Consumer Council by reflecting the organisation's governance, risk management, and internal control arrangements during 2016-17.

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

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

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

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

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

### The Board and its Committees

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

The Board is supported by two committees:

- The **Audit and Risk Assurance Committee** deals with a range of issues relating to governance, internal control, accountability, and risk management. The Audit and Risk Assurance Committee is an advisory committee with no executive powers other than those delegated by the Board. It provides recommendations to the Board for approval; and
- The **Remuneration Committee** meets to consider the Chief Executive's remuneration and receives assurance from the Chief Executive, as Accounting Officer, that

remuneration of staff is in line with NICS guidelines. It also agrees the objectives for, and reviews the Chief Executive's performance against, these guidelines. The Remuneration Committee is also an advisory committee with no executive powers, other than those delegated by the Board. It may make recommendations on matters of significance for consideration by the Board.

In 2016-17, the Board met seven times; the Audit and Risk Assurance Committee met four times; and the Remuneration Committee met twice.

The Chairperson, Deputy Chairperson, and Board members are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgement. The Register of Interests is available for public inspection at [http://www.consumercouncil.org.uk/images/uploads/languages/16-17 \(March 17\) Composite Register of Financial and Non Financial Interests.pdf](http://www.consumercouncil.org.uk/images/uploads/languages/16-17%20(March%2017)%20Composite%20Register%20of%20Financial%20and%20Non%20Financial%20Interests.pdf).

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

#### The Leadership Team

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

The Wider Leadership Team (Chief Executive, Directors, and Section Heads) meet weekly to ensure effective coordination of activities. The Wider Leadership Team also meets monthly to discuss budget monitoring and strategic consumer policy issues respectively.

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

#### Board Performance and Effectiveness

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

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

The attendance records of all Board members during the 2016-17 are shown below.

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

Sheila McClelland (Chairperson)	7 out of 7 meetings
Mick McAteer (Deputy Chairperson)	4 out of 7 meetings
David Beattie	5 out of 7 meetings
Noyona Chunder	6 out of 7 meetings
Lynne Crowther	7 out of 7 meetings
Sinéad Furey	6 out of 7 meetings
David Galloway	3 out of 7 meetings
Joan Martin	5 out of 7 meetings
Sam Snodden	7 out of 7 meetings
Mary Woods	4 out of 7 meetings

*Audit and Risk Assurance Committee meetings:*

Sam Snodden (Chairperson)	4 out of 4 meetings
Noyona Chunder	3 out of 4 meetings
Lynne Crowther	3 out of 4 meetings
Mary Woods	4 out of 4 meetings

*Remuneration Committee meetings:*

Sheila McClelland (Chairperson)	2 out of 2 meetings
Joan Martin	2 out of 2 meetings
David Beattie	2 out of 2 meetings
Sinéad Furey	2 out of 2 meetings

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<sup>9</sup> Mick McAteer was appointed on 1 July 2016.

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

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

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

A review is conducted at the end of each Board and Committee meeting by the members. This is done without the presence of staff to facilitate frank discussions. Board Members have confirmed that they are content with the quality of the papers and information presented, and the expertise of staff. The Board and Audit and Risk Assurance Committee conduct self-assessments of their effectiveness at the end of each year. These were conducted for 2016-17 in May 2017.

#### Key governance issues considered in 2016-17

By the Board:

- The recruitment of new staff under the organisational restructure from 1 October 2016;
- The appointment of a new Deputy Chairperson;
- Transfer of Payroll and Recruitment and Selection services to HR Connect from 1 August 2016;
- The Annual Report and Accounts for 2015-16, and the Report to Those Charged with Governance (RTTCWG) on the outcome of the audit of this, which is issued by the External Auditor;
- Progress against the Business Plan for 2016-17 as presented in quarterly performance reports;
- The budget for 2016-17 and regular management accounts;
- Approval of the Corporate Risk Register for 2016-17 and quarterly reviews of this;

- The Voluntary Exit Scheme;
- The staff pay award for 2016-17;
- Memorandums of Understanding with DfE and DfI;
- The draft Corporate Plan for 2016-21 and Forward Work Programme for 2017-18;
- Business cases for funding in 2017-18; and
- The budget for 2017-18.

The Board also discussed a range of key policy issues in 2016-17 as follows:

- The Enquiries and Complaints Report for 2016-17 and monthly updates;
- Consumer Outlook research;
- Consumer proficiency research;
- Research into various general consumer affairs-related issues;
- Research into Postal services;
- Research into energy-related issues;
- Research into transport-related issues;
- Research into water-related issues; and
- Various policy position papers.

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

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

The Audit and Risk Assurance Committee considered the following key elements of the risk and control framework in 2016-17:

- The External Auditor's RTTCWG;
- The Corporate Risk Register for 2016-17 (including the risk appetite) and quarterly reviews of this;
- The Chief Executive's bi-annual assurance report and checklist; and

- The Internal Audit Plan for 2016-17, subsequent reports on the internal audits undertaken and the annual Internal Audit Assurance Report for 2016-17.

The Corporate Risk Register is considered in detail by both the Audit and Risk Assurance Committee and the Board at the end of each quarter.

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

### Internal Audit

ASM carried out the Internal Audit function for The Consumer Council in 2016-17. The internal audit programme operated to requirements defined in the Public Sector Internal Audit Standards (PSIAS). The work of ASM is informed by an analysis of the risks to which The Consumer Council is exposed, and annual internal audit plans are based on this analysis.

In 2016-17, three internal audits were carried out by ASM in the following areas:

- Payroll and Pensions;
- Review of Financial Systems; and
- Review of Internal and External Communications.

ASM also undertook a review of the implementation of the prior year's internal audit recommendations. There were ten recommendations made, eight of which are fully implemented, one no longer applicable and one partially implemented.

The Annual Internal Audit Assurance report for 2016-17 provides overall satisfactory assurance.

### External Audit

The external audit is undertaken by the Northern Ireland Audit Office. As Accounting Officer I confirm that there were no recommendations included within the RTTCWG for the Annual Reports and Accounts for 2016-17.

### Ministerial Direction

No Ministerial Directions were received in 2016-17.

### Data Security

In relation to managing information risk, The Consumer Council recognises the importance of managing our information effectively. In conjunction with IT Assist, we have controls and

measures in place regarding the encryption of data, removable media, laptops, and data transfer. We have a dedicated Senior Information Risk Owner and link in to all central NICS or DfE plans and reviews in relation to information and data security.

There were no personal data related incidents in the year.

#### Going Concern

As of the 31 March 2017, The Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £25,653. These and other liabilities will be met by future grant-in-aid, received from and approved annually by the Department for the Economy (DfE), Department for Infrastructure (DfI), and Department for Business, Energy and Industrial Strategy (BEIS). DfE core grant funding for 2017-18 has yet to be approved. Planned activities for 2017-18 have been formulated in light of the requested funding applied to DfE, DfI and BEIS for 2017-18. Therefore, the future financing of The Consumer Council liabilities is expected to be met by DfE, DfI and BEIS. In this context, the accounts have been prepared on a going concern basis.

#### Governance issues identified in 2016-17

No governance issues were identified in 2016-17.

#### Conclusion

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



**John French**

**Accounting Officer and Chief Executive**

**Date: 20 June 2017**

# Remuneration and Staff Report

## Remuneration Report

### Remuneration Policy

#### Chairperson and Board Members

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

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

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

The Consumer Council reimburses the Chairperson, Deputy Chairperson, and Board members for any incidental expenses incurred for carrying out their duties relevant to the organisation. These expenses amounting to £4,595 (2015-16: £1,411) have been paid during the year and are reflected under other expenditure in Note 4 to the accounts.

#### Chief Executive and Leadership Team

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

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

In December 2016, the 2016 pay settlement agreed by the Finance Minister included all eligible satisfactory performers being awarded a one step progression on the 2015 pay scale, subject to band maximum; then all pay points were revalorised by 1%; therefore reducing the pay points to 8 points.

### Service Contracts

Appointments to The Consumer Council are made in accordance with the NICS Recruitment and Selection policy, which requires appointments to be on merit on the basis of fair and



open competition, but also includes the circumstances when appointments may otherwise be made.

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

**Salary and pension entitlements (Audited information)**

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

Chairperson, Deputy Chairperson, and Board members	2016-17			2015-16		
	Salary £’000	Bonus £’000	Benefits in kind (to nearest £100)	Salary £’000	Bonus £’000	Benefits in kind (to nearest £100)
Ms Sheila McClelland (Chairperson)	20–25	–	–	20-25	–	–
Deputy Chairperson and Board members	5–10	–	–	5–10	–	–

Leadership Team	2016-17					2015-16				
	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Pension Benefits <sup>10</sup> (to nearest £1,000)	Total (to nearest £1'000)	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Pension Benefits <sup>10</sup> (to nearest £1,000)	Total (to nearest £1'000)
Mr John French Chief Executive	75-80	-	-	30,000	105-110	75-80	-	-	23,000	80-85
Mr Don Leeson Director of Operations (Ceased employment on 31 January 2017) <sup>11</sup>	40-45	-	-	17,000	55-60	45-50	-	-	21,000	65-70
Mrs Kathy Graham Interim Director of Policy (Ceased employment on 28 February 2017) <sup>12</sup>	45-50	-	-	18,000	60-65	45-50	-	-	22,000	65-70

## Salary

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

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were no benefits in kind paid to Senior Management during the year (2015-16: £nil).

## Bonuses

No bonuses were paid during 2016-17 (2015-16: £nil).

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

<sup>11</sup> £45-50k full year equivalent salary.

<sup>12</sup> £45-50k full year equivalent salary.

## Pension Entitlements

Leadership Team	Accrued pension at pension age as at 31/03/17 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/03/17 £'000	CETV at 31/03/16 £'000	Real increase in CETV £'000	Employer contribution to partnership pension account Nearest £100
Mr John French Chief Executive	0-5 Nil lump sum	0-2.5 Nil lump sum	28	12	11	-
Mr Don Leeson Director of Operations (Ceased employment on 31 January 2017)	5-10 Nil lump sum	0-2.5 Nil lump sum	74	60	10	-
Mrs Kathy Graham Interim Director of Policy (Ceased employment on 28 February 2017)	5-10 Nil lump sum	0-2.5 Nil lump sum	109	96	7	-

## Pension Scheme

Pension benefits are provided through the Northern Ireland Civil Service (NICS) pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by the Assembly each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI.

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

Increases to public service pensions are the responsibility of HM Treasury. Pensions are reviewed each year in line with the cost of living. Increases are applied from April and are determined by the CPI figure for the preceding September. Public service pensions which have been in payment for a year will be increased by 1% from 10 April 2017 in line with the increase in the Consumer Prices Index (CPI).

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

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

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (2015-16: 3% and 14.7% respectively) (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of

pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. The normal pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension arrangements can be found at the website <https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>.

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. The real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

## Compensation for loss of office

A payment of £30-35k was paid to a member of staff during 2016-17. This was in respect of an agreed termination of contract, and was made in accordance with the guidance set out in Managing Public Money Northern Ireland (2015-16: none).

Information on The Consumer Council's Voluntary Exit Scheme is disclosed on page 48.

## Fair pay disclosure

The band of the total annualised full time equivalent remuneration for the Chief Executive (the highest paid member of the Leadership Team) is £75k-£80k (2015-16: £75k-£80k). The band of the total annualised full time equivalent remuneration for the lowest paid member of staff is £15k-£20k (2015-16: £15k-£20k).

The median total annualised full time equivalent remuneration of staff, excluding the Chief Executive, is £29,317 (2015-16: £29,027).

The ratio of the Chief Executive's total annualised full time equivalent remuneration to median staff remuneration is 2.65 to 1 (2015-16: 2.67 to 1).

## Staff Report (Audited information)

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

	2016-17 Total £	2015-16 Total £
<b>Board members</b>		
Chairperson's salary	22,800	20,785
Social security costs	2,026	1,852
Deputy Chairperson and members' fees	10,032	7,584
	<b>34,858</b>	<b>30,221</b>

	Permanently employed staff £	Others £	2016-17 Total £	2015-16 Total £
<b>Staff salaries</b>				
Wages and salaries	1,017,754	46,275	1,064,029	1,073,701
Social security costs	97,888	2,814	100,702	83,102
Other Pension costs	227,121	4,362	231,483	248,359
Voluntary Exit Scheme	191,875	-	191,875	193,000
Agency Staff	-	32,210	32,210	26,835
	<b>1,534,638</b>	<b>85,661</b>	<b>1,620,299</b>	<b>1,624,997</b>
Less recoveries in respect of outward secondments	-	-	-	(16,882)
<b>Sub Total</b>	<b>1,534,638</b>	<b>85,661</b>	<b>1,620,299</b>	<b>1,608,115</b>
<b>Total</b>	<b>1,534,638</b>	<b>85,661</b>	<b>1,655,157</b>	<b>1,638,336</b>

The pension arrangements are unfunded multi-employer defined benefit schemes, but The Consumer Council is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DoF Superannuation and Other Allowances Resource Accounts as at 31 March 2017.

For 2016-17, employers’ contributions of £226,037 were payable to the NICS pension arrangements (2015-16: £246,237). The scheme’s Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2015-16, the new rates ranged from 20.8% to 26.3% of pensionable pay, based on salary bands. The contribution rates are set to meet the cost of the benefits accruing during 2016-17 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £5,263 (2015-16: £2,122) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2015-16: 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £183, 0.5% (2015-16: £146, 0.8%) of pensionable pay, were payable to the PCSPS(NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the **partnership** pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil.

Ill-health retirement costs are met by the pension scheme. No members of staff retired early on ill-health grounds in 2016-17 (2015-16: none); the total additional accrued pension liabilities in the year amounted to £nil (2015-16: £nil).

**Average number of persons employed**

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

	Permanently Employed staff	Others	2016-17 Total	2015-16 Total
Directly employed	30	–	30	36
Others	–	2	2	1
Students	–	2	2	0
<b>Total</b>	<b>30</b>	<b>4</b>	<b>34</b>	<b>37</b>

## Staff composition

The composition of The Consumer Council's staff, by NICS grade and gender, as at 31 March 2017 is set out below. The composition as at 31 March 2016 is in brackets.

Grade	Male	Female	Total
Grade 5	1(1)	0(0)	<b>1(1)</b>
Grade 7	0(1)	0(1)	<b>0(2)</b>
Deputy Principal	3(3)	4(3)	<b>7(6)</b>
Staff Officer	4(3)	4(6)	<b>8(9)</b>
Executive Officer 1	1(2)	4(4)	<b>5(6)</b>
Executive Officer 2	1(1)	6(5)	<b>7(6)</b>
Admin Officer	0(0)	2(3)	<b>2(3)</b>
Admin Assistant	1(0)	1(0)	<b>2(0)</b>
<b>Total</b>	<b>11(11)</b>	<b>21(22)</b>	<b>32(33)</b>

## Sickness absence data

The percentage of available working days lost due to sickness absence in the year was 3.6% (2015-16: 4.0%). This figure reduces to 2% when adjusted for staff on long term sickness absence over 19 days (2015-16: 1.9%).

## Staff policies applied during 2016-17 regarding disabled people

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

Arrangements were made for staff who acquired a disability in 2016-17. The Occupational Health Service was used to advise on arrangements to support their return to work to ensure that they were able to continue to perform effectively.

The Consumer Council has achieved recognition as an Investor in People Silver organisation. We are committed to the ongoing professional and personal development of all our staff, regardless of disability. Personal resilience workshops were held in 2016-17 for all staff and line managers to raise awareness of mental health issues.

## Expenditure on consultancy

There was no expenditure on consultancy during 2016-17 (2015-16: none).

## Off-payroll payments

There were no off-payroll payments made during 2016-17 (2015-16: none).



## Voluntary Exit Scheme

The Consumer Council operated a Voluntary Exit Scheme during 2016-17. Six members of staff left their posts under this scheme. Four on 30 September 2016, one on 31 October 2016 and one on 28 February 2017 with compensation payments totalling £191,875 (2015-16: £193,000).

Comparative data for the previous year is shown in brackets.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	–	–	–
£10,000–£25,000	–	1(4)	1(4)
£25,000–£50,000	–	5(4)	5(4)
£50,000–£100,000	–	–	–
£100,000–£150,000	–	–	–
£150,000–£200,000	–	–	–
<b>Total number of exit packages</b>	–	<b>6(8)</b>	<b>6(8)</b>
<b>Total resource cost</b>	–	<b>£191,875(£193,000)</b>	<b>£191,875(£193,000)</b>

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

## Assembly Accountability and Audit Report

There were no remote contingent liabilities as at 31 March 2017 (2015-16: none).

There were no losses or special payments during 2016-17 (2015-16: none).



**John French**

**Accounting Officer and Chief Executive**

**Date: 20 June 2017**

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

I certify that I have audited the financial statements of the General Consumer Council for Northern Ireland for the year ended 31 March 2017 under the General Consumer Council (Northern Ireland) Order 1984. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and Accountability and Audit Report within the Accountability Report that is described in that report as having been audited.

### **Respective responsibilities of the Accounting Officer and auditor**

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

### **Scope of the audit of the financial statements**

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

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

### **Opinion on regularity**

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

## **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the General Consumer Council for Northern Ireland's affairs as at 31 March 2017 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the General Consumer Council (Northern Ireland) Order 1984 and Department for the Economy (formerly Department for Enterprise, Trade and Investment) directions issued thereunder.

## **Opinion on other matters**

In my opinion:

- the parts of the Remuneration and Staff Report and the Accountability and Audit Report to be audited have been properly prepared in accordance with the Department for the Economy directions made under the General Consumer Council (Northern Ireland) Order 1984; and
- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

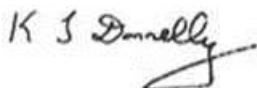
## **Matters on which I report by exception**

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

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

## **Report**

I have no observations to make on these financial statements.



*KJ Donnelly*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*Belfast*  
*BT7 1EU*  
*28 June 2017*



## **FINANCIAL STATEMENTS**

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2017

	Note	2016-17 £	2015-16 £
<b>Expenditure</b>			
Staff costs	4.1	<b>1,655,157</b>	1,638,336
Work programme	3	<b>219,677</b>	173,207
Depreciation and amortisation	4.2	<b>14,705</b>	65,349
Other expenditures	4.2	<b>504,800</b>	496,891
		<hr/> <b>2,394,339</b>	<hr/> 2,373,783
<b>Income</b>			
Income from activities		-	-
		<hr/> -	<hr/> -
<b>Total Comprehensive Net Expenditure for the year ended 31 March 2017</b>		<hr/> <b>(2,394,339)</b>	<hr/> (2,373,783)

The notes on pages 56 to 69 form part of the financial statements.

## Statement of Financial Position as at 31 March 2017

		2017		2016	
	Note	£	£	£	£
<b>Non-current assets:</b>					
Property, plant and equipment	5	12,356		6,714	
Intangible assets	6	33,026		39,373	
<b>Total non-current assets</b>			<b>45,382</b>		<b>46,087</b>
<b>Current assets:</b>					
Trade and other receivables	8	22,790		11,738	
Cash and cash equivalents	9	136,414		107,205	
<b>Total current assets</b>			<b>159,204</b>		<b>118,943</b>
<b>Total assets</b>			<b>204,586</b>		<b>165,030</b>
<b>Current liabilities:</b>					
Trade and other payables	10	(230,239)		(193,219)	
<b>Total current liabilities</b>			<b>(230,239)</b>		<b>(193,219)</b>
<b>Total assets less total liabilities</b>			<b>(25,653)</b>		<b>(28,189)</b>
<b>Taxpayers' equity and other reserves</b>					
General reserve			(25,653)		(28,189)
<b>Total equity</b>			<b>(25,653)</b>		<b>(28,189)</b>

The financial statements on pages 52 to 69 were approved by the Board on 20 June 2017 and were signed on its behalf by:



**John French**  
**Accounting Officer and Chief Executive**  
**Date: 20 June 2017**

The notes on pages 56 to 69 form part of the financial statements.

## Statement of Cash Flows for the year ended 31 March 2017

	Note	2016-17 £	2015-16 £
<b>Cash flows from operating activities</b>			
Net expenditure		<b>(2,394,339)</b>	(2,373,783)
Adjustments for non-cash transactions:			
Depreciation	4	<b>5,530</b>	17,543
Amortisation	4	<b>9,175</b>	47,806
Loss on disposal	4	-	7,428
Change in Accounting Policy		-	7,002
(Increase)/Decrease in trade and other receivables	8	<b>(11,052)</b>	18,199
Increase/(Decrease) in trade payables	10	<b>37,020</b>	53,313
		<hr/>	
<b>Net cash outflow from operating activities</b>		<b>(2,353,666)</b>	(2,222,492)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	<b>(11,172)</b>	-
Purchase of intangible assets	6	<b>(2,828)</b>	-
Proceeds of disposal		-	1,488
		<hr/>	
<b>Net cash outflow from investing activities</b>		<b>(14,000)</b>	1,488
<b>Cash flows from financing activities</b>			
Grants from sponsoring bodies (DfE, DfI, and BEIS)		<b>2,396,875</b>	2,319,493
		<hr/>	
<b>Net financing</b>		<b>2,396,875</b>	2,319,493
		<hr/>	
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>	9	<b>29,209</b>	98,489
<b>Cash and cash equivalents at the beginning of the period</b>	9	<b>107,205</b>	8,716
		<hr/>	
<b>Cash and cash equivalents at the end of the period</b>	9	<b>136,414</b>	107,205
		<hr/> <hr/>	

The notes on pages 56 to 69 form part of the financial statements.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2017

	General Reserve	Revaluation Reserve	Total Reserves
	£	£	£
<b>Balance at 1 April 2015</b>	<b>(616,002)</b>	<b>642,103</b>	<b>26,101</b>
<b>Changes in taxpayers' equity 2015-16</b>			
Grants from sponsoring bodies (DfE, DfI, and BEIS)	2,319,493	–	2,319,493
Comprehensive expenditure for financial year	(2,373,783)	–	(2,373,783)
Movement in Revaluation Reserve	642,103	(642,103)	–
<b>Balance at 31 March 2016</b>	<b>(28,189)</b>	<b>-</b>	<b>(28,189)</b>
<b>Balance at 1 April 2016</b>	<b>(28,189)</b>	<b>-</b>	<b>(28,189)</b>
Grants from sponsoring bodies (DfE, DfI, and BEIS)	2,396,875	–	2,396,875
Comprehensive expenditure for financial year	(2,394,339)	–	(2,394,339)
<b>Balance at 31 March 2017</b>	<b>(25,653)</b>	<b>-</b>	<b>(25,653)</b>

The notes on pages 56 to 69 form part of the financial statements.



## **Notes forming part of the financial statements for the year ended 31 March 2017**

### **1. Statement of accounting policies**

These financial statements have been prepared in accordance with the 2016-17 Government Financial Reporting Manual (FReM) issued by DoF. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of The Consumer Council for the purpose of giving a true and fair view, has been selected. The particular policies adopted by The Consumer Council are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### **1.1 Changes to accounting policy and disclosure**

There have been no changes to accounting policies and disclosure that affect the entity in the year.

#### **1.2 Accounting convention**

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

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

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

The Consumer Council's capitalisation threshold for an item of property, plant and equipment is £1,000. Those items less than £1,000 have been expensed to Income and Expenditure.

#### **1.4 Intangible assets**

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

The Consumer Council's capitalisation threshold for an intangible asset is £1,000. Items less than £1,000 have been expensed to Income and Expenditure.

### **1.5 Depreciation and amortisation**

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

- Alterations: over the remaining period of lease;
- Furniture and fittings: 20% straight line; and
- Office equipment: 33<sup>1</sup>/<sub>3</sub>% straight line.

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

Depreciation and amortisation are provided from the month of addition.

### **1.6 Impairment review**

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

### **1.7 Financial instruments**

#### Recognition

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

#### Financial assets

Financial assets are classified into the following specified categories: at fair value through profit or loss (FVTPL); held-to-maturity investments; available-for-sale (AFS) financial assets; and loans and receivables. The classification depends on the nature

and purpose of the financial assets and is determined at the time of initial recognition. The Consumer Council's financial assets comprise trade and other receivables and cash and cash equivalents, and are held at cost, which approximates to fair value because of their short maturities.

#### Financial liabilities

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

### **1.8 Pensions**

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

Pension costs are included within staff costs in the Statement of Comprehensive Net Expenditure. For more information refer to the Remuneration and Staff Report on pages 39 to 48.

#### Early departure costs

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

### **1.9 Grants from sponsoring bodies**

These are grants-in-aid received from DfE, DfI, and BEIS, and are credited to the General Reserve. In 2016-17 grants-in-aid received from DfE, DfI and BEIS was £1,790,875, £305,000 and £301,000 respectively. (2015-16: £1,739,757, £324,736, and £255,000).

### **1.10 Income from activities**

No funding was received from other activities in 2016-17 (2015-16: none).

### **1.11 Operating leases**

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

### **1.12 Value added tax (VAT)**

The Consumer Council is not registered for VAT.

### **1.13 Staff costs**

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

### **1.14 Accounting estimates**

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

### **1.15 Segmental reporting**

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

### **1.16 Going concern**

As of the 31 March 2017, The Consumer Council had a negative statement of financial position, where the liabilities were greater than the assets by £25,653. These and other liabilities will be met by future grant-in-aid, received from and approved annually by the DfE, DfI, and BEIS. DfE core grant funding for 2017-18 has yet to be approved. Planned activities for 2017-18 have been formulated in light of the requested funding applied to DfE, DfI and BEIS for 2017-18. Therefore, the future financing of any Consumer Council liabilities is expected to be met by DfE, DfI and BEIS. In this context, the accounts have been prepared on a going concern basis.

## 2 Statement of Operating Costs by Operating Segment

### 2.1 Analysis of net expenditure by segment

2016-17	Energy	Postal	Water	Other	Total
	£	Services £	£	Sections £	
Gross expenditure	452,000	300,795	304,896	1,336,648	2,394,339
Income*	–	–	–	–	–
Net expenditure	(452,000)	(300,795)	(304,896)	(1,336,648)	(2,394,339)
Total assets	–	–	–	204,586	204,586
Total liabilities	–	–	–	(230,239)	(230,239)
Net assets	–	–	–	(25,653)	(25,653)
,					
2015-16	Energy	Postal	Water	Other	Total
	£	Services £	£	Sections £	
Gross expenditure	444,112	255,000	324,787	1,349,884	2,373,783
Income*	–	–	–	–	–
Net expenditure	(444,112)	(255,000)	(324,787)	(1,349,884)	(2,373,783)
Total assets	–	–	–	165,030	165,030
Total liabilities	–	–	–	(193,219)	(193,219)
Net assets	–	–	–	(28,189)	(28,189)

\* Funding from DfE, DfI and BEIS is not included within income; it is categorised as funding within the accounts.

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

The other sections comprise of our work on Consumer Affairs and Transport, which is funded primarily by DfE.

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

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

### 3 Work programme

	2016-17	2015-16
	£	£
Empowering Consumers	26,855	-
Representing Consumers	140,682	-
Protecting Consumers	14,145	-
Understanding the needs of future consumers and sustainable consumption	8,073	-
Providing value for money and good governance	29,922	-
Core Costs	-	16,835
Complaints Resolution	-	6,821
Supporting Service Providers	-	3,742
Consumer Proficiency	-	33,533
Consumer Representation	-	462
Water Efficiency	-	6,060
Consumer Skills	-	22,674
Consumer Rights	-	24,440
Affordable Financial Services	-	2,030
Postal Services	-	56,610
	<b>219,677</b>	<b>173,207</b>

#### 4.1 Staff costs<sup>13</sup> (including Chairperson, Deputy Chairperson and Board members)

	2016-17	2015-16
	Total	Total
	£	£
<b>Board members</b>		
Chairperson's salary	22,800	20,785
Social security costs	2,026	1,852
Deputy Chairperson and members' fees	10,032	7,584
	<b>34,858</b>	<b>30,221</b>

	Permanently employed staff	Others	2016-17 Total	2015-16 Total
	£	£	£	£
<b>Staff salaries</b>				
Wages and salaries	1,017,754	46,275	1,064,029	1,073,701
Social security costs	97,888	2,814	100,702	83,102
Other Pension costs	227,121	4,362	231,483	248,359
Voluntary Exit Scheme	191,875	-	191,875	193,000
Agency Staff	-	32,210	32,210	26,835
	<b>1,534,638</b>	<b>85,661</b>	<b>1,620,299</b>	<b>1,624,997</b>
Less recoveries in respect of outward secondments	-	-	-	(16,882)
<b>Sub Total</b>	<b>1,534,638</b>	<b>85,661</b>	<b>1,620,299</b>	<b>1,608,115</b>
<b>Total</b>	<b>1,534,638</b>	<b>85,661</b>	<b>1,655,157</b>	<b>1,638,336</b>

During the year, The Consumer Council employed an average of 34 full-time equivalent staff (2015-16: 37).

<sup>13</sup> Further analysis of staff costs is located in the Staff Report on page 45.

## 4.2 Other expenditure

	2016-17	2015-16
	£	£
Rent and service charge	86,998	117,976
Rates	37,339	51,807
Office machinery – annual licences and maintenance	97,587	85,743
Legal and professional fees	70,758	21,321
Maintenance, repairs and cleaning	9,130	97,320
Recruitment and selection costs	30,869	12,042
Electricity	7,316	13,218
Telephone and postage	11,235	8,868
Staff and members training and development	90,918	40,336
Audit fees – internal audit	8,880	8,880
Audit fees – external audit	8,550	9,750
Print, design and stationery	15,084	6,781
Operating leases – office machinery	2,364	2,099
Staff travel	10,862	6,288
Sundry expenses	1,779	1,695
Professional relationships and memberships	2,423	2,605
Loss on disposal	–	7,428
Press Clippings, Transcripts and Tapes	6,008	–
Library	147	416
Members' expenses	4,595	1,411
Hospitality, including catering	1,958	907
	<b>504,800</b>	496,891
<b>Non-cash items</b>		
Depreciation	5,530	17,543
Amortisation	9,175	47,806
	<b>14,705</b>	65,349
	<b>519,505</b>	562,240

## 5 Property, plant and equipment

2016-17	Alterations	Furniture and fittings	Office equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2016	–	26,786	15,164	41,950
Additions	–	–	11,172	11,172
Revaluation	–	–	–	–
Disposals	–	–	–	–
<b>At 31 March 2017</b>	<b>–</b>	<b>26,786</b>	<b>26,336</b>	<b>53,122</b>
<b>Depreciation</b>				
At 1 April 2016	–	26,786	8,450	35,236
Charged in year	–	–	5,530	5,530
Disposals	–	–	–	–
<b>At 31 March 2017</b>	<b>–</b>	<b>26,786</b>	<b>13,980</b>	<b>40,766</b>
<b>Carrying amount</b>				
<b>At 31 March 2017</b>	<b>–</b>	<b>–</b>	<b>12,356</b>	<b>12,356</b>
Carrying amount				
At 31 March 2016	–	–	6,714	6,714
<b>Asset financing:</b>				
Owned	–	–	12,356	12,356
<b>Carrying amount at 31 March 2017</b>	<b>–</b>	<b>–</b>	<b>12,356</b>	<b>12,356</b>



## 5 Property, plant and equipment (continued)

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

**Note:** The change in accounting policy in 2015-16 represented an increase in the capitalisation threshold from £250 to £1,000, which was agreed by The Consumer Council Board in March 2016. This change in accounting policy figure of £7,002, which relates to property, plant and equipment and intangible assets, was expensed to office machinery – annual licences and maintenance.

## 6. Intangible assets

Intangible assets comprise software and software licences.

	<b>Total £</b>
<b>Cost or valuation</b>	
At 1 April 2016	92,798
Additions	2,828
<b>At 31 March 2017</b>	<b>95,626</b>
<b>Amortisation</b>	
At 1 April 2016	53,425
Charged in year	9,175
<b>At 31 March 2017</b>	<b>62,600</b>
<b>Carrying amount at 31 March 2017</b>	<b>33,026</b>
Carrying amount at 31 March 2016	39,373
<b>Asset financing:</b>	
Owned	33,026
<b>Carrying amount at 31 March 2017</b>	<b>33,026</b>

## 6. Intangible assets (continued)

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

**Note:** The change in accounting policy in 2015-16 represented an increase in the capitalisation threshold from £250 to £1,000, which was agreed by The Consumer Council Board in March 2016. This change in accounting policy figure of £7,002, which relates to property, plant and equipment and intangible assets, was expensed to office machinery – annual licences and maintenance.

## 7. Financial instruments

### Cash and cash equivalents

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

### Trade and other receivables

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

### Trade and other payables

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

## 8 Trade and other receivables

	2016-17	2015-16
	£	£
<b>Amounts falling due within one year:</b>		
Prepayments	<b>21,190</b>	10,981
Sundry Receivables	<b>1,600</b>	757
	<b>22,790</b>	11,738

## 9 Cash and cash equivalents

	2016-17	2015-16
	£	£
Balance at 1 April 2016	<b>107,205</b>	8,716
Net change in cash and cash equivalents balance	<b>29,209</b>	98,489
<b>Balance at 31 March 2017</b>	<b>136,414</b>	107,205

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

## 10 Trade and other payables

	2016-17	2015-16
	£	£
<b>Amounts falling due within one year</b>		
Trade payables	4,065	36,688
Accruals and deferred income	226,174	156,531
	<b>230,239</b>	<b>193,219</b>

## 11 Provision for liabilities and charges

There were no provisions for liabilities or charges as at the statement of financial position date (2015-16: none).

## 12 Capital commitments

There were no capital commitments as at the statement of financial position date (2015-16: none).

## 13 Commitments under leases

### 13.1 Operating leases

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

	2016-17	2015-16
	£	£
<b>Obligations under operating leases comprise:</b>		
<b>Other:</b>		
Not later than 1 year	2,099	2,099
Later than 1 year and not later than 5 years	2,930	5,028
Later than 5 years	–	–
	<b>5,029</b>	<b>7,127</b>
	<b>5,029</b>	<b>7,127</b>

The Consumer Council relocated to Seatem House, Alfred Street, Belfast on 1 June 2015. The new agreement for Seatem House is a 12 month licence agreement, rather than an operating lease. The cost per annum for the licence is £61,500, with an estimated service charge of £19,349 (2015-16: £61,500 and £10,500 respectively).

### **13.2 Finance leases**

The Consumer Council has no commitments under finance leases.

### **14 Contingent liability**

There were no contingent liabilities as at 31 March 2017 (2015-16: none).

### **15 Related Party Transactions**

The Consumer Council is a Non-Departmental Public Body funded by the DfE. DfE is regarded as a related party. During the year The Consumer Council had no material transactions with DfE other than the receipt of grants. During the year, £2,396,875 of grant-in-aid was received via DfE, DfI, and BEIS (2015-16: £2,319,493).

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

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

### **16 Events after the Reporting Period**

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

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

The Accounting Officer authorised the issue of these financial statements on 28 June 2017.