



# Annual Report

**2015-2016**

Equality Commission

FOR NORTHERN IRELAND





**Equality Commission**

FOR NORTHERN IRELAND

**EQUALITY COMMISSION FOR  
NORTHERN IRELAND**

Annual Report and Accounts

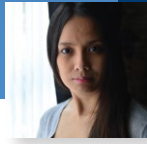
for the year ended  
31 March 2016

Laid before the Northern Ireland Assembly  
under paragraphs 5(3) & 7(4) of  
Schedule 8 to the Northern Ireland Act 1998  
by the Executive Office

on

4 July 2016





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## Our Statement of Commitment

**We are committed to carrying out our functions in a way which will contribute to a more equal society**

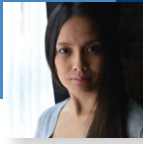
### Vision

**A society in Northern Ireland where there is:**

**Equality for all and a common understanding of the benefits of a more equal society**

### Mission

**To improve people's lives through the effective implementation of our statutory responsibilities**



## Equality Commission for Northern Ireland

Castle Buildings  
Stormont  
BELFAST  
BT4 3SR

### **Dear First Minister and Deputy First Minister**

I have pleasure in submitting to you the sixteenth annual report of the Equality Commission for Northern Ireland, covering the period 1 April 2015 to 31 March 2016. The report demonstrates both the breadth and depth of the Commission's responsibilities and the extent to which they have been successfully discharged.

On behalf of the Commission, I would like to express our appreciation of the assistance given to the Commission by officials of the Executive Office throughout the year.

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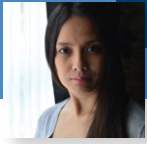
Yours sincerely

Michael Wardlow  
Chief Commissioner



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## Chief Commissioner's Foreword

In the year of this Report the Equality Commission met all of its objectives fully or partially – a result which was achieved against a backdrop of continuing constraints and reductions in the Commission's budget and grant in-aid over the period.

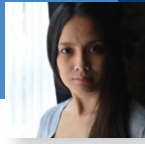
We focussed on inequalities in key areas of life in Northern Ireland, publishing statements based on independent research on education and housing. The Commission is currently developing similar statements on key inequalities in employment and on participation in public life, which will be completed during the present year.

The Commission continued its engagement with employers and service providers to drive improvements in practices promoting equality of opportunity; and with public authorities, who have particular responsibilities on equality and good relations.

The Commission also continued to challenge discrimination by providing advice and assistance to complainants. Much media attention during the year focussed on the County Court's judgement in the case of Lee-v-Ashers Baking Company. The Commission also provided advice to 3,412 individuals; our Legal Funding Committee considered 291 applications and granted assistance to 71 of these. In total, during 2015-16, cases on behalf of 38 individuals were concluded by way of negotiated or conciliated settlement. These resulted in the recovery of £293,200 in compensation, along with agreements to commit to equality principles and undertakings to liaise with the Commission in relation to reviews of policies and practices and other remedial action. Over the period the Commission's legal work saw a shift from employment cases to a greater number of cases dealing with discrimination in goods, facilities and services.

The Commission's engagement with people is extensive. We have organised and participated in events dealing with issues facing Travellers, Roma, refugees and asylum seekers; on gender equality including key issues for women's, men's and trans groups; on sexual orientation; disability; children & young people and active ageing.

Much of this work also relates to strategies being developed by the Executive. We have also been engaged with The Executive Office (formerly known as the Office of the First Minister and Deputy First Minister) on its proposals for law reform, including as regards outlawing age discrimination in goods, facilities and services and reform of the race equality law.



The Commission has a particular responsibility to work to ensure that Northern Ireland is a more equal society. So evidence of the uptake of some key Commission recommendations – for example in the final Racial Equality Strategy – are welcome, as are commitments in the Programme for Government to the outcomes of a more equal society and a shared society which reflects diversity.

The Commission is keen to work together with government, policy-makers, and all sectors of civil society to achieve these outcomes. In our submission to The Executive Office we have made clear our view that equality of opportunity and good relations must be central to all public policy and its implementation. Any programme for government which holds out the vision of building a more progressive, dynamic and shared Northern Ireland must include commitments to develop equality, fairness and inclusion – and lead to practical delivery of these core principles. We cannot develop a more vibrant economy and a more unified society if we try to build it on a foundation where inequalities and disadvantage go unchallenged.

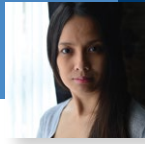
In the past year we said goodbye to eleven commissioner colleagues whose terms of office have been completed and I thank them all for their hard work and support. We have also welcomed eleven new commissioners who have brought a diverse range of experience and expertise to our team and who will enhance our efforts to ensure equality of opportunity for everyone in this society.

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**Michael Wardlow**  
**Chief Commissioner**



# **ANNUAL REPORT 2015-2016**



# Performance Report

## ■ Overview

### Statutory Background

The Equality Commission for Northern Ireland is an executive non departmental public body (NDPB) sponsored by the Executive Office, (formerly known as the Office of the First Minister and Deputy First Minister). Throughout the rest of this report The Executive Office (TEO) will be used to describe the Office of the First and Deputy First Minister (OFMDFM). The Commission, established on 1 October 1999 under the Northern Ireland Act 1998, assumed, along with the responsibilities for statutory equality duties and new disability matters, the duties and responsibilities of four former organisations:

- The Commission for Racial Equality for Northern Ireland;
- The Equal Opportunities Commission for Northern Ireland;
- The Fair Employment Commission for Northern Ireland; and
- The Northern Ireland Disability Council.

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Since October 1999, additional duties and responsibilities with respect to age, disability, sexual orientation and special educational needs have also been assumed.

During 2009, jointly with the Northern Ireland Human Rights Commission, the Equality Commission was designated as the independent mechanism for Northern Ireland of the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) with the role of promoting, protecting and monitoring the implementation of the Convention.

Since the Commission's inception, it has aimed to fulfil these duties by working in partnership with key stakeholders to place equality at the heart of civic, economic and political life in Northern Ireland.

The main pieces of legislation from which the Commission derives its duties and powers are:

- Equal Pay Act (NI) 1970, as amended
- Sex Discrimination (NI) Order 1976, as amended
- Disability Discrimination Act 1995, as amended
- Race Relations (NI) Order 1997, as amended
- Fair Employment and Treatment (NI) Order 1998, as amended
- Northern Ireland Act 1998



- Equality (Disability, etc.) (NI) Order 2000
- Employment Equality (Sexual Orientation) Regulations (NI) 2003, as amended
- Special Educational Needs and Disability (NI) Order 2005, as amended
- Disability Discrimination (NI) Order 2006
- Employment Equality (Age) Regulations (NI) 2006, as amended
- Equality Act (Sexual Orientation) Regulations (NI) 2006, as amended

### Performance against Targets

In October 2014, given the uncertainty around the budget position, the potential for an augmentation of the Commission's role within a new Equality and Good Relations Commission and the anticipated significant changes to the Commission's membership, the Commission sought approval for an extension of its planning period into 2015-16. In March 2015, this was granted and the 2015-16 annual Business Plan was based on the overall framework and objectives provided by the Corporate Plan 2012-15.

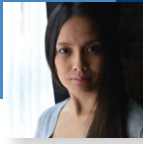
The Corporate Plan, entitled 'Improving People's Lives', has a central aim of impacting on the lives of every person in Northern Ireland. The Plan set out the strategic framework within which we would carry out our powers and duties over the three years. It was subsequently extended for a further year and the Corporate Plan 2012-15 strategic priorities were utilised for the 2015-16 Business Plan as approved by the Executive Office.

Four strategic priorities to make a difference were identified:

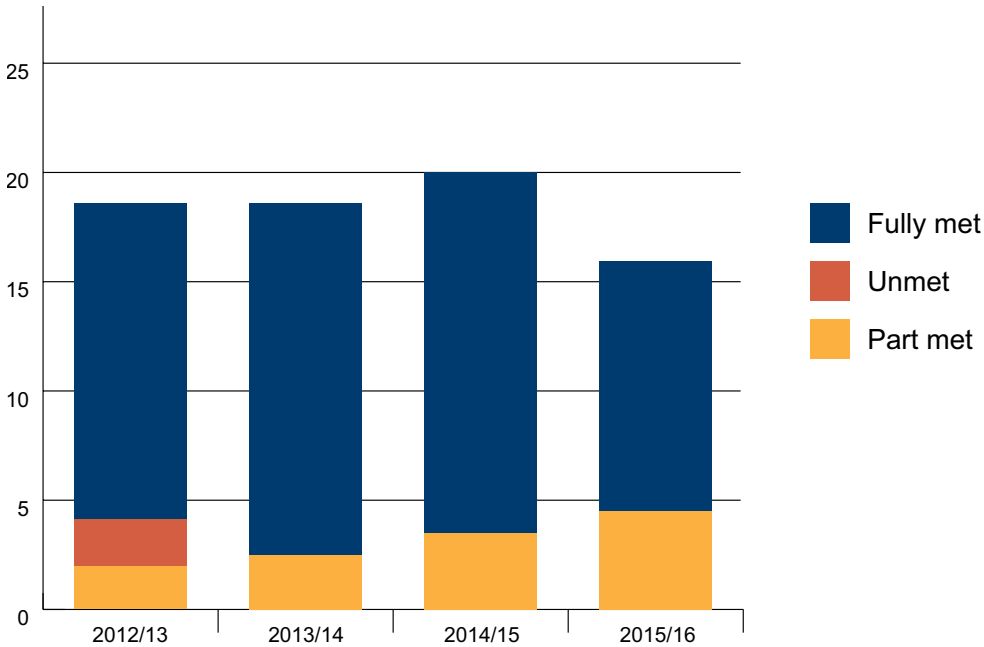
- addressing key inequalities;
- extending equality practices in the workplace and goods, facilities and services;
- challenging discrimination;
- delivering effective and efficient services.

In support of its Corporate Plan, the Commission prepares annual business plans.

This year's Business Plan has 16 objectives, spread across the four strategic areas. By the end of the year 11 (68.75%) of these targets were fully met and 5 (31.25%) partially met. No targets were unmet. A summary of Performance against Targets for the four years of the extended Corporate Plan is set out in the table below.



## Performance against Targets 2012/16



The delivery highlights in 2015-16 included:

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- commitment secured for law reform in new Assembly term
- dissemination of independent research on key inequalities in education and housing
- secured positive judgement in County Court in high profile and controversial goods, facilities and services case;
- substantial increases in website usage and Twitter account followers;
- all six internal audit reports providing substantial assurance;
- induction and governance training provided to eleven new Commissioners;
- Investors in People Silver award and reaccreditation for ISO 9001 and Lexcel;
- completion of major review of Business Continuity, with substantial assurance provided from internal audit.

The targets partially met were those relating to completion of the formal investigation into pregnancy and employment; the review of the policy for legal assistance/strategic enforcement; and the Commission's article 55 review. Work on these was not fully completed by the year end and will be completed in 2016-17. By the year end the Commission had drafted a Corporate Plan for 2016-19 and a costed Business Plan for 2016-17. These have now been forwarded to the Executive Office (TEO) for approval.

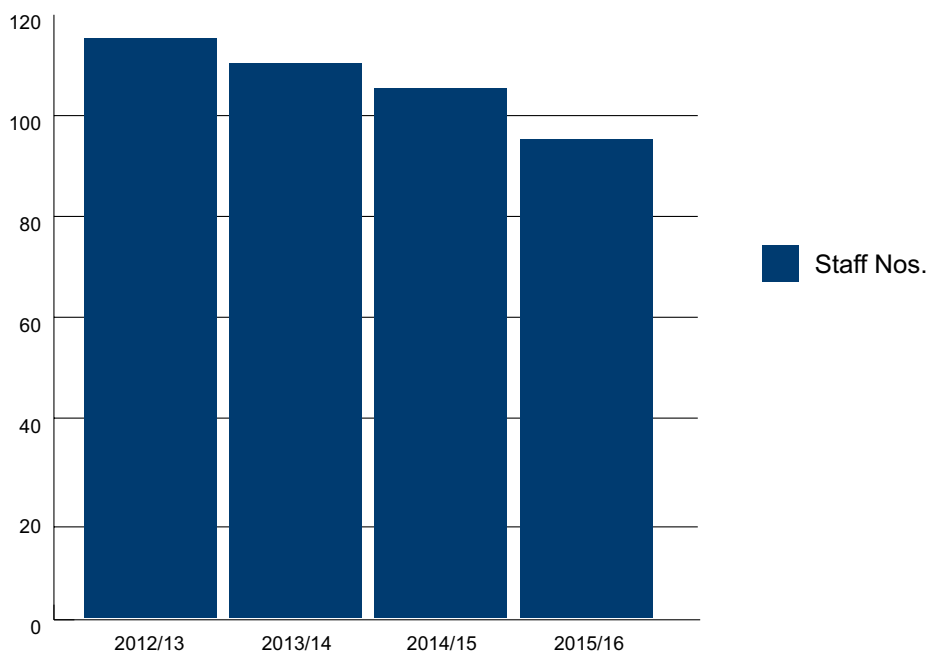


Further detail of the delivery in each of the Key Output areas is included in the section on Progress against Key Performance Indicators below.

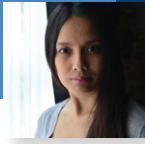
As has been the case throughout the period covered by the Corporate Plan 2012-15, extended for 2015-16, this year's strategic objectives were developed against the backdrop of continuing constraints on public finances. Like many public bodies, the Commission's budget and grant in aid fell over the period. Given the labour intensive nature of the Commission's services, the greatest impact of reduced budgets was on staffing levels.

Since 2009-10, the Commission's overall staffing level has declined. The average whole time equivalent staffing level of the Commission this year is 94. This compares with 138 in 2009-10, a 32% decrease. Over the period of the most recent Corporate Plan 2012-15, extended for 2015-16, staffing levels fell in each year from 116 to 94.

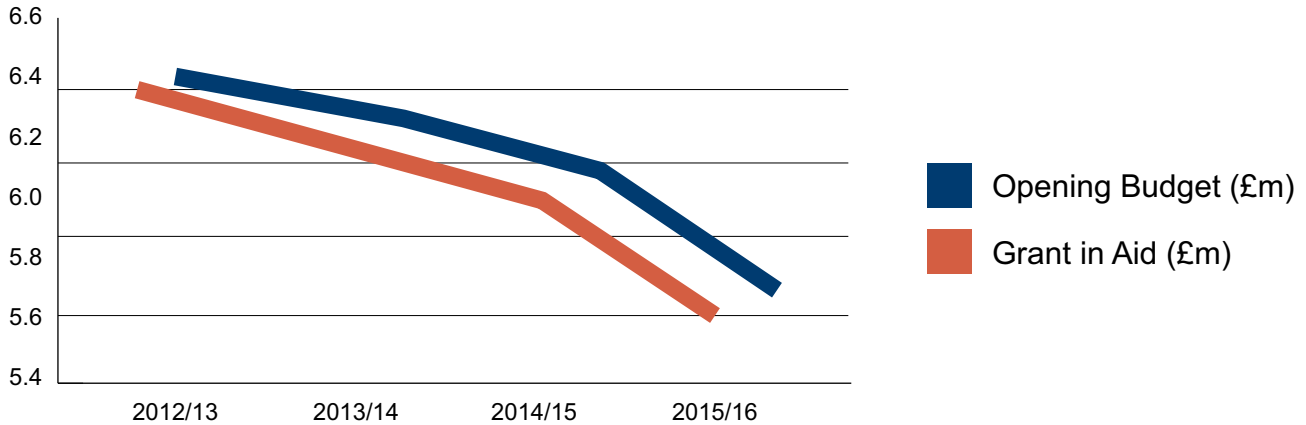
### Staffing levels (whole time equivalent) 2012-16



A similar decline can be seen in the financing provided by TEO over the same period. In 2012-13 the initial budget was £6,450,000. The opening budget figure for 2015-16 was £5,755,000, a reduction of £695,000. The overall trend over the past four years is summarised in the table below.



## Executive Office Funding (£M) 2012/13 – 2015/16



In 2015-16 the Commission's opening budget allocation was £5,755,000. This included a £427k (7%) reduction on the 2014-15 Resource DEL opening baseline.

The Commission has responded to budget reductions through the use of Voluntary Exit provisions, efficiency savings and sharing the costs of running its premises and corporate services, particularly ICT, with other arms length bodies, a number of which have relocated to Equality House. Following the October monitoring round the Commission obtained approval for a bid of £202k to fund a Voluntary Exit Scheme. Following the November monitoring round the Commission obtained approval for a reallocation of £200k from the Commission's Resource tranche to Capital, to fund building work to facilitate increased sharing of its accommodation.

Increasingly, the Commission has also sought to focus its resources on its key statutory obligations and those areas where it believes it can make the most impact in relation to identifying and tackling key inequalities. This involves work both through its own endeavours and working in partnership with public authorities and other key stakeholders with responsibilities or interests in effecting change in those areas.

## Results for the Year

The financial position of the Commission as at 31 March 2016 and other results for this year are set out in detail in our Financial Statements at page 71. The Accounting Officer authorised these financial statements for issue on 29 June 2016.

The Financial Reporting Manual (FRM) requires the Commission to treat grant-in-aid as financing rather than income. £5,762,000 (2014-15, £6,216,000) was received from TEO in the year. The Commission also shows a small increase in income from its activities.



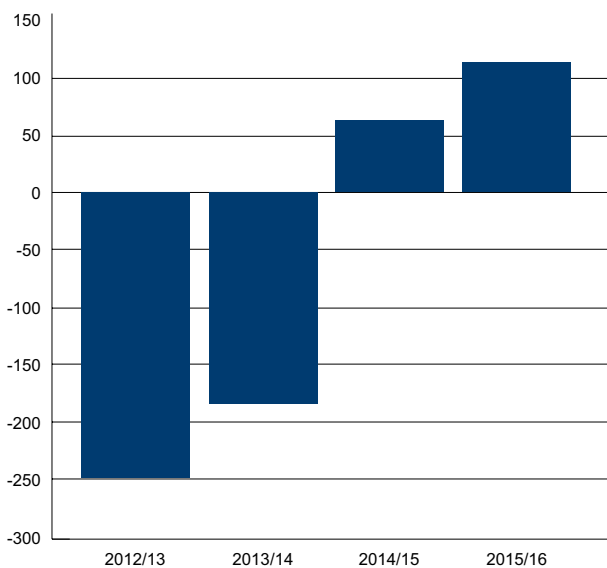


Income from activities was £263,624 this year, which compares with £245,605 last year. Approval for retaining this income was obtained from the Sponsoring Department.

Net expenditure for the year was £5,713,181 (2014-15, £5,969,008).

There has been a movement in the Taxpayers' Equity of £50,392; from a surplus of £67,865 at 31 March 2015, to an increased surplus of £118,257 at 31 March 2016. The main reason for this was a reduction in expenditures on Staff and Commissioner costs, premises costs and other operational costs and an increase in the carrying value of fixtures and fittings. The movement in taxpayer's equity over the past four years is summarised below.

### Changes in Taxpayers' Equity



### Payment to Suppliers

The Commission is committed to the prompt payment of bills for goods and services received in accordance with the Government's Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days of receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later.

During the period 96.3% of bills were paid within the thirty day standard, 80.9% of the total bills received were paid within 10 days. The comparative figures for 2014-15 were 97.8% and 82.9%.



## Managing Risks

The key risks to the achievement of the Commission's objectives are set out in its Corporate Risk and Business Continuity Register. The Register is reviewed at each monthly executive board meeting or earlier in the event of the emergence of a significant risk or 'near miss'. It is reviewed at each meeting of the Audit and Risk Committee and by the full Commission, at least twice each year.

This year the key risks to the delivery of the Commission's objectives were the continuing reduction in funding and staffing levels and, in particular, the lack of longer term financial information to facilitate the development of robust planning assumptions and forecasts into the foreseeable future. In March 2016 the Commission was provided with its opening budget for 2016-17 and during this year anticipates additional information arising from the Comprehensive Spending Review that will facilitate the development of longer term planning.

This year saw substantial changes to membership of the Commission, with eleven new Commissioners replacing eleven who had reached the end of their periods of appointment. This took place in two tranches, with new Commissioners joining the Commission in June and September. Although this represented a considerable initial loss of corporate knowledge, the new Commissioners have substantial experience across the public, private and third sectors. A comprehensive induction programme, including governance training, was delivered in 2015-16 following their appointment.

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## Business Review

In the context of continuing reductions in the Commission's budget, the upward pressure of staff costs continues to be the main challenge which the Commission faces. The reduction in whole-time equivalent posts reported in recent years continues. This year saw a further reduction in the average whole-time equivalent (wte) headcount from 105 to 94 posts. Further access to the Public Sector Restructuring Fund has been approved for 2016-17 and the reduction in the average wte headcount will continue into 2016-17 and, without a positive change in financing levels likely, into the foreseeable future.

This year expenditure on Staff and Commissioners' costs was £4,324,502, a decrease of £185,497 in staffing costs compared with last year (£4,509,999). The decrease was a consequence of the continuing reduction in staff numbers and an increase in reduced hours working.



To mitigate the risks resulting from falling staff numbers in 2015-16, the Commission initiated its own organisation review. This was ongoing at the year end and in 2016-17 the Commission will engage in some internal restructuring to help alleviate the inevitable organisational pressures resulting from such a long-running reduction in staffing levels.

The Voluntary Exits in 2015-16 were all on the basis of the Civil Service compensation scheme and no special severance payments were involved. Approval from TEO was obtained. Information on the exit packages, as required, is included in the Remuneration Report.

### Likely Future Developments

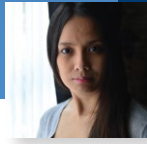
Although the scale of change will not be as great as this year, it is anticipated that there will be a number of new Commissioners to replace four whose terms come to an end in 2016-17. As was the case this year, a programme of induction and governance training will be organised.

The restructuring of Northern Ireland Civil Service Departments and some reallocation of personnel at Sponsor team level will provide both challenges and opportunities in relation to the delivery of equality and good relations across the public sector. Similarly, the development of a new Programme for Government could be a key driver for change.

It is anticipated that there will be progress on a new Comprehensive Spending Review, the outcome of which should frame the funding environment for the Commission over the coming years and facilitate the development of meaningful longer term financial planning.

It is also anticipated that the Executive's Reform of Property Management project will continue to impact on the Commission. During this year the Commission was joined in Equality House by the Commission for Victims and Survivors (CVSNI). At the very end of the year the Community Relations Council (CRC) also relocated to Equality House.

The relocation of both of these organisations further contributes to the sharing of premises costs in 2016-17 and future years. There is no indication of any changes to the lease arrangements at present and no current plans for additional relocations.



## Important Events Occurring After the Year End

On 23 June the UK held a Referendum to determine whether the country would remain in or leave the European Union. The Commission is currently considering the impact of the majority leave result on its activities. However, it is likely to be some time before the impact will be known.

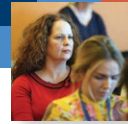
There have been no other significant events since the year-end which would affect this report and the accounts.

The Equality Commission's Annual Report and Accounts are prepared in accordance with Schedule 8 of the Northern Act 1998 and in a form directed by the Executive Office with the approval of the Department of Finance (formerly Department of Finance and Personnel).

## Going concern

The Equality Commission operates as a going concern. It is financed by funding from the Executive Office. Funding for 2016-17 has been approved and a budget is in place covering the next twelve months. Financial and staffing forecasts and scenarios have been prepared covering the next three years. A business case has been approved to allow further access to the Public Sector Restructuring Fund in 2016-17.

Management accounts are prepared on a monthly and quarterly basis and, on the basis of present forecasts; the planning process can facilitate timely remedial actions. Formal arrangements for regular and frequent liaison with the Departmental sponsorship team are in place and there are no known events or conditions which would cast doubt on the Commission's ability to continue as a going concern.



## ■ Performance Analysis

As set out above, the Commission measures performance through the identification of objectives and expected outcomes across four inter-related strategic areas, which cover the key priorities identified by the Commission to deliver its statutory responsibilities.

Each year an annual Business Plan is developed by the Commission and approved by the First and Deputy First Ministers. These are supported by Divisional business plans and cascaded down into team plans and key result areas for individual staff members.

The Commission and its Sponsoring Department review progress against the delivery of key strategic objectives on a quarterly basis.

A summary of progress of this delivery across each of the four strategic areas is set out below.

### **Strategic Area 1: Addressing Key Inequalities**

The corporate objective in this area is to highlight key inequalities in Northern Ireland, particularly in the areas of employment, education, health, legal protection, goods and services, social attitudes and good relations.

#### **Research**

This year the Commission's focus was on advancing work in the areas of employment, housing, education, participation in public life, health and social attitudes.

We published and disseminated independent research on inequalities in education and housing during the year. These research reports were accompanied by the publication of draft Commission statements on Key Inequalities in each area. Both received media coverage and positive feedback from key stakeholders. At the year-end additional work was being undertaken to develop similar statements on key inequalities in employment and on participation in public life, for completion in 2016-17.

A research project into inequalities in health and social care was tendered; as was survey work on public awareness of, and attitudes to, equality. This was a target which was only partially met.

The 25<sup>th</sup> Annual Fair Employment Monitoring Report was completed and publicised in December 2015, setting out high level trends in monitored employment.



## Public policy and Law reform

The Commission continued to utilise opportunities to influence key Executive strategies, including the race, gender and active ageing strategies, and public policy initiatives, both through the development and promulgation of its own policy recommendations and in its responses to consultation papers and the initiatives of others.

This year the Commission set out its draft views on current key inequalities in education and housing. The key inequalities in education received considerable media exposure and the Commission sought to further engage with key stakeholders on both issues. It also further distilled its draft gender equality policy priorities and recommendations.

During the year the Commission met with Ministers or their senior officials in relation to shared education and inequalities in education. It also provided evidence to the Assembly Committees and/or made responses to consultations concerning the proposed Special Educational Needs and Disability Bill (SEND), Shared Education, the Addressing Bullying in Schools Bill, the Executive's Childcare Strategy, the Department of Education's (formerly Department of Employment and Learning) Disability Employment Strategy, the Northern Ireland Housing Executive's Strategy on Community Cohesion and the Review of the Role and Regulation of the Private Rented Sector.

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In the area of health, the Commission responded to a number of the Department's consultations and met with officials on transforming health and social care. Other major areas of work included welfare reform, community planning and the Programme for Government and its budget priorities.

To inform, refine and promote its policy work, the Commission also engages with bodies representing the key sectors covered by section 75 and the anti-discrimination provisions. During the year the Commission organised and participated in events involving Government bodies, non governmental bodies (NGOs) and wider stakeholders relevant to its policy priorities in the areas of race (including issues facing Travellers, Roma, refugees and asylum seekers); gender equality (including key issues for women's, men's and trans groups); sexual orientation; disability; children & young people and active ageing. Much of this work with key stakeholders interfaces with the strategies being developed by the Executive across these different grounds. The Commission has also proactively engaged on its proposals for law reform, including as regards outlawing age discrimination in goods, facilities and services and race equality law reform.

The Commission continues to see evidence of the uptake of Commission positions by stakeholders (for example, evidence of positive acceptance of our key legislative reform recommendations on age GFS) and Government Departments (for example, the uptake of a number of Commission recommendations into the final Racial Equality Strategy).



## International Mechanisms

The Commission continues to work to fulfil our role as 'Independent Mechanism' to promote, protect and monitor implementation of the UN Convention on the Rights of Persons with Disabilities (UNCRPD). In addition to ongoing liaison with key stakeholders in Northern Ireland and partner bodies across the UK, we also organised the delivery of training during the year by the UN Office of the High Commissioner for Human Rights (UN-OHCHR) on the UNCRPD and on effective disability strategies/action plans for MLAs and Departmental officials.

We also continue to seek to use international mechanisms as key levers to drive policy change in Northern Ireland. We have used our engagement on gender equality (and our associated draft policy position) to highlight relevant CEDAW concluding observations. We also organised the delivery of training, by UN-OHCHR, for officials in the racial equality unit of TEO on the effective action plans and UNCERD.

We have also engaged with the UK Government as appropriate - for example providing commentary to UK Government officials on their draft UK State Party CERD Report. We engaged directly with, and made submissions to, the European Commission against Racism and Intolerance (ECRI) and the Framework Convention on National Minorities (FCNM) regarding key issues for action in Northern Ireland.

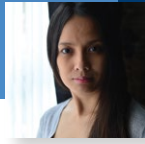
## Good relations

Over the past two years an additional business objective has been to influence and challenge Government and public authorities towards advancing good relations.

Identified priorities, in the context of the Executive's good relations strategy, *Together: Building a United Community (T:BUC)* and the *Stormont House Agreement/A Fresh Start*, included work to influence the implementation of the Executive's commitments on cultural expression and the strategy oversight arrangements. However limited progress was made due to the external environment.

Progress has been made to support the implementation of T:BUC generally, within our remit, through agreed work with TEO and the Community Relations Council. Following the request from the Good Relations Programme Board, a programme for District Council elected representatives on good relations has been developed and is being delivered.

In consideration of further Commission advice and the need to influence the implementation framework of *T:BUC*, areas where proposals in *T:BUC* refer to the Equality Scheme processes of screening and equality impact assessment, and more widely to the Section 75 equality and good relations duties requirements have been examined, with review reports due to be published in 2016-17.



## **Strategic Area 2: Extending equality practices in workplaces and in the provision of goods, facilities and services**

The Commission's work in this area focusses on its compliance duties and how to best utilise these to drive improvements in equality and good relations practices amongst public authorities, who have particular responsibilities, and other employers and service providers. A particular focus is the delivery of the Commission's regulatory responsibilities in relation to the Fair Employment and Treatment Order 1998 (FETO), section 75 of the Northern Ireland Act 1998 and the Commission's oversight in relation to the preparation by public authorities of disability action plans under sections 49A and 49B of the Disability Discrimination Act 1995 (DDA). This work also includes the training, advice and other support provided to these bodies.

### **FETO**

Each year the Commission receives almost four thousand monitoring forms from private sector employers and public authorities. Of the 3,448 that had been audited and authorised this year, more than 99% were in compliance with the fair employment monitoring regulations. This year the Commission received 106 Article 55 employer reviews.

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Employers' compliance with the Article 55 Review requirement remains high. This year there were 16,062 contacts with employers in relation to FETO compliance. Liaison is ongoing with TEO in relation to a new Fair Employment Specification Order.

### **Section 75 Statutory equality and good relations duties**

Schedule 9 of the Northern Ireland Act 1998 places a number of duties on the Commission with respect to enforcement of section 75:

- to keep under review the effectiveness of the duties on public authorities;
- to offer advice to public authorities and others in connection with section 75;
- to approve equality schemes and request any public authority to make a revised scheme;
- to consider complaints received regarding a potential failure by a public authority to comply with its approved equality scheme, and to investigate where appropriate.

The Commission took a number of steps in furtherance of these duties during the year under review.

During 2015-16 the Commission met with 104 public authorities to discuss progress on the implementation of their section 75 duties. A particular focus of these discussions was on





public authorities' annual progress reports and the implementation of their arrangements for assessing and consulting on the likely impact of policies on the promotion of equality of opportunity.

The Commission also held a number of events to provide advice to public authorities on their statutory equality and good relations duties and has continued to liaise with the Centre for Applied Learning (CAL) to input to their training to public authorities in this area.

This year the Commission developed written guidance on the public sector disability duty – clarifying the requirements and emerging good practice in this area - and on Good Relations in Local Councils, as well as short videos on the section 75 duties. The Commission continues to attend and provide input to public sector forums and networks on the public sector equality duties.

During the year, the Commission provided 56 responses to consultations, mainly in respect of the screening of policies and Equality Impact Assessments (EQIAs).

### **Section 75 Complaints and Investigations**

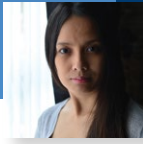
Our target this year was to complete all section 75 paragraph 10 and 11 processes within four months of commencement. This target was not met.

During 2015-16, a total of 25 individuals contacted the Commission with queries regarding the obligations of public authorities under section 75 of the Northern Ireland Act 1998. They were all given advice on the process for making a complaint where they believed that a public authority may have failed to comply with its section 75 duties.

Five written complaints were initiated by individuals under Paragraph 10 of Schedule 9 of the Northern Ireland Act and considered by the Statutory Duty and Investigation Committee (SDIC).

Following consideration, three of these were authorised for investigation and these investigations are on-going at the year end. Two complainants were refused investigation and, as required by statute, the reasons were provided. A further complaint was withdrawn prior to SDIC consideration.

During the year a paragraph 11 Investigation, in relation to the Department for Communities' (formerly Department for Social Development) Housing Strategy and related policies, was concluded. The Department was found to be in breach of its Equality Scheme and the final report was forwarded to the Department, the NI Assembly and the Secretary of State in November 2015.



## Public Sector Disability Duty

108 (82%) public authorities have current Disability Action Plans in place and a further 11 (8%) have submitted draft Disability Action Plans to the Commission while their consultation was ongoing. During this period 58 Disability Action Plans were received. All of these plans have been audited and 91 meetings held with public authorities with the aim of improving the form and/or content of existing or proposed plans.

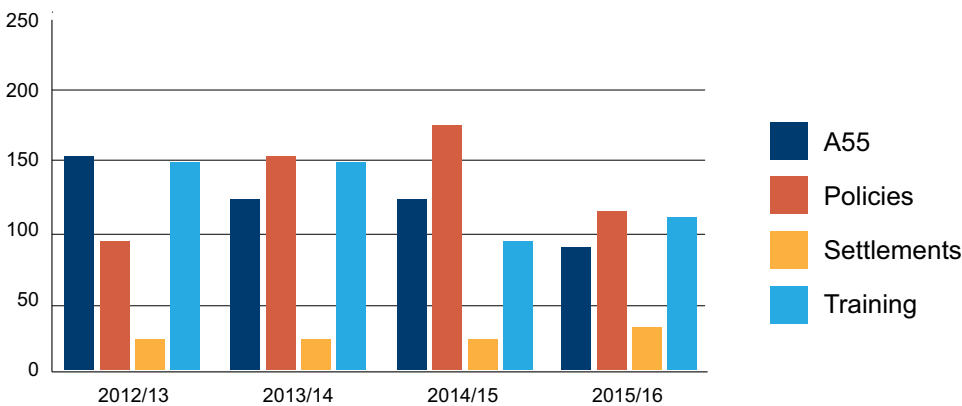
## Other investigatory powers

A Formal Investigation entitled “Expecting Equality” conducted under the Sex Discrimination Order - into the experience of women in employment in Northern Ireland when pregnant, on maternity leave and/or returning to work after the birth of a child and the issues faced by employers in response to same – was launched on 15 January 2015. At the year end this investigation was still ongoing and the final report will be completed in 2016-17. This was a target which was partially met.

## Training and Advisory work

The Commission continued to deal with over 3,000 advisory enquiries from employers and service providers and also provides a training and information service to these key stakeholder groups. During this year the Commission arranged 126 training, information and employer network events. These were attended by 1,274 individuals representing 858 organisations.

## Advisory work 2012-16



A total of 131 policies were developed with 82 employers this year. This work is initiated principally by means of Article 55 reviews, contact through training and follow up of Tribunal case settlement terms.



A focus of our work this year was the continuing development of employer networks to facilitate the encouragement of women into careers in science, technology, engineering and mathematics (STEM) and Every Customer Counts, a project aimed at increasing disabled people's access to goods, facilities and services.

The Commission has been working very productively with nibusinessinfo. This partnership increased the reach of the Employer Training Programme and has resulted in improved engagement with new businesses across Northern Ireland. We have also worked in collaboration with Invest NI to create professional videos for the Invest NI website and expanded equality guidance on the NI business website.

### Strategic Area 3: Challenging discrimination

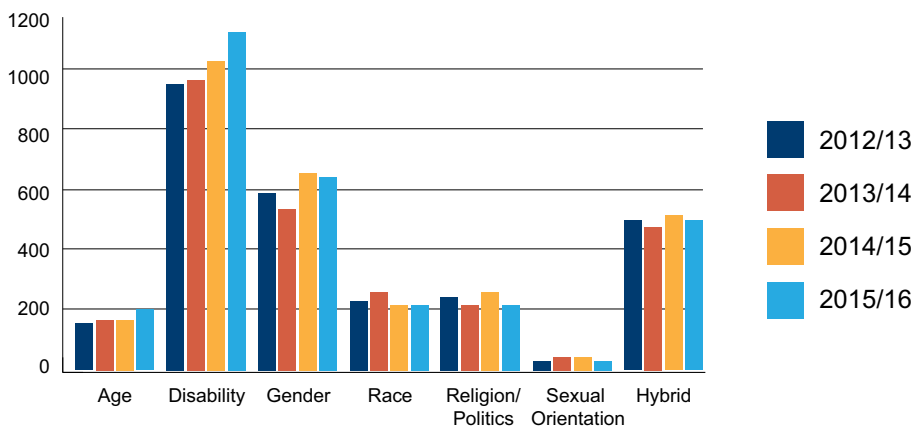
During this year, challenging discrimination through the strategic use of the Commission's legal assistance powers continued to be a key statutory responsibility and strategic objective.

#### Advice to potential complainants

During the year the Commission provided advice in response to queries about potential discrimination to 3,412 individuals, up on last year's 3,313.

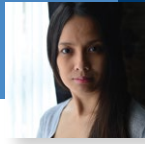
A breakdown of the enquiries and applications for assistance that the Commission has received over the past four years by the legislative ground is provided below.

#### Numbers of discrimination enquiries and applications for assistance



#### Assisting complainants

Nine percent of those who sought advice did not resolve their problems informally and sought assistance to pursue a legal case. During the course of the year, these 291



applications were considered by a Legal Funding Committee (LFC) and 71 (24.4%) were granted assistance, under the terms of the Commission's Policy on the Provision of Legal Advice and Assistance. This is a slight increase from last year.

To ensure financial control of legal cases the Commission operates a process of staged assistance whereby, as cases progress and more information comes to light, they are reviewed on a systematic basis and the assistance is either halted or increased. During the course of this year, in addition to assessing new cases for initial assistance, LFCs reviewed 69 cases which had already been granted assistance. During the year cases may be reviewed on more than one occasion. Of these cases, 50 (72.5%) had their assistance level extended and in 19 cases it was withdrawn.

Applicants may request that this decision is independently reviewed by another LFC. During 2015-16, 15 cases were re-examined. Two cases (13.3%) had their assistance reinstated.

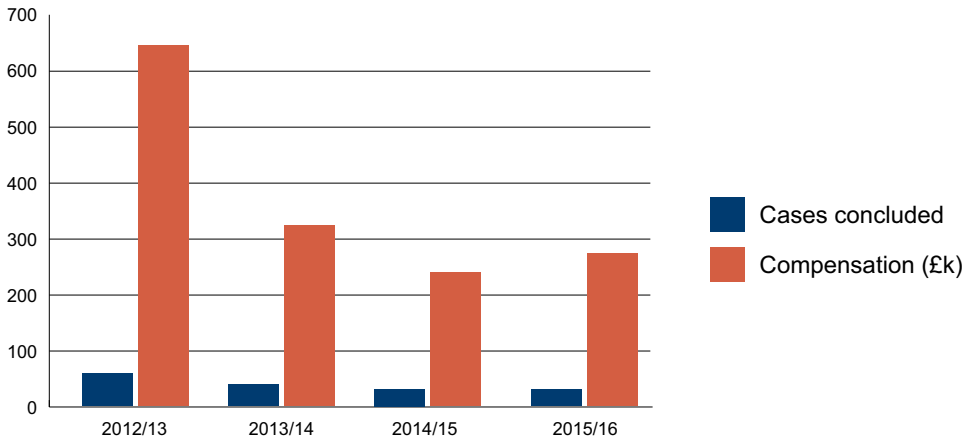
The Commission's casework this year was dominated by the judgement in the case of Lee-v-Ashers Baking Company Ltd and others. This was a complaint of discrimination on the grounds of sexual orientation and political opinion in the provision of goods, facilities and services. Mr Lee's complaint was upheld in the County Court and he was awarded £500. The case, which covers important legal points relating to the scope of discrimination law, its interrelationship with human rights legislation and the balance between individual rights and personal freedoms, is currently awaiting a decision from the Court of Appeal. In addition to the Lee case, during 2015-16 three other cases were heard before a court or tribunal. An industrial Tribunal upheld a complaint of associative disability discrimination against the Ardoyne Association. This case is also the subject of an appeal. In two employment cases relating respectively to sex discrimination and to indirect sex discrimination the complainant's cases were not upheld by the Tribunals.

In total, during 2015-16, cases on behalf of 38 individuals were concluded by way of negotiated or conciliated settlement. These resulted in the recovery of £293,200 in compensation, along with agreements to commit to equality principles and undertakings to liaise with the Commission in relation to reviews of policies and practices and other remedial action.

The table below outlines the numbers of cases concluded for each year of the period 2012-16 and the levels of compensation secured. One of the trends that should be taken into account is a shifting balance in the Commission's work over the period, from employment cases to goods, facilities and services cases. In general the level of award in the County Court for goods, facilities and services cases is substantially lower and the level of financial compensation recovered is reflective of this.



## Cases concluded 2012-16



## Review of Strategic Enforcement Policy

The work of the Commission in this area is guided by the Policy for the Provision of Legal Assistance and Advice, which operationalises the statutory framework under which the Commission's legal advice and assistance is granted. During this year it was planned to undertake a review of the policy. Due to other work priorities this was one of the targets which the Commission did not meet. The review is now scheduled to be completed in 2016-17.

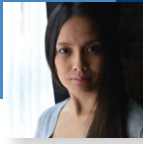
## Strategic Area 4: Delivering effective and efficient services

The Commission continues to deliver its services and business plan objectives within a context of financial constraint. Across each of these areas, in most cases, the Commission met its targets. Targets were only partly met in relation to obtaining approval for its new corporate and business plans and for completion of the Article 55 review, as although substantial work was completed the projects were not fully completed in line with the original timetables set.

## ■ Corporate Governance

During 2015-16 the Commission continued to demonstrate high levels of governance and internal control.

In line with its targets the Annual Report and Accounts were prepared in compliance with the timetable agreed with the Northern Ireland Audit Office (NIAO) and accounting standards as outlined in the Financial Reporting Manual (FReM) and other Department of Finance (formerly DFP) guidance. The Annual Report and Accounts was certified by the C&AG and laid before the Assembly on 30 July 2015. Once again, the Commission received an unqualified audit opinion for its Annual Report and Accounts and the Report to those charged with Governance contained no Priority 1 issues.



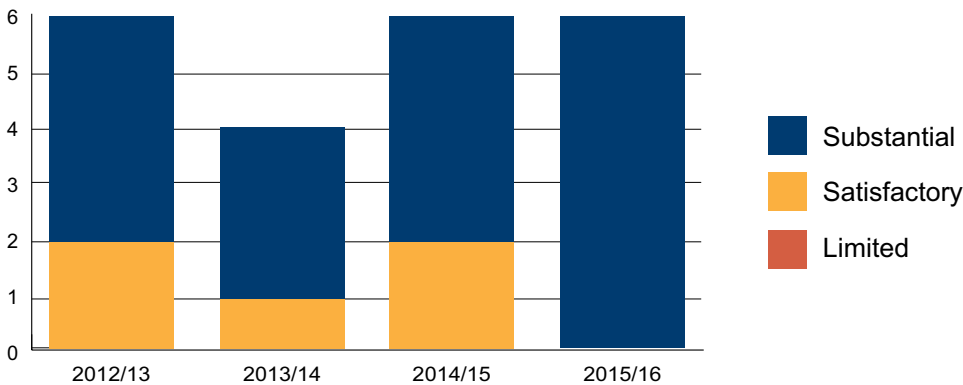
During this year six internal audits were undertaken and all provided Substantial assurance. This year's audit plan covered systems and processes in relation to:

- the Advice and Compliance Division;
- complaints management;
- legal funding processes and the legal funding database;
- procurement systems and guidance;
- business continuity and IT infrastructure, disaster recovery and security; and
- Board and Committee effectiveness.

There was no remuneration paid to the auditors for any non-audit work undertaken. No non-audit work was undertaken by the auditors.

The table below summarises the Commission's internal audit outcomes over the past four years.

### Internal audit results 2012-16



Over these four years no internal audits providing less than satisfactory assurance have been recorded.

### Budgetary Control

In 2015-16 the Commission's opening budget allocation was £5,755,000. This included a £427k (7%) reduction on the 2014-15 Resource DEL opening baseline. By the year end this had increased to £6,045,000, mainly as a result of the approval of a bid for a Voluntary Exit Scheme. The Commission's grant in aid during 2015-16 was £5,762,000. When approved additional income is added this figure increases to £6,028,000. The Commission's funding was subject to the condition that it did not incur additional expenditure above that agreed by the Department. This condition was met.



In response to the continuing pressures on public sector budgets, the Commission continues to strive to control its staffing costs. During 2015-16 staffing costs decreased by a further £185,497.

During 2015-16, £263,624 of income was generated £18,019 more than last year. This increase was due the relocation of the Commission for Victims and Survivors to Equality House as part of the Reform of Property Management project.

The main sources of additional income to the Commission continue to come from its sharing of accommodation costs and, to a lesser extent, ICT and other corporate services with a number of other Arm's Length bodies. By the year end the Community Relations Council had also relocated to Equality House. The relocation of additional bodies will result in a further increase in the capacity for cost sharing and additional income in 2016–17.

### Corporate and Business planning

The Business Plan for 2015-16 was prepared in line with the relevant timetable and was formally approved by TEO on 1 October 2016. During the course of the year, progress on its delivery was reported to the Commission on a quarterly basis.

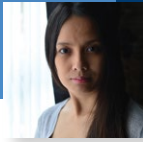
During 2015-16 the membership of the Commission changed substantially and work on the development of a new Corporate Plan covering the period 2016-19 was initiated. A new Plan was developed and the draft Plan issued for public consultation.

At the year end, the Corporate Plan consultation period had ended and an updated draft was being prepared for submission to TEO for formal approval. A revised Business Plan for 2016-17 was also being finalised. Both of these Plans have now been submitted to TEO for formal approval.

### Statutory responsibilities

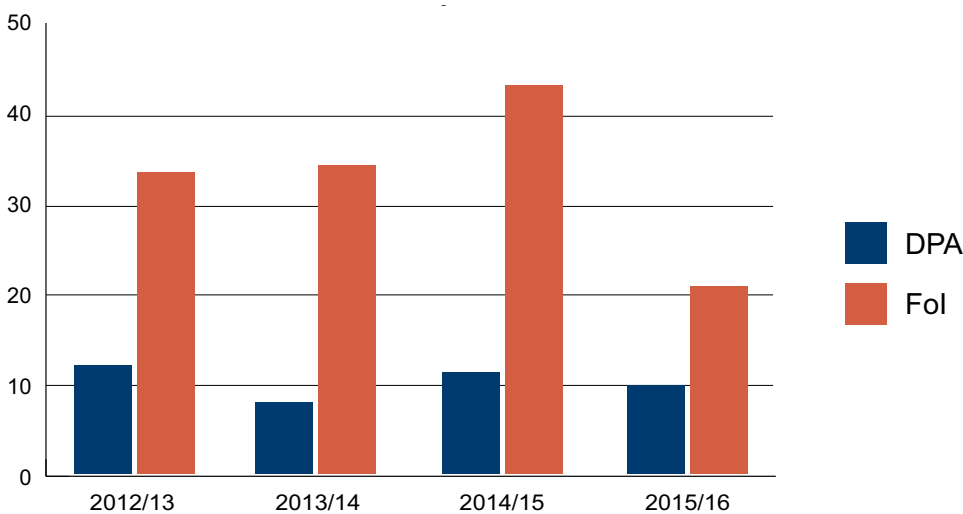
As is the case with other organisations, both public and private, the Commission is responsible for the delivery of its duty of care and statutory responsibilities as an employer.

During 2015-16, the Commission's health and safety committee met on four occasions. The evacuation procedure was successfully tested in October. Nineteen potential health and safety incidents were reported, all of a minor nature; each was reviewed and remedial action taken where necessary. A personal injuries claim resulted from an incident involving hot water in the kitchen. This claim was dismissed by the County Court and was also later dismissed on appeal to the High Court.



Twelve data protection (DPA) subject access requests were received this year and twenty three Freedom of Information (Fol) requests. As was the case last year, a number of the Fol requests related to the ongoing Lee v Ashers Baking Company Ltd case. All requests were processed within the relevant protocols and timeframes. A breakdown of data protection and Fol requests over the past four years is provided below.

### Data Protection and Freedom of Information requests 2012-16



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The Commission submitted its annual fair employment return for 2015, in April, as required, and at the year end was finalising an Article 55 review of its workforce composition and practices. A summary of workforce composition and related information can be found in the Staff Report. A programme of Dignity at Work training was delivered for all staff this year.

### Maintaining the Commission's Public Profile

One of the Commission's key objectives is to maintain an effective public profile for its work. To assess its work in this area the Commission uses a media monitoring service as well as collecting information on the use being made of its website and social media impacts.

### Media

The Commission's work continued to be covered extensively in the media this year. The Commission's work was referenced in 542 pieces of coverage across print and broadcast media this year. This was a decrease of 23% from the 705 pieces the previous year, but substantially higher than 2013-14.





As was the case last year, this year's press coverage was dominated by legal cases, principally Lee v Ashers Baking Company Ltd. The Commission publicised other important cases assisted by the Commission covering age, disability, race and gender.

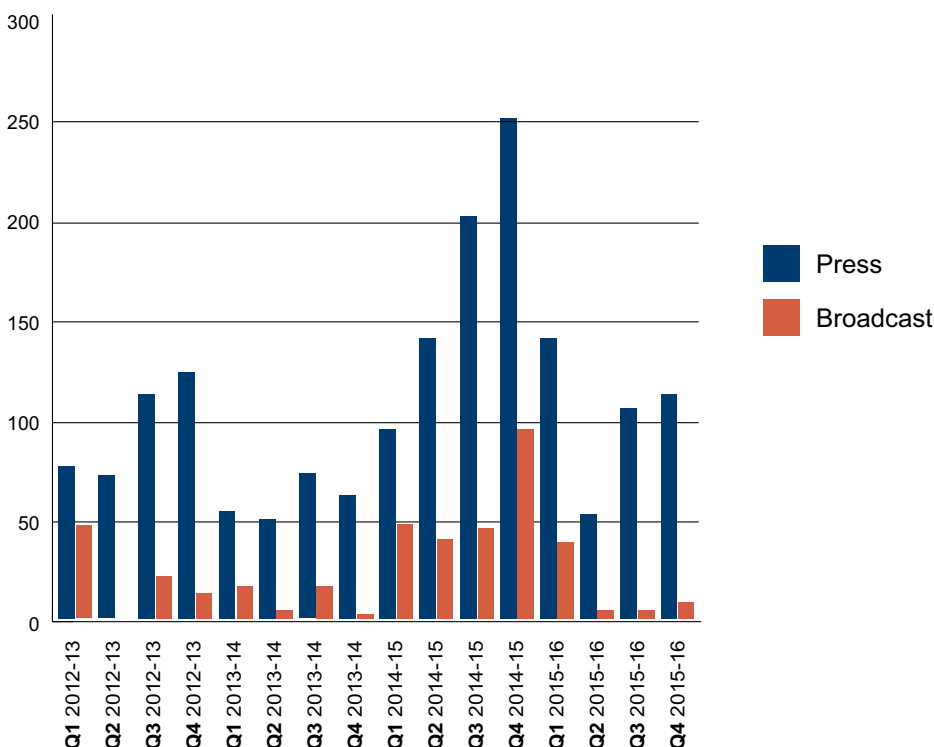
The Commission also publicised two draft Key Inequalities Statements; Key Inequalities in Education in October 2015 and Key Inequalities in Housing in March 2016. There was significant press coverage across broadcast and print media around the draft Statement on Education. This included a discussion with the Education Minister and the Chief Commissioner on the Nolan Show; further interviews with the Minister for Education and the Chair of the Assembly Committee on Education. The topic of educational inequalities was debated through social media outlets on the day of the launch and has been the subject of ongoing discussions in the Assembly and also highlighted in election material.

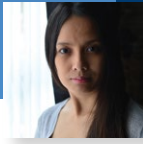
The Commission's investigation and its outworking, in relation to the naming of McCreesh Park by Newry and Mourne District Council, were covered by the print media on several occasions during this year. Other media stories relating to the Commission's work included the Every Customer Counts disability access initiative; STEM partnership work; race discrimination issues; and the Disability Discrimination Act 20th anniversary.

The chart below summarises the volume of coverage over the period from Qtr 1 2012-13 to the end of Qtr 4 2015-16 showing a considerable uplift in relation to volume of coverage.

### Quarterly media coverage 2012-16

Volume of coverage





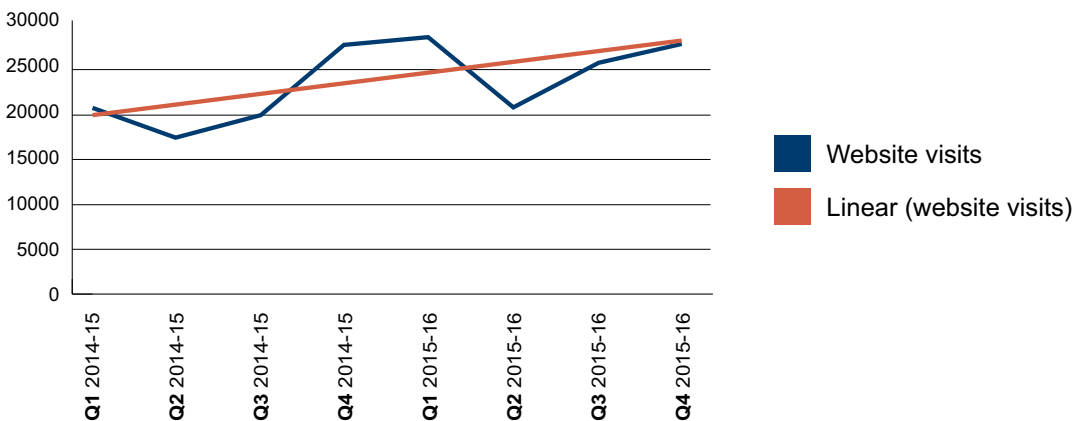
## Website

The new website went live in April 2014. It was produced paying particular attention to primary and secondary audiences, customer journey planning, navigational structure, and information hierarchy and task completion processes. This year, the website continued to be developed to ensure it remains a valuable and up to date source of information for stakeholders.

The Chart below shows traffic to the website since it went live in April 2014. Over the year more than 70,000 users visited the website more than 100,000 times making almost 320,000 pages views. When compared to the previous year, this represented a 19% increase in visitors, making 19% more visits, viewing 3% more pages.

A new floating icon for the BrowseAloud accessibility toolbar was introduced to highlight the alternative ways information can be displayed and translated on the website for those who are partially sighted or speak other languages.

Website visits April 2014-2016



## Ezines

Nineteen ezines were issued this year. The average opening rate was 21%, slightly higher than the industry average. The majority of Commission ezines include matters of interest to the wide range of Commission stakeholders.

Most are focused on employers and service providers, who make up the bulk of our key stakeholders; others are focused on more specific target groups such as Members of the Legislative Assembly (MLAs). The total number of ezine subscribers across all stakeholder groups now stands at 10,000, an increase from 6,800 in 2014-15.

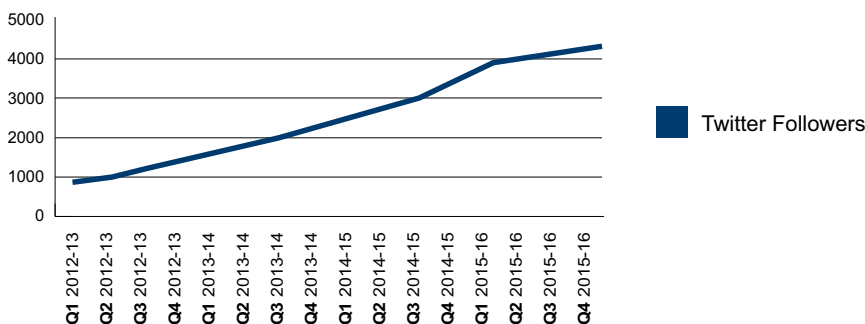


## Twitter

The Commission has had a corporate Twitter account for just over four years and the number of people following the Commission has risen steadily over this period with engagement rate growing. The chart below shows the trend in Twitter followers since 2012/13. This year the number of followers increased by 32%.

This year, Twitter has been used to generate interest in all the Commission's work and has been mainstreamed across all our communications work. This includes using it as a vehicle to promote events; engage with stakeholders; promote supported cases; communicate policy lines; and comment on topical issues. It has proved a very good way of networking with other organisations and appears to be particularly useful for reaching the business sector.

Twitter Followers 2012-2016



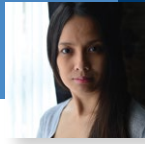
## Stakeholder engagement

The Commission continued its engagement throughout this year with a range of stakeholders including with political representatives; Church leaders; business leaders and representative organizations.

This included engagement by the Chief Commissioner and Chief Executive on issues from across the range of the Commission's remit including engagement on the draft Corporate Plan consultation; on Key Inequalities in Education; and on the proposed legislation to outlaw age discrimination in the areas of goods, facilities and services.

## Business Improvement

The highlight of our business improvement work this year was the Commission's successful reaccreditation for Investors in People (IIP). In February 2016, the Commission was advised that its IIP Silver award had been retained. The Commission was first awarded Silver in December 2012. During 2015-16 the Commission also retained the accreditations for its legal casework and corporate services work, under Lexcel and ISO



9001, respectively. The ISO reaccreditation was obtained following completion of a triennial review.

During this year the Commission undertook a major review of its Business Continuity Planning. These arrangements were reviewed by internal audit in September and substantial assurance provided.

A key focus of our efforts this year was tackling a temporary rise in our sickness absence levels in 2014/15. In addition to a focused use of our sickness absence procedures, the Commission undertook a range of additional staff wellbeing activities. By the year end the sickness levels had significantly reduced. During 2015/16 sickness absence had been reduced to an average 8.2 days lost per employee from last year's figure of 17.5.

Other major projects undertaken this year included the relocation of both the Commission for Victims and Survivors (CVSNI) and the Community Relations Council (CRC) to Equality House.

### **Corporate Responsibility and Sustainability**

The Commission continues to promote sustainable development through its operational activities and policy responsibilities. It is committed to the regular review of sustainable development practices and activities. The Commission has in place a Corporate Responsibility and Sustainability Policy.

The foci of the policy remain the three key areas of:

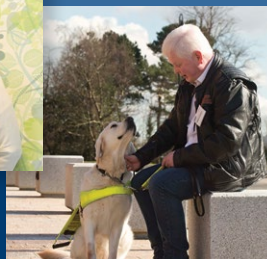
- Environment
- Community
- Workplace

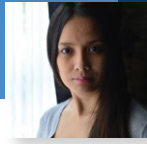
TEO takes the lead, across the bodies for which it is responsible, on strategic policy for sustainable development and the Commission continues to take forward work designed to promote, encourage and support it.

Further information on the Commission's delivery of its responsibilities, as well as business improvement and related activities, can be found in the Commission's Corporate Responsibility and Sustainability Statement.

**Evelyn Collins CBE**  
**Chief Executive and Accounting Officer**  
**29 June 2016**

# ACCOUNTABILITY REPORT





# Corporate Governance Report

## Directors' Report

The Commission is led by a Chief Commissioner, supported by a Deputy Chief Commissioner. The overall number of Commissioners should be not less than 14 and not more than 20.

Including the Chief Commissioner and Deputy Chief Commissioner there are currently 16 Commissioners. The Deputy Commissioner resigned from her post on 1 March 2016 to stand for election to the Northern Ireland Assembly. She was subsequently reappointed by the Secretary of State and resumed her post on 1 June 2016.

The present Chief Commissioner is Dr Michael Wardlow. Dr Wardlow has been the Chief Commissioner since March 2012.

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The Commission's Chief Executive, Dr Evelyn Collins, has been designated as the Accounting Officer. Her responsibilities as the Accounting Officer are set out below at page 36. As Accounting Officer she has responsibility for maintaining a sound system of internal control that supports the achievement of the Commission's policies, aims and objectives. The Governance Statement on pages 38 – 47 sets out how this responsibility has been discharged during the current year.

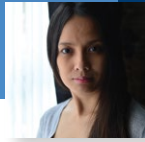
### Commission and Chief Commissioner

The individuals set out in the table below served as members of the Commission during the reporting period. At the end of the year, ten of the Commissioners were male and five female.

The table also includes information on the number of Commission meetings which took place during the financial year and the number attended by each Commissioner.



Commissioner		No. of meetings	No. Attended
Michael Wardlow	Chief Commissioner	10	10
Jane Morrice	Deputy Chief Commissioner (to 31 May 2015)	2	0
Lesley Carroll	Deputy Chief Commissioner (from 1 June 2015 to 29 February 2016)	7	7
Stella Burnside	(to 31 May 2015)	2	2
Fidelma Carolan		10	10
Anna Carragher	(to 21 Sept 2015)	4	3
Kit Chivers	(to 31 May 2015)	2	2
Patricia Feeney	(to 31 May 2015)	2	2
Milton Kerr		10	9
Charo Lanao-Madden	(to 31 May 2015)	2	1
Lyn McBriar	(to 21 Sept 2015)	4	3
Stephen McIlveen		10	8
Liam Maskey		10	9
Dermot Nesbitt	(to 21 Sept 2015)	4	3
Peter Sheridan	(to 21 Sept 2015)	4	4
Norman Trotter	(to 31 May 2015)	2	2
Murray Watt	(to 31 May 2015)	2	2
Deborah Donnelly	(from 1 June 2015)	8	8
Hazel Francey	(from 1 June 2015)	8	7



Commissioner		No. of meetings	No. Attended
Judith Gillespie	(from 1 June 2015)	8	7
William McKee	(from 1 June 2015)	8	7
Joseph McVey	(from 1 June 2015)	8	6
Robin Mullan	(from 1 June 2015)	8	7
William Gamble	(from 21 Sept 2015)	6	5
Tom Hartley	(from 21 Sept 2015)	6	6
Geraldine McGahey	(from 21 Sept 2015)	6	5
David Rose	(from 21 Sept 2015)	6	3

## Management Executive

Evelyn Collins	Chief Executive
Keith Brown	Head of Corporate Services
Eileen Lavery	Head of Legal Services, Advice and Compliance

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The composition of the Management Executive by sex and community background, as well as the composition of all employees, is included in the Remuneration and Staff Report.

## Committees

Schedule 8 of the Northern Ireland Act 1998 allows the Commission to make provision about the discharge of its functions by committees and the Commission has operated with a number of different Committee structures since it was established.

At present, there are three Committees of the Commission:

- Audit and Risk Committee
- Legal Funding Committee
- Statutory Duties Investigation Committee

The following Commissioners served on the Commission's Committees during the period 1 April 2015 – 31 March 2016.



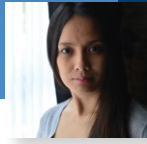


## Audit & Risk Committee

Commissioner		No. of Meetings	No. Attended
Norman Trotter	(Chair and member to 31 May 2015)	1	1
Peter Sheridan	(Member to 21 Sept 2015 and Chair from 1 June to 21 Sept 2015)	3	2
Stephen McIlveen	(Chair from 22 Sept 2015)	5	5
Fidelma Carolan		5	5
Jane Morrice	(to 31 May 2015)	1	0
Stella Burnside	(to 31 May 2015)	1	1
Kit Chivers	(to 31 May 2015)	1	1
Anna Carragher	(to 21 September 2015)	3	1
Deborah Donnelly	(from 1 June 2015)	3	3
Robin Mullan	(from 1 June 2015)	3	1
Geraldine McGahey	(from 22 Sept 2015)	2	2
David Rose	(from 22 Sept 2015)	2	2

## Statutory Duty Investigations Committee

Commissioner		No. of Meetings	No. Attended
Kit Chivers	(Chair to 31 May 2015)	0	0
Fidelma Carolan	(Chair from 1 June 2015)	5	4
Milton Kerr		5	4
Michael Wardlow		5	5
Lyn McBriar	(to 21 Sept 2015)	1	1
Murray Watt	(to 31 May 2015)	0	0
Lesley Carroll	(from 1 June 2015 – 29 February 2016)	5	3
William McKee	(from 1 June 2015)	5	2
William Gamble	(from 22 Sept 2015)	4	4
Tom Hartley	(from 22 Sept 2015)	4	4



## Legal Funding Committee

The Legal Funding Committee normally meets fortnightly. Committee members are rotated to ensure that each meeting has three committee members present. The Chair of this Committee rotates between all members. In addition to the set meetings, Commissioners may be called upon to consider emergency applications as they arise.

During 2015-16 the following Commissioners served on Legal Funding Committees: Anna Carragher, Lesley Carroll, Patricia Feeney, Hazel Francey, Judith Gillespie, Milton Kerr, Charo Lanao-Madden, Liam Maskey, Lyn McBriar, Geraldine McGahey, William McKee, Stephen McIlveen, Joe McVey, Norman Trotter and Michael Wardlow.

## Commissioners' Interests

An up to date register of Commissioners' interests is maintained by the Chief Executive as Accounting Officer and is available for inspection at the Commission's offices in Equality House, 7-9 Shaftesbury Square, Belfast BT2 7DP.

Commissioners and Senior Executives' remuneration is included in the Remuneration Report published in this Annual Report and Accounts.

## Data Protection and Freedom of Information

The Commission is registered with the Information Commissioner's Office and has in place policies, guidelines and arrangements for compliance with the Data Protection and Freedom of Information legislation. There were no incidents of data loss or any information breach during this year.



## Statement of the Accounting Officer's responsibilities

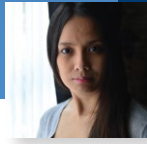
Under Paragraph 7(2) (a) of Schedule 8 of the Northern Ireland Act 1988, the Executive Office with the approval of the Department of Finance (formerly known as the Department of Finance and Personnel) has directed the Equality Commission for Northern Ireland to prepare for each financial year a statement 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 Commission and of its Comprehensive Net Expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts the 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 the Executive Office, 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 accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer of The Executive Office has designated the Chief Executive as the Accounting Officer of the Equality Commission for Northern Ireland.

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 Commission's assets, are set out in Managing Public Money Northern Ireland, published by the Department of Finance.



## Statement of Disclosure of Information to Auditors

So far as the Accounting Officer in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Commission's auditors are unaware; and
- I have taken all steps that they ought to have taken as Accounting Officer in order to make themselves aware of any relevant audit information and to establish that the Commission's auditors are aware of that information.

The Annual Report and Accounts as a whole is fair, balanced and understandable and I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and reasonable.



## Governance Statement 2015-16

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

### The Governance Framework

#### The Commission

The Equality Commission for Northern Ireland is an executive non departmental public body (NDPB) established as a body corporate by Section 73 of the Northern Ireland Act 1998. The Commission's primary source of financing is grant-in-aid provided by the Executive Office. Statutory authority for the payment of grant-in-aid is contained in Schedule 8 to the Northern Ireland Act 1998.

Relationships between the Commission and the Ministers and their Department are governed by the "arm's length" principle, wherein the primary role of Ministers is to set the Commission's legal and financial framework including the structure of its funding and governance.

These responsibilities are discharged on a day-to-day basis on the Minister's behalf by the Sponsoring Department. Within this framework, it is the role of the Commission to determine its equality policies and activities in keeping with its statutory responsibilities and the objectives of Government policy.

The Commission has agreed a Management Statement with TEO. This sets out the relationship between the two organisations and defines the financial and administrative framework within which the Commission operates. It also sets out the conditions under which grant-in-aid is paid to the Commission and the delegations within which the Commission operates.

It is supplemented by a Financial Memorandum agreed with the Commission and approved by TEO and the Department of Finance. A new Management Statement and Financial Memorandum were agreed in June 2015.

The Commission is led by a Chief Commissioner, supported by a Deputy Chief Commissioner. At the year end the Deputy Chief Commissioner's post was vacant due to her resignation. The Deputy Commissioner was subsequently reappointed by the Secretary of State and resumed her position in June 2016. Including the Chief Commissioner, there are currently 16 Commissioners. The responsibilities of the Chief



Commissioner and Commissioners are set out in the founding legislation and more fully in the Code of Practice agreed between the Sponsoring Department and the Commission.

In June 2015, the appointments of a new Deputy Chief Commissioner and six other new Commissioners took effect. In September, the appointments of a further four new Commissioners took effect. These new Commissioners replaced eleven existing Commissioners, whose terms of appointment ended.

A record of Commissioner attendance is included in the Corporate Governance report at pages 32-34. Commissioners identify and update their interests and the Register of Interests is publicly available. The identification of potential conflicts is addressed at the beginning of each Commission and Audit and Risk Committee meeting. Guidance on declaration and conflict of interests is contained in the Commissioner Handbook provided to all Commissioners on appointment.

Although it is primarily directed at central Government Departments, the Commission complies in all material respects with the guidance set out in Corporate Governance in Central Government Departments: Code of Good Practice NI (DFP, 2013).

### **Audit and Risk Committee**

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The Commission seeks to ensure high standards of corporate governance and high levels of compliance with the values of public service.

It has an Audit and Risk Committee which oversees internal audit arrangements and ensures that they are conducted in accordance with the objectives and standards of the Public Sector Internal Audit Standards. The Committee also oversees the Commission's arrangements for risk management.

The Committee's full responsibilities are set out in its Terms of Reference, which were last reviewed in February 2016. Its core work for the year is set in a work programme structured around the guidance in the Department of Finance's Audit and Risk Assurance Committee Handbook (NI) (March 2014).

The Audit and Risk Committee meets at least four times per year. Minutes of Audit and Risk Committee meetings are provided to the full Commission and the Chair of the Committee reports to Commission meetings at regular intervals. On an annual basis, the Audit and Risk Committee undertakes a self assessment of its operations and a formal written report of its work is presented to the Commission.

During 2015-16, a number of new Commissioners were designated to serve on the Committee. Each of these was provided with an induction programme covering governance, risk management and internal control.



## Accounting Officer

The Commission's Chief Executive has been designated as the Accounting Officer. The Accounting Officer's role and responsibilities are set out in the Management Statement and in more detail in *Managing Public Money Northern Ireland (MPMNI)*.

The Equality Commission's Annual Report and Accounts are prepared in accordance with Schedule 8 of the Northern Act 1998 and in a form directed by the Executive Office with the approval of the Department of Finance.

## Risk Management and Assurance

As the Accounting Officer, I have overall responsibility for the Commission's corporate business and decisions and ensuring the effective management of the key associated risks.

The Commission has appropriate procedures in place to ensure that it has identified its objectives and risks and determined a control strategy for its strategic risks.

A corporate approach to risk, involving Commissioners, the Executive Team and other staff is taken. Ownership of risks has been allocated to the relevant staff at appropriate levels and they have received the necessary training to assist them in handling these risks.

Risk management is cascaded down the organisation and Risk Registers are produced for each Division. Quarterly stewardship statements are completed by corporate risk owners and forwarded to me as Accounting Officer. These provide me with assurance that risk management processes are effective and operating in line with the Commission's risk management framework.

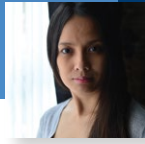
Staff receive regular training in Governance, Risk Management and Fraud Awareness.

As Accounting Officer, I submit a quarterly stewardship statement to the Audit and Risk Committee and to the Commission's Sponsoring Department, TEO.

## The risk and control framework

The Commission has ensured that procedures are in place for verifying that risk management and internal control are regularly reviewed and reported on. Risk appetite is assessed by the Commission and targets approved by the Commission are included on the risk register.

Corporate and business continuity risk is routinely reviewed by the Management Board and at each Audit and Risk Committee meeting and the corporate risk and business



continuity register updated as necessary. The Commission, its Audit and Risk Committee and the Management Board receive regular reports on internal control and monitor progress on addressing internal audit recommendations.

The system of internal control has been in place in the Commission for the year ended 31 March 2016 and up to the date of approval of the Annual Report and Accounts. It accords with Department of Finance guidance.

Consideration of risk forms the basis of the Commission's Strategic Audit Programme, which is mapped against the Corporate Risk Register. The Commission has an internal audit service, which operates to Public Sector Internal Audit Standards (PSIAS). The service is provided by PricewaterhouseCoopers LLP. In June 2015, TEO's Head of Internal Audit completed a quality assurance review of the Commission's internal audit arrangements against the PSIAS. A high level of conformity was found.

### **Potential Risk Issues**

The areas of potential risk outlined below are those on which the Commission reports to its Sponsoring Department on a monthly basis or any other significant issue referred to in the Commission's corporate and business continuity risk or other risk register.

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### **Business Planning and budgeting**

The Commission has in place a Corporate Plan approved by the TEO Ministers, covering the period 2012-15, extended to cover 2015-16 with the approval of the Executive Office. This Plan is supported by annual Business Plans. The annual Business Plan for 2015-16 was approved by Ministers. Consultation on a new Corporate Plan covering the period 2016-19 was being completed at the year end and a draft Corporate Plan will be submitted and a revised Business Plan for 2016-17 will be resubmitted to TEO for formal approval.

### **Information Assurance**

The Commission is proactive in developing and implementing policies and procedural guidance to manage Information Risk. Information risk management is a key element of information governance and is an integral part of good management.

The Commission undertakes regular reviews of its ICT infrastructure and security arrangements and information security risks and controls are included on the Commission's Corporate ICT risk register. A Security Risk Management Overview (SRMO) for 2014-15 was completed and submitted to TEO in May 2015. The Commission undertook a further self assessment and made a return in May 2016 to the Departmental Security Health Check (DSHC) undertaken by NICS.





The Commission has a Freedom of Information policy and satisfactory arrangements in place to ensure compliance. The Commission's Data Protection and Freedom of Information Officer receives regular training and Divisional coordinators are briefed. The Commission is aware of and has approved these arrangements. An internal audit review of Data Protection and Freedom of Information processes was completed in May 2015; Substantial assurance was provided. There were no data losses or other significant lapses of security during 2015-16.

### **Business Continuity Plans**

The Commission has undertaken a business continuity risk assessment and up to date business continuity and other contingency arrangements are in place. An audit of the Commission's Business Continuity and IT Disaster Recovery was completed in October 2015 and Substantial assurance was recorded. The ICT continuity and disaster recovery arrangements are regularly tested.

### **Gifts and Hospitality**

Appropriate arrangements for the management of Gifts and Hospitality are in place and all offers, both to Commissioners and Staff, are included on a Gifts and Hospitality Register.

### **Whistle blowing**

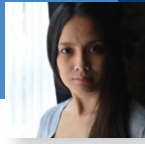
A new Whistle blowing procedure was put in place in August 2014. This was further updated in May 2015, following a review against the new guidance issued by the Northern Ireland Audit Office (NIAO) and others. There were no incidences of whistle blowing during the year.

### **Fraud**

The Commission has a Fraud Policy and Fraud Response Plan. There were no incidents of fraud or potential fraud to report during 2015-16. In 2016-17, the Commission will review and update its anti-fraud policy and arrangements in line with the good practice guide published by NIAO in November 2015.

### **Managing Attendance**

A Managing Attendance Policy is in place and quarterly indicators of staff absence are provided to the Commission and to the TEO Sponsoring Team. The Commission's sickness absence level was higher than the NICS target figure during 2014-15. Action was taken during 2014-15 to obtain a better understanding of this and to address the increase. During the previous financial year the level of absence had begun to fall and this has continued during the current year. The figure for average days due to sickness per



employee during 2015-16 was 8.2 days, a substantial reduction from the previous year's 17.6 days. The situation will continue to be monitored.

## Complaints

In May 2015, an internal audit report covering the Commission's procedures for Complaints Handling provided Substantial assurance.

The Commission has in place a formal procedure for dealing with service complaints. The procedure has three formal stages, culminating in a final appeal to the Chief Executive.

The procedure provides general advice to assist potential complainants and includes a Complaints Form and how to contact the Commission's Complaints Co-ordinator. The Complaints Co-ordinator can assist with further guidance.

Should complaints not be resolved through the internal procedure, they may be referred to the Commissioner for Complaints.

Information on complaints dealt with via the procedure is reported in the Annual Report.

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During 2015-16, the Commission received one complaint from the public under its Complaints Procedure. This is presently ongoing.

During the year an Ombudsman investigation of a complaint against the Commission concluded with a finding against the Commission. The Commission is implementing the recommendations made by the Ombudsman.

During 2015-16 a review of the Commission's complaints handling procedures was undertaken by the Commission's internal auditors. Substantial assurance was provided.

## Third Party Organisations

Although it has the vires to award grants under some of the legislation from which it derives its powers and duties, the Commission has not utilised its discretion in relation to the provision of such grants.

The Commission provides a number of property management, ICT, financial and HR support services to a number of other arm's length bodies.

Related party transactions are reported in the Annual Accounts.



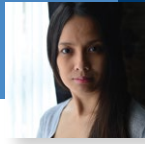
## Internal & External Audit Reports

The Commission's external auditor is the Comptroller and Auditor General (C&AG). The audit is carried out on his behalf by the contractor RSM, but he remains responsible for the certification of the Commission's Annual Report and Accounts. Following completion of the audit a Report to those charged with Governance containing the audit findings and associated recommendations is issued.

During the current year the internal auditors, PwC, have conducted reviews in line with their Annual Audit Plan covering:

Audit Area	Assurance Rating
Advice and Compliance	Substantial
Complaints Management	Substantial
Legal Funding Process and Database	Substantial
Procurement systems and guidance	Substantial
Business Continuity and IT infrastructure / Disaster recovery and security	Substantial
Board and Committee Effectiveness	Substantial

In his Annual Report to the Audit and Risk Committee, the Head of Internal Audit's independent opinion provided a Substantial level of assurance for 2015-16.



## Risk Management Status

The ongoing requirement for the effective management of budgetary reductions continues to be a risk facing the Commission. The Commission continued with its actions to reduce costs in staffing, the largest area of expenditure, and to deliver the efficiency savings sought by its Sponsoring Department.

The Commission continues to operate in an environment of financial constraint and uncertainty and is required to effectively manage the upward pressure from its staffing costs. To do so has involved a reduction of staff numbers over the past number of years and this continued throughout 2015-16.

The Commission has been able to do this through the management of flexible working arrangements, natural wastage and facilitating where practicable voluntary early exit. Due to the increasing pressure on the Commission resulting from continuing budget reductions and, in particular, the 9% budget reduction in its opening budget position for 2016-17, the risk rating in this area has been increased.

I am satisfied that the controls in place to manage risks for which I am responsible are appropriate. They provide reasonable assurance that the risk will not occur or if it does occur that it will be detected and corrected in sufficient time to reduce the impact of the risk to tolerable or negligible levels.

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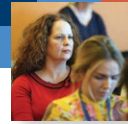
## Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Commission who have responsibility for the development and maintenance of the internal control framework, and comments made by the Northern Ireland Audit Office in its Report to those charged with Governance.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Commission and its Audit and Risk Committee.

The Commission's internal audit service submits reports on its work, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Commission's system of internal control together with recommendations for improvement.

The Commission receives quarterly reports on finance, staffing and progress against business plan targets. Minutes of each Audit and Risk Committee are presented and regular reports from the Chair of the Audit and Risk Committee and the Chief Executive



are provided. The Commission formally approves the Corporate Risk Register at six monthly intervals and is advised on emerging risks and 'near misses'.

An assurance map has been prepared, outlining the scope and levels of assurance received and the different types and levels of data used by the Commission to undertake its governance responsibilities. A Quarterly Stewardship report provided by the Accounting Officer is considered at each Audit and Risk Committee.

The Commission considers that the information provided is sufficient to enable it to effectively discharge its strategic planning and governance responsibilities.

In January 2016 the Audit and Risk Committee undertook a self-assessment of its operations against the good practice checklist published by the National Audit Office in January 2012. The assessment, which was facilitated by the Head of Internal audit, recorded a high level of adherence to good practice. In May 2016 internal audit completed a Review of Board and Committee Effectiveness. The report recorded substantial assurance.

### **Significant internal control issues**

There are no significant internal control issues at present.

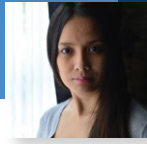
## **■ Remuneration Report**

### **Remuneration Policy**

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

### **Service Contracts**

Commission staff appointments are made in accordance with the Commission's Recruitment Policy which requires appointment 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. Commission members are appointed by the Secretary of State for Northern Ireland following open competition.

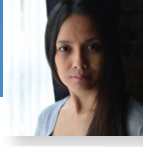
### **Salary and pension entitlements**

The following sections provide details of the remuneration and pension interests of the Commissioners and the most senior management of the Commission.

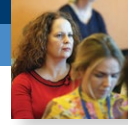
## Remuneration (including salary) and pension entitlements (Audited Information) Commissioners

Commissioner	2015-16				2014-2015					
	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Michael Wardlow Chief Commissioner	55-60 (FTE 70-75)	0	0	27	85-90 (FTE 100- 105)	55-60 (FTE 70-75)	0	0	23	80-85 (FTE 95-100)
Jane Morrice Deputy Chief Commissioner (to 31 May 2015)	0-5	0	0	0	0-5	5-10	0	0	0	5-10
Stella Burnside (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Fidelma Carolan	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Anna Carragher (to 30 September 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Kit Chivers (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5

Commissioner	2015-2016					2014-2015				
	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Patricia Feeney (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Milton Kerr	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Charo Lanao- Madden (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Lyn McBriar (to 30 September 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Stephen McIlveen	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Liam Maskey	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Dermot Nesbitt (to 30 September 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Peter Sheridan (to 30 September 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5







Commissioner	2015-2016				2014-2015					
	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Norman Trotter (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Murray Watt (to 31 May 2015)	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Dr Lesley Carroll Deputy Chief Commissioner (from 1 June 2015 until 1 March 2016)	5-10	0	0	0	5-10	0	0	0	0	0
Deborah Donnelly (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0
Hazel Francey (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0
Judith Gillespie (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0
William McKee (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0

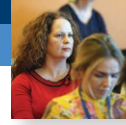
Commissioner	2015-2016				2014-2015					
	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Joseph McVey (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0
Robin Mullan (from 1 June 2015)	0-5	0	0	0	0-5	0	0	0	0	0
William Gamble (from 21 September 2015)	0-5	0	0	0	0-5	0	0	0	0	0
Tom Hartley (from 21 September 2015)	0-5	0	0	0	0-5	0	0	0	0	0
Geraldine McGahey (from 21 September 2015)	0-5	0	0	0	0-5	0	0	0	0	0
David Rose (from 21 September 2015)	0-5	0	0	0	0-5	0	0	0	0	0

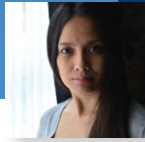


## Senior Management

Commissioner	2015-2016				2014-2015					
	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £,000	Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Evelyn Collins Chief Executive	75-80	0	0	17	95-100	75-80	0	0	9	85-90
Keith Brown Head of Corporate Services	60-65	0	0	13	75-80	60-65	0	0	9	70-75
Eileen Lavery Head of Legal, Policy and Research	60-65	0	0	13	75-80	60-65	0	0	7	70-75

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





## Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any 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. No benefits in kind were paid to Commissioners or staff during this period.

## Bonuses

Bonuses for staff are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. Due to the current public sector pay freeze, no bonuses to staff were payable in either 2014-15 or in 2015-16.

No bonus payments were paid to Commissioners in these years.

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No other employee received more than the Chief Executive and Accounting Officer in either year.

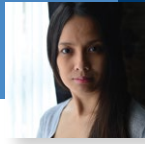
Total remuneration includes salary, non-consolidated performance related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

## Pension Benefits (Audited Information)

	Accrued pension at pension age as at 31/03/16 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/3/16	CETV at 31/3/15	Real increase in CETV
Michael Wardlow Chief Commissioner	5-10 plus lump sum 0	0-2.5 plus lump sum 0	254	217	22
Evelyn Collins Chief Executive	30-35 Plus lump sum 95-100	0-2.5 Plus lump sum 2.5-5	712	657	18
Keith Brown Head of Corporate Services	20-25 Plus lump sum 65-70	0-2.5 Plus lump sum 0-2.5	517	476	14
Eileen Lavery Head of Legal, Policy and Research	25-30 Plus lump sum 85-90	0-2.5 Plus lump sum 0-2.5	675	626	17

*The Equality Commission made no employer contributions to a Partnership Pension Account for any of the above.*





## Northern Ireland Civil Service (NICS) Pension arrangements

Pension benefits are provided through the Northern Ireland Civil Service 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 the scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI.

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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 the normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is also a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate will be 2.32%. CARE pension benefits are increased annually in line with increases in the CPI.

Increases to public service pensions are the responsibility of HM Treasury. Pensions are reviewed each year in line with the cost of living.

Increases are applied from April and are determined for the CPI figures for the preceding September. The CPI in September 2015 was negative (-0.1%) and HM Treasury has announced that there will be no increase to public service pension from April 2016. Therefore public service pension will remain at their current level.



Employee contribution rates for all members from 1 April 2016 to 31 March 2017 and applicable Salary Bands are set out below.

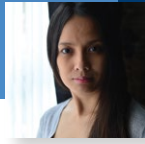
### Scheme Year 1 April 2016 to 31 March 2017

Annualised rate of Pensionable Earnings (Salary Bands)		Contribution rates - Classic members or classic members who moved into alpha	Contribution rates - All other members
From	To	From 01 April 2016 to 31 March 2017	From 01 April 2016 to 31 March 2017
£0	£15,000.99	3.8%	4.6%
£15,001.00	£21,210.99	4.6%	4.6%
£21,211.00	£48,471.99	5.45%	5.45%
£48,472.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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

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

Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).



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

### Cash Equivalent Transfer Values

The 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 pensions 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.

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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 include the increase in accrued pension due to inflation and contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.





The Actuarial factors used to calculate CETVs changed during the 2015-16 year and consequently, CETV figures increased even without any further pension accrual. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

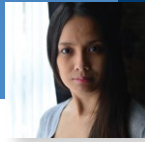
### Compensation for Loss of Office (Audited)

There was no compensation for loss of office by senior managers during the year. Reporting of compensation and exit packages for all staff 2015-16 is included below.

#### Exit Packages

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	0	0 (5)	0 (5)
£10,000 - £25,000	0	5 (8)	5 (8)
£25,000 - £50,000	0	3 (3)	3 (3)
£50,000 - £100,000	0	0 (0)	0 (0)
£100,000 - £150,000	0	0 (0)	0 (0)
£150,000 - £200,000	0	0 (0)	0 (0)
<b>Total number of exit packages</b>	0	8 (16)	8 (16)
<b>Total resource cost/£</b>	0	204,527 (267,847)	204,527 (267,847)

Redundancy and other departure costs have been 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 NDPB has agreed early retirements, the additional costs are met by the NDPB and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.



## Fair Pay Review Disclosure (Audited)

	2016 £	2015 £
Band of Highest Paid Employee - Chief Executive	75,000 – 80,000	75,000 – 80,000
Median Other Staff Remuneration	30,081	30,608
Ratio	2.41	2.37

The Equality Commission for Northern Ireland is required to disclose the relationship between the remuneration of the highest paid employee in the organisation and the median remuneration of the Commission's workforce.

The banded remuneration of the highest paid employee in the Commission in the financial year 2015/2016 was £75,000 to £80,000 (2014/15 was £75,000 to £80,000). The mid point in the pay band for the highest paid employee was unchanged. On an annualised whole time equivalent basis, the range of salaries was £17,620 - £62,719 for the other staff. The annualised whole time equivalent medians for each year are as set out in the table above.

The difference in the ratio from last year is due to the reduction in the Other Staff median caused by a disproportionate number of those leaving being at the top or near the top of their salary scale.



## ■ Staff Report

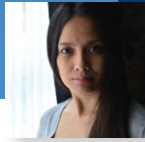
Staff and Commissioner costs comprise:

	Commissioners	Permanently employed staff	Others	2015-16 Total	2014-15 Total
		£	£	£	£
Wages and Salaries	139,677	3,010,947	38,907	3,189,531	3,518,392
Social security costs	6,271	223,847	1,342	231,460	253,775
Other pension costs	15,768	678,534	4,681	698,983	688,555
Severance	0	204,528	0	204,528	49,277
<b>Total net costs</b>	<b>161,716</b>	<b>4,117,856</b>	<b>44,930</b>	<b>4,324,502</b>	<b>4,509,999</b>

### Pension Disclosure

The Northern Ireland Civil Service pension arrangements are unfunded multi-employer defined benefit schemes but the Equality Commission is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DFP Superannuation and Other Allowances Resource Accounts as at 31 March 2016.

For 2015/16, employer's contributions of £698,983 were payable to the NICS pension arrangements (2014/2015 £688,555) at one of three rates in the range 20.8% to 26.3% of



pensionable pay, based on salary bands. The Scheme’s Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of alpha from April 2015. For 2016-17, the rates will range from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2015-16 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No such employer contributions were made in this year.

### Average number of persons employed

The average number of whole-time persons employed during the year was as follows:

Number	Permanently employed staff	Others	2015-16	2014-15
			Total	Total
Directly Employed	92	1	93	105
Other	0	1	1	0
<b>Total</b>	<b>92</b>	<b>2</b>	<b>94</b>	<b>105</b>

### Staff Composition (not wte)

The following table provides the gender composition of Equality Commission staff at 1 January 2016<sup>1</sup>.

Grade	M	F	Total
Senior civil Service	0	1	1
Other Staff*	33	66	99
<b>Total</b>	<b>33</b>	<b>67</b>	<b>100</b>

\*Includes one employee on career break

<sup>1</sup> All compositional information is based on the fair employment monitoring returns that specified public bodies are required by law to prepare each year



The following table provides a breakdown of Commission staff by community background.

Grade	P	RC	ND*	Total
<b>Senior Mgt Team</b>	2 (66.6%)	1 (33.3%)		3
<b>All Staff** [excl. ND]</b>	37 (37.0%) [37.4%]	62 (62.0%) [62.6%]	1 (1.0%)	100

\* Community background could not be determined

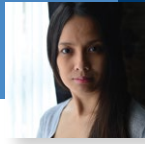
\*\* Includes staff on career break

Mainly due to voluntary exits occurring in the intervening period, there has been a further reduction in the number of employees from 126 in January 2015 to 100 in January 2016. Of the 27 leavers, 23 were due to Voluntary Exit, three were resignations and one was an ill-health retirement in March 2015. An employee on a temporary contract joined the Commission in July 2015.

Overall, the number of Protestant employees fell by eleven and the number of Roman Catholics by thirteen. The table below summarises the changes in the community composition of the Commission's workforce over the past four years.

Year (1 January)	P		RC		ND*	Total
	No.	[%]	No.	[%]	No.	No.
<b>2013</b>	46	[33.8]	90	[66.2]	4	140
<b>2014</b>	43	[33.9]	84	[66.1]	3	130
<b>2015</b>	44	[35.8]	79	[64.2]	3	126
<b>2016</b>	37	[37.4]	62	[62.6]	1	100

\* Community background could not be determined



## Managing Attendance and Sickness Absence

The Commission's arrangements for the payment of Statutory Sick Pay and the monitoring and management of attendance are based on those in operation in the Northern Ireland Civil Service. The Commission has a Managing Attendance Policy and provides training to Managers and other staff on its operation.

The Commission's number of average days lost in 2015-16 was 8.2 days, a substantial decrease on last year's 17.6 days. Of the 8.2 days lost, half related to long term absence (more than 20 days) and half to short term absence (20 days or less). This compares to an equivalent eleven and 6.6 days to long and short term absence last year.

During the year no staff retired early on grounds of ill-health.

## Equality of Opportunity and Human Rights

The Commission is committed to the provision of equality of opportunity and fair participation to all persons regardless of sex, marital status, religious belief, political affiliation/opinion, age, family status, ethnic or racial background, sexual orientation, disability, nationality or trade union membership.

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As an employer we recognise that ensuring equality in employment and eliminating workplace discrimination and harassment are essential for developing a diverse workforce, attracting high calibre employees and maximising performance. In line with this commitment, the Commission has developed its employment equality policies and practices in accordance with the requirements of each of the equality and anti-discrimination laws in Northern Ireland and with the good practice recommendations of the Equality Codes of Practice.

Almost one quarter of the Commission's employees report as having a disability or long term health condition at some time. The Commission provides a range of reasonable adjustments to facilitate such employees, including amending job criteria and duties and offering guaranteed interviews, in appropriate circumstances, when recruiting or promoting, providing flexible working arrangements, access to training, work station assessments and adaptations. The Commission also provides adjustments for clients and customers.



## Employee Involvement

The Commission encourages widespread consultation and exchange of information at all levels within the Commission.

This is implemented through staff briefings and the involvement of staff representatives on a Joint Consultative and Negotiating Committee. Staff are involved in key working groups dealing with business improvement and accreditation projects, equal opportunities, health and safety and corporate social responsibility.

## Expenditure on Consultancy

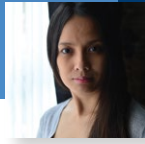
There was no expenditure on consultancy in 2015-16 or in the previous year.

## Off Payroll Engagements

There were no off payroll engagements.

## Exit Packages

Information on the use of exit packages is set out in the remuneration report.



# Assembly accountability and Audit report

## Assembly Accountability Disclosure Notes

### i. Losses and special payments (Audited)

#### Losses Statement

	2015-16	2014-15
	£	£
Total number of losses	Nil	Nil
Total value of losses (£000)	Nil	Nil
Details of losses over £250,000	Nil	Nil
Cash losses	Nil	Nil
Claims abandoned	Nil	Nil
Administrative write-offs	Nil	Nil

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#### Special Payments

	2015-16	2014-15
	£	£
Total number of special payments	2	1
Total value of special payments	5,950	19,500

There were no special payments over £250,000.





## Other notes

### ii Fees and Charges (Audited)

There were no fees and charges for the reuse of any information the Commission holds.

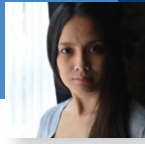
### iii Remote Contingent Liabilities (Audited)

The Commission has no known liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability.

### Signed by:

Handwritten signature of Evelyn Collins.

Evelyn Collins CBE  
Chief Executive and Accounting Officer  
29 June 2016



## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

I certify that have audited the financial statements of the Equality Commission for Northern Ireland for the year ended 31 March 2016 under the Northern Ireland Act 1998. 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 the Assembly Accountability Report that is described in those reports 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 Northern Ireland Act 1998. 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.

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### **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 Equality Commission for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Equality Commission 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 Equality Commission for Northern Ireland's affairs as at 31 March 2016 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Northern Ireland Act 1998 and The Executive Office (formerly Office of First Minister and deputy First Minister) directions issued thereunder.

## Opinion on other matters

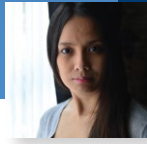
In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability Report to be audited have been properly prepared in accordance with The Executive Office directions made under the Northern Ireland Act 1998; and
- the information given in Performance Report and Assembly Accountability 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 Assembly Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.



## Report

I have no observations to make on these financial statements.

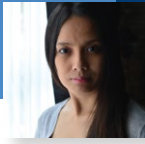
*KJ Donnelly*

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

*30 June 2016*

# FINANCIAL STATEMENTS





**Equality Commission**

FOR NORTHERN IRELAND

**EQUALITY COMMISSION FOR  
NORTHERN IRELAND**

Financial Statements

for the 12 months ended  
31 March 2016

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

This account summarises the expenditure and income generated and consumed on an accrual basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income and expenditure.

	Note	2015-16 £	2014-15 £
<b>Income</b>			
Income from Activities	5	263,624	245,605
<b>Total Operating Income</b>		263,624	245,605
<b>Expenditure</b>			
Staff and Commissioners' Costs	2 & 3	(4,324,502)	(4,509,999)
Depreciation	6	(61,400)	(72,018)
Amortisation	7	(17,367)	(15,976)
Provision Expense	12	(39,494)	215,086
Other Expenditure	4	(1,534,042)	(1,831,706)
<b>Total Operating Expenditure</b>		(5,976,805)	(6,214,613)
<b>Net Operating Expenditure</b>		(5,713,181)	(5,969,008)
Finance Income/Expense		0	0
<b>Net Expenditure for the year</b>		(5,713,181)	(5,969,008)

### Other Comprehensive Net Expenditure

	Note	2015-16 £	2014-15 £
Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of Plant and Equipment	6	1,573	1,495
<b>Comprehensive Expenditure for the year</b>		(5,711,608)	(5,967,513)

The notes on pages 77 to 92 form part of these accounts.

## Statement of Financial Position

as at 31 March 2016

This statement presents the financial position of the Equality Commission for NI. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

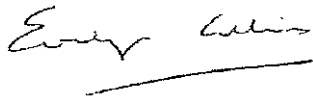
	Note	2015-16 £	2014-15 £
<b>Non-Current assets:</b>			
Plant and equipment	6	331,955	227,447
Intangible assets	7	64,026	48,341
<b>Total non-current assets</b>		<b>395,981</b>	<b>275,788</b>
<b>Current assets:</b>			
Trade and other receivables	10	87,735	77,492
Cash and cash equivalents	9	136,365	74,380
<b>Total current assets</b>		<b>224,100</b>	<b>151,872</b>
<b>Total assets</b>		<b>620,081</b>	<b>427,660</b>
<b>Current liabilities (&lt;1 year)</b>			
Trade and other payables	11	(371,735)	(269,200)
Other liabilities		Nil	Nil
<b>Total current liabilities</b>		<b>(371,735)</b>	<b>(269,200)</b>
<b>Total assets less current liabilities</b>		<b>248,346</b>	<b>158,460</b>
<b>Non-current liabilities (&gt;1 year)</b>			
Provisions	12	(130,089)	(90,595)
Other payables		Nil	Nil
<b>Total non-current liabilities</b>		<b>(130,089)</b>	<b>(90,595)</b>
<b>Total assets less total liabilities</b>		<b>118,257</b>	<b>67,865</b>
<b>Taxpayers' equity</b>			
Revaluation reserve		48,125	46,552
SOCNE reserve		70,132	21,313
		<b>118,257</b>	<b>67,865</b>

The notes on pages 77 to 92 form part of these accounts.



The financial statements on pages 72 to 92 were approved by the Commission on 29 June 2016 and were signed on its behalf by;

Signed

A handwritten signature in black ink, appearing to read 'Evelyn Collins', with a horizontal line underneath.

Evelyn Collins CBE, Accounting Officer and Chief Executive

## Statement of Cash Flows

for the year ended 31 March 2016

The statement of Cash Flows shows the changes in cash and cash equivalents of the Commission during the reporting period. The statement shows how the Commission generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Commission. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Commission's future public service delivery.

	Note	2015-16 £	2014-15 £
<b>Cash Flows from operating activities</b>			
Net Expenditure		(5,713,181)	(5,969,008)
Adjustments for non-cash transactions			
Depreciation	6	61,400	72,018
Amortisation	7	17,367	15,976
(Increase)/Decrease in trade and other receivables	10	(10,243)	13,474
Increase/(Decrease) in trade payables	11	102,535	6,256
Increase/(Decrease) in provisions	12	39,494	(215,086)
<b>Net cash outflow from operating activities</b>		<b>(5,502,628)</b>	<b>(6,076,370)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	6	(164,335)	(71,981)
Purchase of intangible assets	7	(33,052)	(42,395)
<b>Net cash outflow from investing activities</b>		<b>(197,387)</b>	<b>(114,376)</b>
<b>Cash flows from financing activities</b>			
Financing from TEO		5,762,000	6,216,000
<b>Net financing</b>		<b>5,762,000</b>	<b>6,216,000</b>
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>	9	<b>61,985</b>	<b>25,254</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>74,380</b>	<b>49,126</b>
<b>Cash and cash equivalents at the end of the period</b>	9	<b>136,365</b>	<b>74,380</b>

The notes on pages 77 to 92 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2016

This statement shows the movement in the year on the different reserves held by the Commission analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve represents the total assets less liabilities of the Commission, to the extent that the total is not represented by other reserves and financing items.

	Note	Reval Reserve £	SoCNE Reserve £	Total Reserves £
<b>Balance at 31 March 2014</b>		<b>45,057</b>	<b>(225,679)</b>	<b>(180,622)</b>
<b>Changes in Taxpayers' Equity 2014-15</b>				
Grant from TEO		0	6,216,000	6,216,000
Transfer between reserves				
Comprehensive Net Expenditure for the year		0	(5,969,008)	(5,969,008)
Movements in Reserves				
Additions				
Recognised in Statement of Comprehensive Expenditure		1,495	0	1,495
<b>Balance at 31 March 2015</b>		<b>46,552</b>	<b>21,313</b>	<b>67,865</b>
<b>Changes in Taxpayers' Equity 2015-16</b>				
Grant from TEO		0	5,762,000	5,762,000
Transfer between reserves				
Comprehensive Net Expenditure for the year		0	(5,713,181)	(5,713,181)
Movements in Reserves				
Additions				
Recognised in Statement of Comprehensive Expenditure		1,573	0	1,573
<b>Balance at 31 March 2016</b>		<b>48,125</b>	<b>70,132</b>	<b>118,257</b>

The notes on pages 77 to 92 form part of these accounts.

## Notes to the Accounts

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with paragraph 7(2) of the Northern Ireland Act 1998 and the 2015-16 Government Financial Reporting Manual (FReM) issued by the Department of Finance (formerly Department of Finance and Personnel). 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 the most appropriate to the particular circumstances of the Equality Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, and plant and equipment.

#### 1.2 Non-Current assets

Non-current assets are fully funded by The Executive Office (formerly Office of the First Minister and Deputy First Minister).

Plant and equipment have been valued at historic cost revalued by indices published by the National Statistics Office. A capitalisation threshold of £500 has been applied.

Intangible assets (computer software and licences) are valued at historic cost.

#### 1.3 Depreciation and Amortisation Rates

Depreciation and amortisation are provided on all non-current assets at rates calculated to write off the cost of each asset over its expected life with rates as follows:

IT Equipment	25-33%
Office Equipment	10-33%
Furniture	10%
Fixtures & Fittings	10-33%
Intangible Assets	25-33%

#### 1.4 Inventories

The value of inventories of consumables is immaterial and the Commission does not attribute any value for inventories in the accounts.

### 1.5 Income

All income from operations is credited to the Statement of Comprehensive Net Expenditure. Income is based on full cost recovery of services provided.

### 1.6 Grant in Aid

Grant in Aid received, used to finance activities and expenditure which support the statutory and other objectives of the Commission, are treated as financing. They are credited to the SoCNE Reserve because they are regarded as contributions from a controlling party.

### 1.7 Leased Assets

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 under operating leases are expensed to the Statement of Comprehensive Net Expenditure as incurred.

### 1.8 Financial Instruments

Financial assets and liabilities are recognised on the Statement of Financial Position when the Commission becomes a party to a contractual provision of the instrument.

The Commission's financial assets and liabilities are classified as Loans and Receivables and are held at cost which approximates to their fair value because of their short maturities.

### 1.9 Provisions

The Commission makes provision for liabilities and charges where, at the Statement of Financial Position date, a legal or constructive liability exists (that is a present obligation from past events exists), where the transfer of economic benefits is probable and a reasonable estimate can be made. IAS 37 requires that where the effect of the time value of money is material the amount of a provision should be the present value of the expenditures expected to be required to settle the obligation. Where cash flows have been adjusted for risk the standard requires the use of a risk free discount rate.



### **1.10 Legal Fees**

The Commission makes provision for expenditure authorised for legal assistance with letters of commitment to individuals before legal assistance is commissioned to an external provider.

### **1.11 Pensions**

Past and present employees are covered by the provisions of Civil Service Pensions (NI). The CSP (NI) is a non-funded defined benefit scheme which produces its own resource accounts, but the Commission 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 and these details are available in the CSP (NI) resource accounts.

### **1.12 VAT**

The Commission is not registered for VAT.

### **1.13 Staff Costs**

Under IAS19, Employee Benefits legislation, all staff costs must be recorded as an expense as soon as an organisation is obligated to pay them. This includes the cost of any holiday pay, flexible time owed at the year end.

## 2. Statement of Operating Costs by Operating Segment

Under Schedule 8, paragraph 5 (2) of the Northern Ireland Act 1998, The Commission is required to give details of how resources have been divided between the functions previously exercised by the bodies dissolved at the time of its formation.

	Salaries & Programme Associated Costs	Programme Costs	*Other Costs	12 mths to 31/03/2016 Total	Salaries & Programme Associated Costs	Programme Costs	*Other Costs	12 mths to 31/03/2015 Total
	£	£	£	£	£	£	£	£
Integrated/ New Areas	929,673	317,211	182,976	1,429,860	1,194,224	230,547	0	1,424,771
Disability	511,607	81,840	100,692	694,139	415,638	80,166	0	495,804
Religion & Politics	508,318	11,821	100,045	620,184	546,491	9,752	0	556,243
Gender	377,419	55,852	74,282	507,553	289,742	90,365	0	380,107
Race	256,743	79,185	50,531	386,459	392,600	62,322	0	454,922
Statutory Duty	325,032	15,866	63,971	404,869	424,871	1,326	0	426,197
Resources	751,901	49,867	145,974	947,742	755,730	35,105	0	790,835
Executive	297,565	0	58,566	356,131	282,578	0	0	282,578
<b>Total Costs</b>	<b>3,958,258</b>	<b>611,642</b>	<b>777,037</b>	<b>5,346,937</b>	<b>4,301,874</b>	<b>509,583</b>	<b>0</b>	<b>4,811,457</b>
Members Costs	161,716	0	0	161,716	158,848	7,058	0	165,906
<b>Other Costs</b>	<b>204,528</b>	<b>0</b>	<b>0</b>	<b>204,528</b>	<b>49,277</b>	<b>0</b>	<b>942,368</b>	<b>991,645</b>
<b>Total</b>	<b>4,324,502</b>	<b>611,642</b>	<b>777,037</b>	<b>5,713,181</b>	<b>4,509,999</b>	<b>516,641</b>	<b>942,368</b>	<b>5,969,008</b>

\* Other costs include general administrative costs, premises and non-cash costs less income from activities.

### 3. Staff costs

	2015-2016	2014-2015
	Total	Total
	£	£
Wages and Salaries	3,189,531	3,518,392
Social security costs	231,460	253,775
Other pension costs	698,983	688,555
Severance	204,528	49,277
<b>Total net costs</b>	<b>4,324,502</b>	<b>4,509,999</b>

A breakdown of the above costs into permanent staff, Commissioner costs and others can be found in the Staff Report within the Accountability Report.

In 2014/15 SoCNE severance costs were treated as administrative overheads. For comparative purposes this has been transferred to staff costs.



#### 4. Other Operating Costs

	Note	2015-16 £	2014-15 £
<b>General Costs</b>			
Travel and Subsistence		24,448	21,127
Staff Recruitment		3,215	2,419
Staff Costs		6,163	39,606
Postage		16,308	11,565
Telephones		33,593	33,998
Hospitality		2,323	0
Audit		9,215	10,014
Insurance		0	0
Miscellaneous		10,345	22,545
Office Consumables		33,445	37,471
R&M Equipment		0	0
Annual Contracts		36,537	44,095
Legal Costs		8,424	19,508
Corporate Services		914	39,092
Early Retirement Costs		404	(3,682)
		<b>185,334</b>	<b>277,758</b>
<b>Premises</b>			
Rents		345,886	346,110
Rates		197,542	209,916
Service Charge		21,828	21,974
Fuel Charge		60,672	73,075
R&M Buildings		49,554	17,997
Facilities		101,078	153,148
		<b>776,560</b>	<b>822,220</b>
<b>Programme</b>			
Education & Advice		155,866	154,786
Legal Fees		333,113	281,603
Other		122,663	80,253
		<b>611,642</b>	<b>516,642</b>
		<b>1,573,536</b>	<b>1,616,620</b>
<b>Non-Cash Costs</b>			
Depreciation		61,400	72,018
Amortisation		17,367	15,976

## 5. Income

Source	2015-16 Total £	2014-15 Total £
Service Level Agreements	74,767	73,855
Accommodation	188,857	171,750
	<b>263,624</b>	<b>245,605</b>

All income is based on full cost recovery.

## 6. Plant and equipment

2015-16	Information Technology £	Office Equipment £	Furniture £	Fixtures & Fittings £	Total £
<b>Cost/Valuation</b>					
At 1 April 2015	394,583	92,458	245,181	181,906	914,128
Additions	19,264	0	0	145,071	164,335
Disposals	(40,850)	0	0	0	(40,850)
Revaluations	1,083	997	3,866	2,896	8,842
<b>At 31 March 2016</b>	<b>374,080</b>	<b>93,455</b>	<b>249,047</b>	<b>329,873</b>	<b>1,046,455</b>
<b>Depreciation</b>					
At 1 April 2015	286,929	50,096	239,555	110,101	686,681
Charged in year	37,947	10,279	2,424	10,750	61,400
Disposals	(40,850)	0	0	0	(40,850)
Revaluations	868	651	3,817	1,933	7,269
<b>At 31 March 2016</b>	<b>284,894</b>	<b>61,026</b>	<b>245,796</b>	<b>122,784</b>	<b>714,500</b>
<b>Carrying amount at 31 March 2016</b>	<b>89,186</b>	<b>32,429</b>	<b>3,251</b>	<b>207,089</b>	<b>331,955</b>
<b>Carrying amount at 31 March 2015</b>	<b>107,654</b>	<b>42,362</b>	<b>5,626</b>	<b>71,805</b>	<b>227,447</b>

**Asset Financing**

Owned	89,186	32,429	3,251	207,089	331,955
Finance lease	0	0	0	0	0
On-balance sheet	0	0	0	0	0
<b>Carrying amount at 31 March 2016</b>	<b>89,186</b>	<b>32,429</b>	<b>3,251</b>	<b>207,089</b>	<b>331,955</b>

Plant and equipment are revalued annually by reference to the indices issued by the Office for National Statistics for the different types of assets.

<b>2014-15</b>	<b>Information Technology</b>	<b>Office Equipment</b>	<b>Furniture</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost/Valuation</b>					
At 1 April 2014	333,295	91,045	330,794	180,634	935,768
Additions	71,980	0	0	0	71,980
Disposals	(12,666)	0	(87,433)	0	(100,099)
Revaluations	1,974	1,413	1,820	1,272	6,479
<b>At 31 March 2015</b>	<b>394,583</b>	<b>92,458</b>	<b>245,181</b>	<b>181,906</b>	<b>914,128</b>
<b>Depreciation</b>					
At 1 April 2014	251,618	39,210	320,966	97,984	709,778
Charged in year	46,275	10,122	4,243	11,378	72,018
Disposals	(12,666)	0	(87,433)	0	(100,099)
Revaluations	1,702	764	1,779	739	4,984
<b>At 31 March 2015</b>	<b>286,929</b>	<b>50,096</b>	<b>239,555</b>	<b>110,101</b>	<b>686,681</b>
<b>Carrying amount at 31 March 2015</b>	<b>107,654</b>	<b>42,362</b>	<b>5,626</b>	<b>71,805</b>	<b>227,447</b>
<b>Carrying amount at 31 March 2014</b>	<b>81,676</b>	<b>51,835</b>	<b>9,828</b>	<b>82,650</b>	<b>225,989</b>

## Asset Financing

Owned	107,654	42,362	5,626	71,805	227,447
Finance lease	0	0	0	0	0
Contracts	0	0	0	0	0
<b>Carrying amount at 31 March 2016</b>	<b>107,654</b>	<b>42,362</b>	<b>5,626</b>	<b>71,805</b>	<b>227,447</b>

Plant and equipment are revalued annually by reference to the indices issued by the Office for National Statistics for the different types of assets.

## 7. Intangible assets

Intangible assets comprise software and licenses.

2015-16	Information Technology £	Software Licences £	Total £
<b>Cost/Valuation</b>			
At 1 April 2015	26,976	121,095	148,071
Additions	7,200	25,852	33,052
Disposals	(6,900)	(56,823)	(63,723)
<b>At 31 March 2016</b>	<b>27,276</b>	<b>90,124</b>	<b>117,400</b>
<b>Amortisation</b>			
At 1 April 2015	18,611	81,119	99,730
Charged in year	4,374	12,993	17,367
Disposals	(6,900)	(56,823)	(63,723)
<b>At 31 March 2016</b>	<b>16,085</b>	<b>37,289</b>	<b>53,374</b>
<b>Carrying amount at 31 March 2016</b>	<b>11,191</b>	<b>52,835</b>	<b>64,026</b>
<b>Carrying amount at 31 March 2015</b>	<b>8,365</b>	<b>39,976</b>	<b>48,341</b>
<b>Asset financing:</b>			
Owned	0	0	0
Finance Leased	0	0	0
Contracts	11,191	52,835	64,026
<b>Carrying amount at 31 March 2016</b>	<b>11,191</b>	<b>52,835</b>	<b>64,026</b>

2014-15	Information Technology	Software Licences	Total
<b>Cost/Valuation</b>			
At 1 April 2014	18,862	86,814	105,676
Additions	8,114	34,281	42,395
Disposals	0	0	0
<b>At 31 March 2015</b>	<b>26,976</b>	<b>121,095</b>	<b>148,071</b>
<b>Amortisation</b>			
At 1 April 2014	15,606	68,148	83,754
Charged in year	3,005	12,971	15,976
Disposals	0	0	0
<b>At 31 March 2015</b>	<b>18,611</b>	<b>81,119</b>	<b>99,730</b>
<b>Carrying amount at 31 March 2015</b>	<b>8,365</b>	<b>39,976</b>	<b>48,341</b>
<b>Carrying amount at 31 March 2014</b>	<b>3,256</b>	<b>18,666</b>	<b>21,922</b>
<b>Asset financing:</b>			
Owned	0	0	0
Finance Leased	0	0	0
Contracts	8,365	39,976	48,341
<b>Carrying amount at 31 March 2015</b>	<b>8,365</b>	<b>39,976</b>	<b>48,341</b>

## 8. Financial Instruments

As the cash requirements of the Equality Commission are met through Grant-in-Aid provided by The Executive Office (formerly Office of First Minister and Deputy First Minister), financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Commission's expected purchase and usage requirements and the Commission is therefore exposed to little credit, liquidity or market risk.

## 9. Cash and cash equivalents

	2015-16	2014-15
	£	£
Balance at 1 April 2015	74,380	49,126
Net change in cash and cash equivalent balances	61,985	25,254
Balance at 31 March 2016	136,365	74,380
The following balance at 31 March were held at:		
Government Banking Service	136,352	74,350
Cash In Hand	13	30
<b>Balance at 31 March 2016</b>	<b>136,365</b>	<b>74,380</b>

**10. Trade receivables and other current assets**

	2015-16	2014-15
	£	£
<b>Amounts falling due within one year:</b>		
Prepayments	78,946	71,837
Accrued Income	8,789	5,655
Other Receivables	0	0
	<u>87,735</u>	<u>77,492</u>

**10.1 Intra-Government Balances - Receivables**

	Amounts falling due within one year	
	2015-16	2014-15
	£	£
Balances with other central government bodies	8,789	5,655
Balances with bodies external to government	78,946	71,837
<b>Total receivables at 31st March 2016</b>	<u>87,735</u>	<u>77,492</u>

**11. Trade payables and other current liabilities**

	Amounts falling due within one year	
	2015-16	2014-15
	£	£
Accruals and deferred Income	371,735	269,200
	<u>371,735</u>	<u>269,200</u>

## 11.1 Intra-Government Balances - Payables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2015-16	2014-15	2015-16	2014-15
	£	£	£	£
Balances with other central government bodies	1,407	27,208	0	0
Balances with bodies external to government	370,328	241,992	0	0
<b>Total payables at 31 March 2016</b>	<b>371,735</b>	<b>269,200</b>	<b>0</b>	<b>0</b>

## 12. Provisions for liabilities and charges

	2015-16		2014-15	
	Severance Costs	Legal Costs	Severance Costs	Legal Costs
	£	£	£	£
Balance at 1 April 2015	0	90,595	200,000	105,681
Provided in the year	0	380,141	0	292,584
Provisions not required written back	0	(52,611)	0	(87,962)
Provisions utilised in the year	0	(288,036)	(200,000)	(219,708)
<b>Balance at 31 March 2016</b>	<b>0</b>	<b>130,089</b>	<b>0</b>	<b>90,595</b>

The Commission makes provision for expenditure authorised for legal assistance before it is committed to an external provider. It is not possible to determine the time period for each case.



### 13. Capital commitments

	2015-16	2014-15
Contracted capital commitments at 31 March 2016 not otherwise included in these financial statements		
Plant and equipment	0	0
Intangible assets	0	8,720
	0	8,720

### 14. Commitments under leases

#### 14.1 Operating leases

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

	2015-16	2014-15
	£	£
<b>Obligations under operating leases comprises:</b>		
<b>Buildings</b>		
Not later than one year	336,000	336,000
Later than one year and not later than five years	1,344,000	112,000
Later than five years	112,000	0
<b>Other:</b>		
Not later than one year	4,421	4,426
Later than one year and not later than five years	13,262	17,696
Later than five years	0	0

#### 14.2 Finance Leases

The Commission had no commitments under finance leases

## 15. Other financial commitments

The Commission had no other financial commitments at 31 March 2016.

## 16. Contingent liabilities disclosed under IAS 37

The Commission has no known contingent liabilities.

## 17. Related-party transactions

The Equality Commission for Northern Ireland is a non-departmental public body sponsored by the Executive Office (TEO) (formerly Office of the First Minister and Deputy First Minister). TEO is regarded as a related party with which the Commission has had various material transactions during the year.

In addition, the Commission has had various material transactions with other central government bodies:

- TEO (formerly Office of the First Minister and Deputy First Minister) (£5,762,000 of which £Nil was outstanding at the year end),
- the Northern Ireland Commission for Children and Young People (£133,842 of which £ Nil was outstanding at the year end),
- the Commission for Victims and Survivors (£41,445 of which £690 was outstanding at the year end),
- the Northern Ireland Human Rights Commission (£13,662 of which £ Nil was outstanding at the year end),
- the Commissioner for Older People Northern Ireland (£89,249 of which £5,280 was outstanding at the year end),
- the Northern Ireland Judicial Appointments Commission (£700 of which £ Nil was outstanding at the year end),
- the Charity Commission for Northern Ireland (£2,748 of which £ Nil was outstanding at the year end),
- The Community Relation Council for Northern Ireland (£2,820 of which £2,820 was outstanding at the year end).

No Commissioner or key management executive has undertaken any material transactions with the Equality Commission during the year.

There were no other related party transactions.

### **18. Third-party assets**

The Commission has no third-party assets.

### **19. Events after the Reporting Period**

On 23 June the UK held a Referendum to determine whether the country would remain in or leave the European Union. The Commission is currently considering the impact of the majority leave result on its activities. However, it is likely to be some time before the impact will be known.

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

The Accounting Officer authorised the issue of these financial statements on 30 June 2016.











Equality Commission

FOR NORTHERN IRELAND

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