



EQUALITY COMMISSION FOR NORTHERN IRELAND

ANNUAL REPORT AND ACCOUNTS
2017 - 2018

HC 1423

Equality Commission for Northern Ireland

Annual Report and Accounts for the year ended 31 March 2018

Laid before the Houses of Parliament
by the Secretary of State for Northern Ireland
in accordance with Paragraph 5(4) of Schedule 8 to the Northern Ireland Act 1998
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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

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Chief Commissioner's Foreword

This year's annual report comes twenty years on from the Belfast/Good Friday Agreement. Therefore, it seems like a good time to look back over two decades of our work at the Commission, aimed at delivering a more equal Northern Ireland.

It may seem hard to accept but, in 1998, many of our equality law protections were in their infancy and some did not yet exist. For example, there was no legislation to protect people against discrimination on the grounds of their age or their sexual orientation. The Disability Discrimination Act of 1995 was yet to be given strength through the addition of enforcement powers to the Commission in April 2000.

We believed that the Agreement provided a wonderful opportunity to create a new focus on equality, as the theme was one of its central tenets. This intent was reinforced by establishment of a single Equality Commission created with specific powers and duties in respect of new equality and good relations duties. There is no doubt but there was a real desire amongst many people to make Northern Ireland a more inclusive and equal society.

Post Agreement, we as the new body had to navigate uncharted waters, as we developed the mechanisms to ensure that public authorities fulfilled their statutory duties under the new Section 75 duties of the Northern Ireland Act. This required great effort by everyone involved, from the public bodies, trade unions, the voluntary sector, as well as from the Commission itself. There was high expectation that these new public sector duties would open up public policy to addressing equality in a proactive manner like never before.

We were rightly proud of our equality law framework, which was streets ahead of the rest of the UK, Ireland and Europe in many significant areas. Clear and effective equality laws were seen as an asset to future economic investment and growth, and provided all local employers with a clear legal structure within which to operate.

So, two decades on and we have to reflect how far have we come in fulfilling those early expectations?

On a positive note, our recent Equality Awareness Survey showed us that most people recognise the benefits of living in an equal society and on the need for equality law and support the strengthening of equality legislation where necessary to move towards that end goal.

Equality does matter to people in Northern Ireland. Attitudes overall were more positive than in previous surveys; in particular, attitudes to LGB and trans people were more positive than ever before.

Twenty years on it seems that more people know their equality rights and use the equality laws to fight for equal treatment. Perhaps the most telling example of this is in the area of disability discrimination where, every year, we get more complaints of potential discrimination than any other area – this year, 44% of all calls to our advice line. There are, however, some enduring inequalities which prevail despite

longstanding protections. One of these areas relates to our second most reported areas of discrimination, namely sex discrimination, with about 25% of all calls, and within that, discrimination against women while they are pregnant or on maternity leave is the biggest category. Race and religious and political belief consistently remain as third and fourth most reported areas.

But... we have some concerns which offer significant challenges to the movement towards this more equal and fair place.

The political context is uncertain and challenging. The lack of a functioning Executive means there is likely to be no progress on the many policy recommendations we have made to strengthen the equality laws or to implement equality strategies. Equality is often portrayed as a divisive term, with views still split clearly along community lines, with the impact that our politicians have struggled to agree on equality priorities for Northern Ireland. This seems at odds with the findings of our equality survey when we asked people how important equality issues were to them, there was no significant difference of views between Catholic and Protestants.

Also, our legislative framework has fallen behind the rest of the UK. We have not had the chance to revisit, update and harmonise our equality laws into a single piece of equality legislation or address specific issues, which have arisen. The Commission remains of the belief that a modernised, simple and coherent Single Equality Act is the best solution for Northern Ireland.

Section 75 has made inroads but has not delivered its full potential – with ‘consultation overload’, lip service and box ticking emerging among many perceived problems in its implementation. It is important to remember that, by building in early assessment of the potential equality and good relations impacts of policies on different groups of people, is the best way in which public authorities can achieve better public policies and better outcomes for everyone using their services.

We believe that Brexit creates many challenges and we want Government to guarantee that there will be no erosion of these and other equality rights and protections in Northern Ireland after we leave the EU. Already, ongoing austerity measures have impacted right across our public sector. The Commission’s Grant in Aid was £7,294k in 2007/08 and in 2017/18 was £5,261k, a reduction of 28%. A consequence of this is a significant reduction in staffing levels and it remains a huge challenge for staff to continue delivering a high level of service on reduced budgets. Inevitably, some of our activities have been curtailed.

We will continue to focus on putting equality and good relations outcomes at the centre of everything, we remain dedicated to tackling the enduring inequalities blighting the lives of so many people. For our society to flourish and succeed this has to be seen as a welcoming place - inward investors need to see a society which accommodates difference and diversity. We need to create a Northern Ireland where people feel secure, where they know they have a place in society, access to education, a house and a job.

I commend this annual report to you, and ask that you take time to reflect on the many areas of good work that colleagues at the Commission have carried out on

your behalf. In doing so, I would remind you that in moving towards a more equal and shared society, we are fellow travellers - all of whom have a role in taking one small step to ensuring that this is a safe and prosperous, shared society which treats all people fairly and equally. There is nothing to fear in diversity, rather there is much to be gained in its embrace.

In closing may I quote the words of Maya Angelou

"We all should know that diversity makes for a rich tapestry, and we must understand that all the threads of the tapestry are equal in value no matter what their color."

A handwritten signature in black ink, appearing to read 'M Wardlow', with a stylized, cursive script.

Michael Wardlow
Chief Commissioner

Performance Report

Overview

The purpose of this overview is to provide the reader of the Annual Report with an outline of the Commission's purpose and remit; a summary of its performance against its objectives and key results in 2017-18, including the challenges and key risks it has faced in delivering its outcomes; and a brief overview of the likely developments and challenges it faces in the coming year.

Statutory Background

The Equality Commission for Northern Ireland is an executive non-departmental public body (NDPB) sponsored by The Executive Office (TEO).

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.

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 all of its 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:

- 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 Analysis

Performance against Targets

The Commission prepares annual business plans. The Commission's Draft Business Plan 2017-18 was submitted for approval in January 2017. Following receipt of information in relation to the budget and work to further align the plan with an Outcome Based Accountability (OBA) approach, a further draft was resubmitted in April and, in light of budget notification in August, changes were made to the Plan and it was resubmitted in October 2017. Minor queries by the TEO were addressed on two occasions and a final draft resubmitted in early December 2017. The Plan was formally approved by the Departmental Board in January 2018. Throughout the year the draft Plan formed the basis of reporting to the Department on progress against measures and targets.






The Equality Commission welcomed the Draft Programme for Government's (PfG) focus on achieving outcomes and the potential this offers generally to advance equality of opportunity for those who live with and experience inequalities and the absence of good relations. Although the Commission's work potentially impacts, either directly or indirectly, on all aspects of the Programme for Government, it was considered that PfG outcome 3: We have a more equal society and outcome 9: We are a shared society that respects diversity, were particularly relevant. Our main focus this year was on the development of what the OBA approach describes as Programme outcomes, those that have the objective of providing measurements of whether key customers of an organisation's services are better off.





This was the second year of the draft Corporate Plan 2016-19 and the Business Plan was aligned with the key strategic areas set out in that Plan. To take on board the learning from the work on developing an OBA focus, the four strategic priorities were re-ordered and restructured.

The strategic areas under which the Commission’s work was structured in 2017-18 are:

1. Putting the legislation to work
2. Challenge and support Government to advance equality and good relations
3. Championing equality and good relations
4. Deliver equality effectively and efficiently.

The Business Plan 2017-18 set out 14 strategic priority objectives, spread across the four strategic areas. By the end of the year all of these objectives were met, as set out below.

Strategic Priority 1: Putting the legislation to work.		
1.1	Combat discrimination and promote equality rights	
1.2	Promote equality of opportunity	
1.3	Ensuring compliance and advising public authorities on fulfilling of their statutory equality and good relations duties.	
1.4	Review and seek to improve equality relevant legislation (with a particular focus on Age-GFS, Race, Gender Pay, Fair Employment and Disability); including in the context of UK’s exit from the EU and wider reforms.	
1.5	Promote, protect and monitor implementation of the United Nations Convention of the Rights of Persons with Disabilities (CRPD), in fulfilment of our remit as ‘independent mechanism’.	

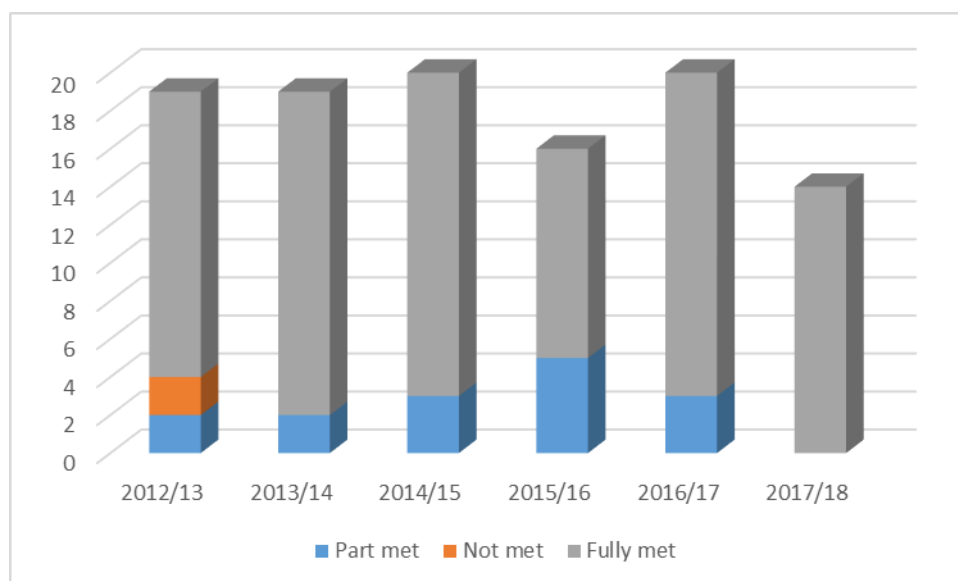
Strategic Priority 2: Challenge and Support Government to advance Equality and Good Relations		
2.1	Secure key equality and good relations commitments in the Programme for Government; budget and related strategies; and in Departmental delivery / action plans.	
2.2	Development, delivery, and/or review of co-ordinated equality frameworks - disability; gender; age; sexual orientation; race; religion.	
2.3	Further establish and enhance the evidence base of key inequalities in Northern Ireland – including with regards to key PfG Indicators.	
2.4	Challenge and support Government to fulfil equality aspects of International framework obligations (CEDAW, CERD, FCNM, ECRI).	

Strategic Priority 3: Championing Equality and Good Relations		
3.1	Increase awareness and knowledge of equality and the work of the Commission.	■
3.2	Wider public engagement, particularly with traditionally 'hard to reach groups'.	■
Strategic Priority 4: Deliver equality effectively and efficiently.		
4.1	Meeting the challenge of the public sector financial environment to effectively resource business plans and objectives.	■
4.2	Ensuring effective governance and internal control.	■
4.3	Encouraging sustainability and improvement.	■

Performance against targets is reviewed on at least a quarterly basis by the Commission and a summary report of performance against targets is provided on a quarterly basis to the TEO sponsor team.

A summary of Performance against Targets for this year and over recent years is set out in the table below.

Performance against Targets 2012-18



The highlights of 2017-18 included:

- ❖ the inclusion of key Commission EU exit priority positions in the draft Withdrawal Agreement and in the EU Guiding Principles for the Dialogue on Ireland /Northern Ireland.
- ❖ UNCRPD advocacy of a range of Commission recommendations secured in the Concluding Observations following the formal examination of the UK State Party.
- ❖ the publication of results from survey work into public attitudes towards different groups, 'A question of attitude' and their awareness of, and attitudes to, equality and equality issues, 'Equality matters'; both leading to public debate on equality issues.
- ❖ obtaining a public profile for a number of important cases dealing with age discrimination and employment, associative disability discrimination and responsibilities in relation to Special Educational Needs education and accommodating disabled people.
- ❖ the publication of our research into Key Inequalities in Housing and Communities.
- ❖ continued development and growth of the Every Customer Counts and Mental Health Charter initiatives with employers and service providers.
- ❖ delivery of a range of equality events and training which engaged over 1,400 organisations, an increase on previous years.
- ❖ evidence of continuing high levels of assurance of effective governance.

An overview of the delivery in each of the Key Output areas is included in the section on progress against key programme performance measures below.

Strategic Area 1: Putting the legislation to work

At the core of the work we do to support the delivery of equality in Northern Ireland is our use of the range of responsibilities and powers that are contained in the legislative framework. These include giving advice, education, investigation, compliance and enforcement and the duties, not only to consider complaints alleging failure by a public authority to comply with its equality scheme, but also to advise and assist individuals complaining of acts of discrimination.

We set out at the inception of this corporate planning period that a key role for us over the three year period would be putting these powers and duties to work. We aim to deploy the full range of our powers and duties, from awareness raising to enforcement, to extend good practice and to challenge poor practice.

Combatting discrimination and promoting equality rights

The key customers or service users identified in this area were complainants under the anti-discrimination provisions, potential complainants and individuals with rights more generally. Our performance measures were identified as obtaining satisfactory outcomes for complainants and potential complainants; delivering high levels of satisfaction with processes and outcomes; and increased awareness of rights through our use of the media to obtain coverage of the cases supported and issues raised; and through our more general advisory and outreach work.

Although generating high levels of press and, on occasion, public interest, cases that come before courts and tribunals make up only a small proportion of the legal work we do.

There were three successful decisions in employment cases this year. A Tribunal awarded £11.5k in compensation for injury to feeling in a disability discrimination case involving mental health issues and workplace adjustments. A Tribunal awarded £20.7k in a sectarian harassment and constructive dismissal claim involving a Catholic female employee. A Tribunal found direct and indirect age discrimination of a 65-year-old

employee in the redundancy package offered upon factory closure. Pending a deferred remedies hearing at Tribunal, an appeal to the Court of Appeal was lodged by the Respondent, which then entered settlement negotiations that were on-going at the end of the business year

Two cases, one involving allegations of religious and sexual orientation discrimination and the other sex discrimination, were dismissed by Tribunals, which preferred the Respondents' evidence on conflicting matters.

More commonly, complaints are resolved during the course of legal action. The Commission strives to obtain settlements which are not only satisfactory to the individual complainant, but which also secure commitments from respondents to review their practices and procedures for the benefit of both the complainant and others.

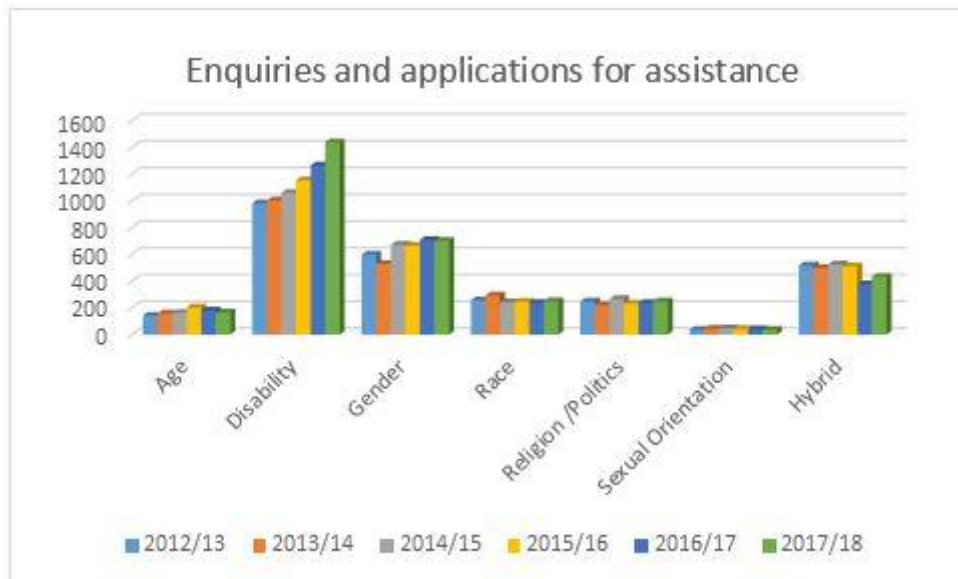
The most recent large scale survey of those making complaints to the Commission, undertaken in 2013, showed, unsurprisingly, that satisfaction levels with processes correlated strongly with grants of assistance. Consideration is being given to developing simple mechanisms for recording feedback from customers as part of ongoing interactions. Taking settlements and case outcomes for complainants together, on average each year satisfactory outcomes are reached in more than 90% of supported cases.

The past five years have seen an overall decline in the total number of cases supported by the Commission. There has been an increase, proportionately, in the support for cases concerning discrimination in the provision of goods, facilities and services. Compensation through settlement or awards by Courts or Tribunals is usually much higher for discrimination in employment, particularly where there is compensation for loss of earnings.

During 2017-18, compensation of £179,250 was recovered in settlement of 25 discrimination cases. The Commission secured commitments from respondents to review their practices and procedures and claimants were satisfied with the outcomes in all settled cases.

Each year the Commission handles over 3,000 legal enquiries. Over the past five years there has been an upward trend. Last year this continued

with the Commission receiving 3,680 legal enquiries (2016/17, 3,412). This year saw a continued upward trend in the percentage of disability enquiries (just under half of all enquiries) including an increase in special education needs (SEND) enquiries, possibly resulting from media reporting of a number of such cases during the year.



Most enquirers calling the Discrimination Advice Line do not revert to the Commission on resolution. The small number who do have reported very positive resolutions due to advice given. We are working to develop a framework to gather future information on customer satisfaction with clarity of our advices and options open to enquirers as well as actively seeking information on resolution.

Legal customer satisfaction surveys were undertaken in 2007 and 2012. The results of the 2012 survey showed that satisfaction with the Commission’s initial discrimination advice services was very positive. There was an overall satisfaction rating of 81%.

Fifty two applicants were granted assisted by Legal Funding Committees (LFC) this year, 17% of all applications considered. Although lower than the assistance rate for last year, which was 23%, it was only seven lower than last year’s 59 cases assisted. The criteria for assistance relate to the potential for identifying cases that are of strategic interest to the

Commission rather than simply the merits of cases that have been lodged by individuals.

Over the past year, legal staff have continued to work closely with the Commission's Communications team to maximise the impact of their work. This will continue to be developed over into next year. Publication of decisions and settlements assist in raising awareness of rights and responsibilities. A number of claimants this business year reported that they decided to enforce their rights as a direct result of seeing media coverage of similar discrimination.

The outcomes from legal cases are a key driver of media coverage of the work of the Commission, particularly broadcast coverage. Further work is required in assessing the impact of cases, as measured by the publicity generated, and in the development of other measures of 'ripple effect'. Information on media coverage this year can be found later in this report.

Promoting equality of opportunity

A core Commission strategy, over a number of years, has been to work with employers and service providers to encourage them to tackle key inequalities and deliver improvements in employment practices, increased access and improved customer service for employees and service users. To achieve this, we have had the aim of increasing awareness of the responsibilities the legislation places on employers and service providers and the role of the Commission in providing information and guidance to assist them. A further aim has been to use contact with employers and service providers to drive changes to practices and procedures.

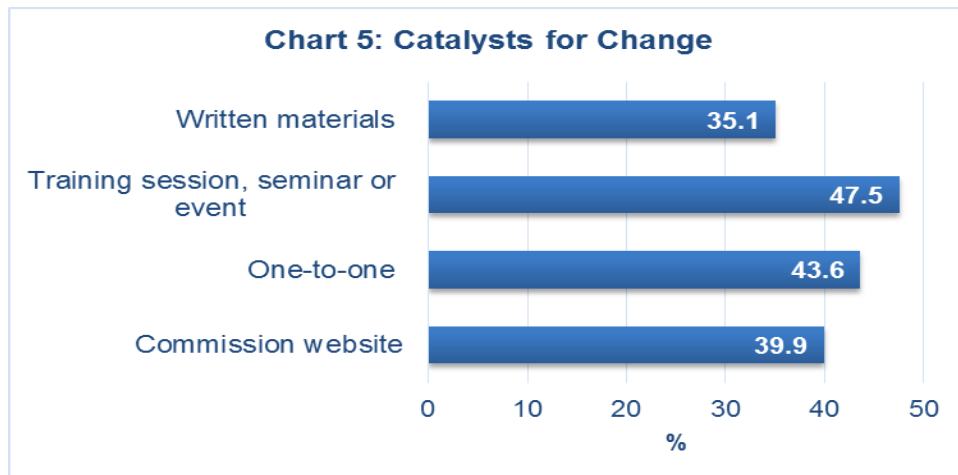
Based on survey work undertaken in 2016, overall awareness levels of the Commission's advisory work were very high among employers and service providers, with 95.8% aware that the Commission provides equality advice and information to organisations, 91.9% that the Commission provides equality focused publications, and 82.8% that the Commission provides equality focused training, seminars and events.

Ongoing evaluation of advisory services, following training and advisory contacts, indicates that 90% of employers who interact with the Commission increase their awareness of the equality issue concerned.

Of those employers who have interacted with the Commission their satisfaction levels with each of the types of employer contact remains high – ranging from 87.0% to 93.5% for satisfaction with written materials, training sessions, seminars and events, one to one contact, and information obtained from the website.

The number of employers interacting through social media was smaller (n=39) and the satisfaction levels were 71.8%. Ongoing evaluation of advisory services indicates that 91% of employers that interact with the Commission’s services were very satisfied or satisfied with these services.

Crucially, overall, two-fifths (40.4%) of employers stated that they had made some change to their policies as a result of interaction with the Commission. Of those who had made a change, the table below shows the catalyst for that change. It is clear that direct contact with them through training session or one to one has greater impact.



Key areas of work this year were:

❖ **Encouraging improvements for disabled people’s access to the labour market and goods, facilities and services.**

Over recent years this has been promoted through working with service providers at a local level, based around the Commission’s Every Customer Counts initiative and the guidance materials used to support this.

In conjunction with key sectoral organisations - Action Mental Health, Change Your Mind, Disability Action, the Foundation for Mental Health, Inspire and MindWise - a Mental Health Charter has been developed and is being promoted.

By the end of this year 78 organisations were part of the Every Customer Counts initiative and 89 employers had committed to the Mental Health Charter – including the Northern Ireland Civil Service and Confederation of British Industry (CBI).

❖ **Encouraging improvements for women into Science, Technology, Engineering and Mathematics (STEM) occupations**

Forty one organisations have signed the STEM Charter and two STEM employer network meetings were held throughout the year focusing on women returners and developing good practice in this area.

❖ **Encouraging improvements in managing pregnancy/maternity**

Three employer training sessions, focusing on pregnancy and maternity, were attended by 120 people representing almost 80 employers. These were delivered in partnership with the Labour Relations Agency (LRA). The Commission's guidance on maternity and pregnancy was circulated via an Ezine and was looked at by 500 recipients.

In addition to these specific, targeted initiatives the Commission continues to provide ongoing advice and training. The Commission's employer advice staff responded to 3,621 (3,226 in 2016/17) advisory enquiries from employers and service providers.

During the course of the year the Commission organised a programme of regionally based training events, highlighting legal responsibilities and encouraging good practice, including a small amount of in-house training. In 2017-18, a total of 121 training, information and employer network events were delivered compared to 110 last year. These were attended by 2,893 individuals representing 1,413 organisations.

The guidance produced in this year primarily supported work in the identified areas and was web based. For example, interactive question and answer advice on managing pregnancy and maternity within the workplace was produced and further guidance and a template policy on flexible working. Blogs were also issued on mental well-being and sexual harassment. Guidance on the public sector equality duties was updated and promoted.

We have continued to work in partnership with Invest NI. During this year, Invest NI has promoted Commission guidance and we have worked with it to update its own employer guidance.

We have also increasingly used other mediums to support our advisory work – and in this year produced five videos, two of these through partnering with Invest NI. Increasingly social media, such as Twitter and LinkedIn, are used to promote our advisory services and our guidance is distributed using ezines

The Commission also undertakes reviews of policies on behalf of employers; last year, 118 reviews were undertaken.

In the context of the reduced budget allocation, the Commission will continue to review the provision of its advisory services with the aim of ensuring employers and service providers are facilitated to comply with their obligations and good practice is promoted. We will also continue to evaluate the range of mediums used to promote advisory work and monitor the outcomes.

Ensuring compliance

The Commission has formal regulatory powers and responsibilities across its legislative remit, primarily with regard to:

- the registration, monitoring and review requirements placed on private and public sector employers, contained in the Fair Employment and Treatment Order 1998 (FETO) and related provisions;
- Section 75 of the Northern Ireland Act 1998; and

- the preparation by public authorities of disability action plans under sections 49A and 49B of the Disability Discrimination Act 1995 (DDA).

The Commission's work in this area focuses on the effective delivery of its compliance duties and how to best utilise the duties to drive improvements in equality and good relations practices.

Fair Employment and Treatment Order (FETO)

Each year the Commission receives almost four thousand monitoring return forms from private sector employers and public authorities. In 2017-18 3,683 returns were received and by the year end 3,248 (88.2%) had been audited and authorised. Of those audited, more than 99% were in compliance with the fair employment monitoring regulations.

The Commission also received 96 Article 55 employer reviews and audited 92 (95.8%). Employers' compliance with the Article 55 review requirement remains high, with all audited reviews in compliance. We continue to follow up the findings of these reviews with the larger private sector employers and public authorities. This year, 31 were examined in detail and feedback provided.

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 the enforcement of Section 75. The Commission is required to:

- 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, as set out below.

Keeping the effectiveness under review

Consultation on the Commission's Section 75 Report: 'Acting on the evidence of public authority practices', concluded at the end of January 2018. Fifteen written responses were received. The Commission considered the findings from the consultation and approved the final report at its March 2018 meeting. The final report and consultation report will be published in 2018-19.

During 2017-18 a programme of work was delivered with the aim of improving the quality of Section 75 equality assessments. This work is currently being evaluated and, while it is too early to indicate specific improvements in delivery of equality assessments, there are indications of improvements in engagement by some public authorities with Section 75, in terms of, for example, mandatory Section 75 training for policy makers and inclusion of Section 75 on public authority risk registers. However, evidence suggests there is still a need to focus on securing improvements by public authorities in this area.

Equality Schemes

During the year, the Commission issued guidance on conducting 'Effective Section 75 Equality Assessments: Screening and EQIAs'. This guidance summarises public authority requirements in conducting Section 75 assessments (screenings and EQIAs) and in particular those aspects where it appears that public authority practices are not complying. In 2017-18 this was one of the most visited public sector webpages.

A Forum was established for equality officers from strategic public authorities (Government departments and other large public authorities) with the aim of improving their equality assessments. Four Forum meetings were held and a range of activities aimed at improving equality assessments are underway, along with the delivery of a programme of training for public authorities on equality screening. An event was also held with NISRA on 'Developing a Section 75 Evidence Base'. We will evaluate the impact of the Forum to inform our work in 2018-19.

The Commission continued to provide ongoing one-to-one and network advice with regard to public authority equality scheme commitments in terms of screening reports and feedback on annual progress reports. This included writing to each of the Permanent Secretaries and Chief Executives of the Health Trusts on their statutory section 75 duties in respect of setting budgets.

Of the 144 designated Public Authorities, 129 (89.6%) have an approved Equality Scheme and work is ongoing with the remaining 15 public authorities to finalise Schemes.

The Commission maintains a list of designated bodies online which indicates the date their Equality Scheme was approved or an exemption granted. In this period Equality Schemes were approved for five public authorities (four Police and Community Partnerships and the Police Retraining & Rehabilitation Trust). Exemptions were granted to two public authorities from producing an equality scheme and disability action plan. We have written to HMRC formally requesting the submission of an Equality Scheme to the Commission on or before 12 August 2018.

We have also written to the Secretary of State for Northern Ireland asking that consideration be given to bringing forward a new Statutory Rule for the Designation of Public Authorities under Section 75(3) of the Northern Ireland Act 1998.

Complaints and Investigations

Under Schedule 9, Paragraph 10 of the Northern Ireland Act 1998, the Commission considers complaints against public authorities alleging they have failed to comply with their approved scheme and it may investigate such complaints. Under paragraph 11, it can investigate public authority compliance on its own volition.

This year has seen a considerable increase in potential and actual complaints, from three in 2015-16, ten in 2016-17, to 36 initial enquiries and written complaints received this year.

During the year, the Commission concluded two investigations arising from complaints, in the approval of investigation reports and recommendations.

It authorised one investigation, where it formed a belief that a public authority may have failed to comply with its approved Equality Scheme. The draft Investigation Report on this had been adopted by year end.

The Statutory Duty Investigations Committee, during the year, considered five written complaints alleging a failure by a public authority to comply with its approved Equality Scheme, received from persons who claimed to have been directly affected by the failure. These complaints related to eight public authorities.

Public Sector Disability Duty

Out of 143 public authorities, 118 (83%) have a current Disability Action Plan (DAP). An additional twelve are consulting on a draft DAP and the Commission is advising the remaining public authorities on their requirement to have a DAP in place.

During the year, guidance was developed which focuses on public authority requirements to ensure that the measures contained in their DAP are sufficiently directed to the duties. This guidance, along with that on Equality Impact Assessments (EQIAs), is among the most visited web pages for public authorities.

Commission training on the disability duties was rolled out and meetings with individual public authorities to improve the quality of DAPs took place during the year. Increased awareness and knowledge of statutory requirements was reported at the training. Initial evaluation of ten public authorities against the Commission's guidance indicates that there has been some improvement in each of their DAPs. A full evaluation will be undertaken in 2018-19.

Securing the legal framework

Against the backdrop of the decision to leave the European Union (EU) and the absence of a Northern Ireland Executive, the Commission's focus in this area has had to shift. Rather than judging its performance on the legislative change secured, a greater focus was placed on protecting existing rights and seeking to ensure advocacy and adoption of Commission positions in the wider EU exit developments and debates at EU, national and regional levels.

Targeted strategic engagement was undertaken to inform the debate both in NI, at Westminster and more widely, towards ensuring that equality and good relations are considered priority issues in negotiations relating to leaving the EU. It was good to note evidence of awareness of, and, positive references to, Commission policy positions and recommendations in discussions at EU and inter-governmental level, in Parliament and more locally. It was particularly important to see our recommendations reflected in the Protocol on Ireland/NI of the European Commission's Draft Withdrawal Agreement.

TEO has advised that a race law reform bill team is now in place and will carry out a review of the race equality legislation across 2018, to include in particular a consideration of Commission recommendations for law reform. We were also pleased to note a range of partner support and advocacy for our law reform recommendations.

Alongside work on the EU exit, priority work for the coming period includes Gender Pay Reporting Regulations (GPRR) and race and disability equality law reform. Engagement with customers and partners will also be required in these areas towards ensuring that the Commission's recommendations are supported and adopted, although it is recognised that progress may be limited in the absence of an Executive and legislative Assembly in Northern Ireland.

United Nations Convention on the Rights of Persons with Disabilities (UNCRPD)

In fulfilment of its remit as the Independent Mechanism for Northern Ireland (IMNI) to promote, protect and monitor implementation of the UNCRPD, jointly with the Northern Ireland Human Rights Commission (NIHRC), the Commission continued to work with key partners to facilitate them to engage with the UN Committee and Government to highlight and advance key issues.

Building on the work with partners and stakeholders over the past number of years, this year was marked with the securing of UN advocacy of a number of key Commission positions reflected in the published UNCRPD Concluding Observations following its examination of the UK. These included recommendations on legal reform; an action plan to improve living

conditions of disabled people; adequate funding to allow independent living; extension of welfare reform mitigation packages in Northern Ireland; effective employment policy for disabled people; remedies in combating disability-related discrimination in education; action to eliminate barriers in access to health care; ensure equal access to sexual and reproductive health-care services; address the high suicide rate amongst persons with disabilities; and significantly increase the availability of high quality, timely and disaggregated data.

The UNCRPD Committee Vice-Chair also visited Northern Ireland and met with government officials to reinforce the Concluding Observations and call for action in a number of key areas, including disability law reform. Across the year the Commission delivered a range of meetings and events to engage on raise awareness of key issues and associated UNCRPD concluding observations, including via a 'Bringing Disability Rights Home' event.

Strategic Area 2: Challenge and Support Government to advance Equality and Good Relations

Programme for Government and in Departmental Delivery Plans

A key Commission goal has been to secure equality and good relations commitments in the Programme for Government (PfG), NI budget and related delivery plans and Departmental public policy strategies and to challenge and support the Executive and Departments to mainstream equality and good relations across their work.

Although a number of Commission recommendations were accepted in the draft PfG and associated delivery plans, ongoing work will be required to ensure that our recommendations are reflected in the final PfG and delivery plans, in associated strategies (Social, Industrial, Investment), and ultimately in the programmes of work delivered by departments over the coming period.

The Commission continues to engage with partners and customers to influence key consultations and workplans and build advocacy for its positions.

Although, in the current context, changes to law and public policy will continue to be slow, there is evidence of partner support and advocacy for a range of Commission positions, as well as increased media interest, and the inclusion of Commission positions and guidance in policy reviews and development of best practice resources.

The Commission is also involved in a range of key working groups in support of securing the adoption of our policy recommendations (e.g. in education and in housing). High percentages (70-90%) of those who completed evaluations following key inequality / public policy engagement events advised that they intended to take steps, where possible, to incorporate Commission policy proposals into their work.

Delivering equality frameworks

Over recent years the Commission has worked to ensure its policy recommendations are reflected in the development, delivery and review of key Executive equality frameworks. In the absence of an Executive, inevitably progress has been slower than could have been anticipated. However there are some examples of where progress has been made this year.

Commitments have been obtained from policy-makers to adopt Commission policy positions in their work, for example, the Executive Office's reviews of racial equality legislation, ethnic monitoring guidance and in consultation on a draft refugee integration strategy and from other departments in relation to their priorities within PfG delivery plans. This year has also seen ongoing and increased partner support and advocacy for Commission policy positions on gender, race, disability, age and sexual orientation.

In the coming period, we will continue to work with officials and partners to ensure the delivery and/or development of equality frameworks and associated time bound action plans, as well as encouraging departments to address key data gaps in equality data collection and disaggregation. We continue to recommend that all relevant PfG measures are not only tracked in aggregate but also for the impact on individuals from each of the Section 75 grounds.

Key inequalities in Northern Ireland

The Commission works to challenge and support government to advance key population outcomes. To further establish and enhance the evidence base regarding key inequalities, the Commission has continued to update the evidence and publish 'Statements of Key Inequalities in Northern Ireland'.

The Statement of Key Inequalities in Housing was launched on 20 June 2017, at an event of interested stakeholders, and was accompanied by a booklet and videos of personal experiences of these inequalities. The Statement and stories were covered in a range of broadcast and print media outlets and provoked considerable public debate. The booklet was distributed both online and through housing rights bodies, advice centres and libraries.

During this year the Statement on Key Inequalities in Employment was completed, its development informed from engagement with representatives of relevant departments and other interested groups. The statement has now been finalised and approved for publication in 2018. A draft Statement on Key Inequalities in Participation in Public Life and related public policy recommendations were also approved and were subject to engagement with key stakeholders at year end. The Statement and associated policy recommendations are due for publication next year.

This year also saw the production of the 27th FETO Monitoring Report. As has now been the pattern for some years, the report records the continuance of the gradual upward trend in the share of the workforce held by those from a Roman Catholic community background.

This year the Commission also reported on survey work into public awareness and attitudes to equality issues and the work of the Commission, undertaken in 2016, and publication of the summary briefings, 'A Question of Attitude' and 'Equality Matters' received significant media coverage.

The survey findings show that 66% of the respondents stated that they thought there were no circumstances in which prejudice was acceptable. When asked which groups people think are treated unfairly in Northern

Ireland, half of respondents (50%) were of the opinion that no groups were treated unfairly compared to other groups. The group most likely to be perceived as treated unfairly was lesbian, gay or bisexual people (17%).

Respondents were also asked how positive or negative they felt towards 15 equality groups. The survey found that, overall, attitudes toward different equality groups were much more positive than in previous equality awareness surveys, particularly towards Travellers, lesbian, gay and bisexual people and trans people. The five most negatively viewed groups were all racial groups: Travellers (19%), Roma (18%), Asylum seekers/refugees (15%), migrant workers (11%) and minority ethnic groups (10%). More than two-thirds (68%) of respondents said that equality issues were as important, or more important, to them than previously.

International Equality Frameworks

Over recent years, the Commission has increasingly sought to leverage international obligations in support of advancing our recommendations to promote equality of opportunity and good relations. In addition to the UNCRPD, referred to earlier, the Commission also works to engage with the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW); the Convention on the Elimination of Racial Discrimination (CERD); the Framework Convention for the Protection of National Minorities (FCNM) and the European Commission against Racism and Intolerance (ECRI).

The Commission secured the support of CERD, FCNM and ECRI (through Concluding Observations) for key racial equality policy positions. Locally, we have also seen steps towards the formal adoption of some of our recommendations including development of a draft Refugee Integration Strategy and actions to tackle racism. We have also secured local partner advocacy in support of our calls for the establishment of a Bill Team to review racial equality legislation, and the appointment of officials to review ethnic monitoring guidance and its application.

Ahead of the 2019 CEDAW examination of the UK, the Commission worked with local partners to secure support and advocacy of a number of our gender policy recommendations. This work will continue into the formal 'List of Issues' and formal 'examination' processes in 2018 /19.

Strategic Priority 3

Championing Equality and Good Relations

This was the first year of working within the context of the new Communications Strategy agreed last year. Although the communications work of the Commission impacts across its business objectives, two specific objectives were identified for championing equality in 2017-18. These were:

- increasing awareness and knowledge of equality and the Commission's work and
- wider public engagement and reaching out to harder to engage customers.

Increasing awareness and impact

A milestone this year was publication of the results of the survey work undertaken by the Commission in 2016. The survey looked at awareness of and attitudes to different equality groups, to the legislation and equality in general. Short summaries of the main findings were published as 'A Question of Attitude' in January 2018 and 'Equality Matters' in March 2018.

The survey questions relating to equality indicated a high level of acceptance of the need for and importance of equality in Northern Ireland. Respondents generally had a high level of awareness of the scope and coverage of equality law, with 94% reporting that they knew they were protected by the law on at least one equality ground. Respondents aged over 65 years old and from social classes (C2DE) showed the lowest levels of awareness.

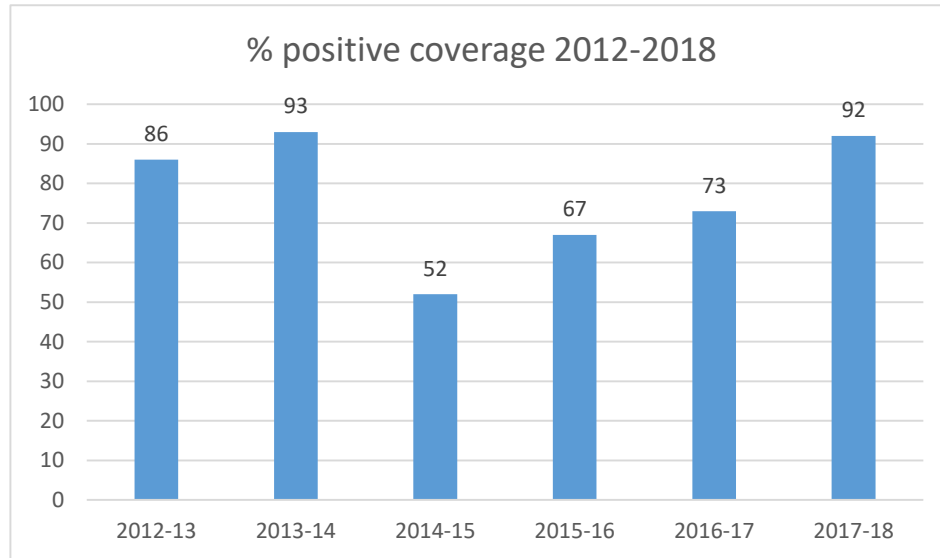
Fifty seven percent of survey respondents agreed that there are benefits to having a more equal society in Northern Ireland, although only 33% believed that there is equality for all at present. Around half of all respondents agreed that more needed to be done to promote equality of opportunity (49%) and good relations (52%), although approximately one third of respondents said that they did not know for each of the statements.

Similarly, of those who stated an opinion, majorities agreed on the need for equality and anti-discrimination laws and that they should be strengthened.

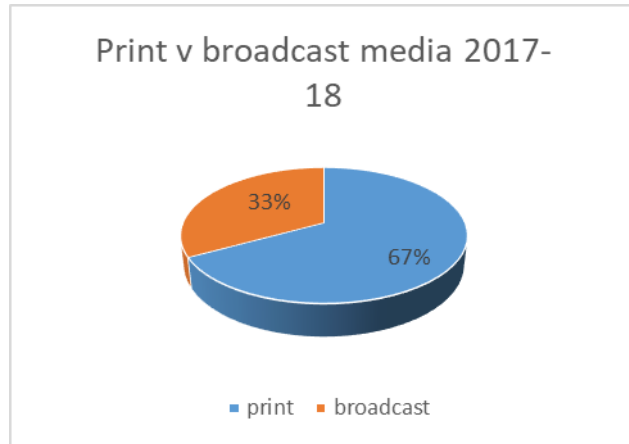
Media and Communications

Following the development of our new Communications Strategy last year, we have sought to be clear and confident in our messaging and have improved the speed of responses, to working faster and becoming more proactive. There have been more press enquiries this year than last, particularly broadcast, indicating increased recognition of our status as an expert organisation and a responsive one.

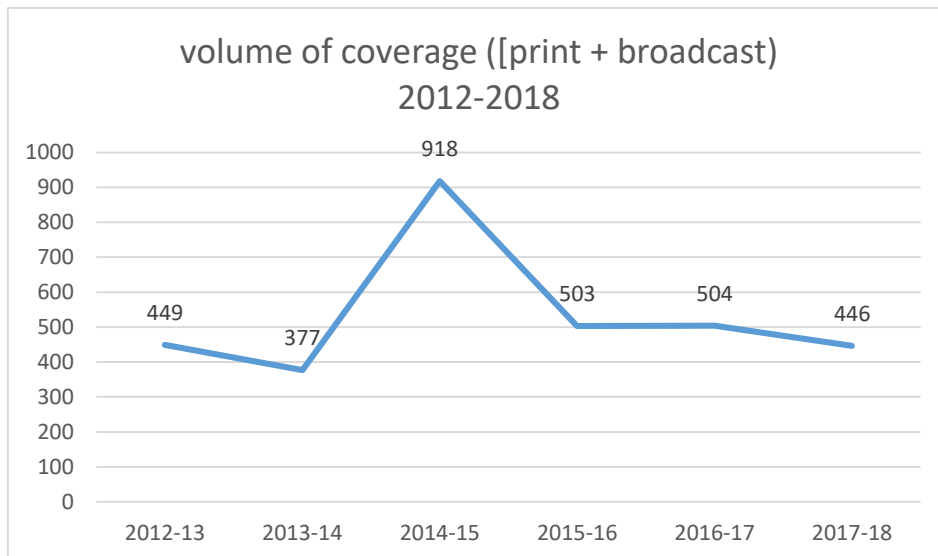
Almost half of the general public surveyed for the Equality Awareness survey were aware of the Commission and, of these, 77% had heard of us through the media. Although the Commission's work is often seen, by its very nature, as controversial, independent analysis of the media coverage of the Commission and its work this year found that 92% was positive, an increase of 22% on last year.



Stories about the Commission's work were carried in 446 media pieces over the past year 67% in print media and 33% in broadcast media.



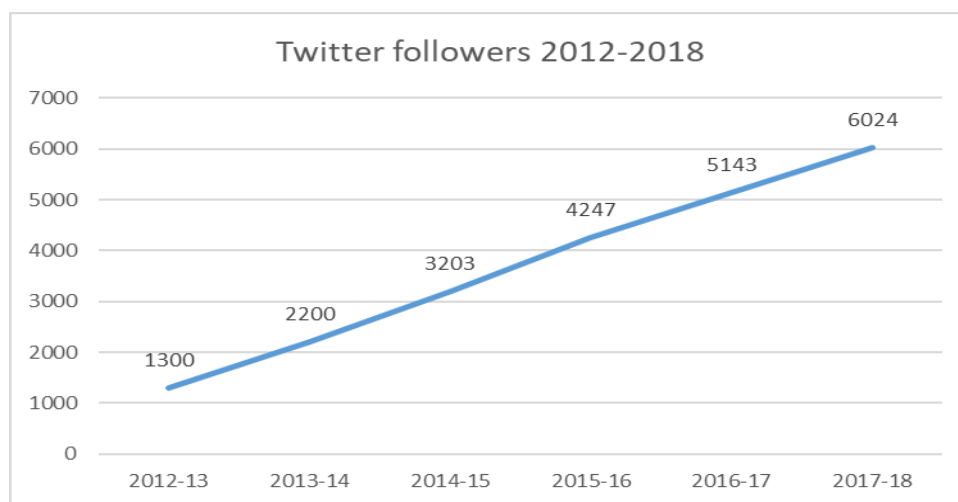
The chart below summarises the volume of coverage over the period 2012-13 to 2017-18. As was the case in previous years, media interest in legal cases assisted by the Commissions remains the greatest source of coverage.



Social media and website

The Commission has continued to develop its presence on social media platforms. Analysis of our social media channels indicates that people are interested in quite different things to standard media and we get exposure for subjects that would be difficult or impossible to promote via traditional media. For example, training or events (which newspapers and

broadcasters would not usually carry) can be promoted directly to interested organisations or individuals. This year corporate Twitter followers increased by 17%, from 5,137 to 6,024. The Commission began using LinkedIn in July 2017 and the following has been growing steadily. In 2017-18 LinkedIn followers increased by 29%. We are currently piloting a presence on Facebook.

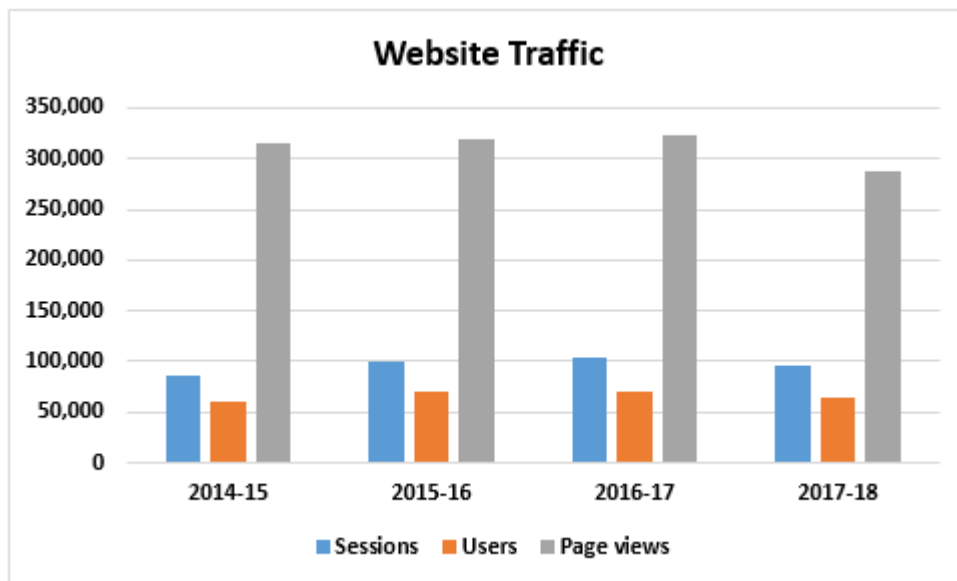


Video performs well on social media. This year we explored its use both independently and utilising partnership working with bodies such as Mencap and Invest NI.

This year we also produced a short summary annual review, which has been very useful at events and for visitors in explaining our work in concise terms. Again, this is a further attempt to making our information more widely accessible and clear.

Although the Commission's website continues to attract new users, this year, for the first time, there was a drop in traffic over the year with 97,720 visits in 2017 compared to 105,129 in 2016. This fall was also reflected in the number of users, which fell by 8% and in page views, which fell by 11%. To some extent, this may reflect the high numbers of users drawn to the website last year, due to the ongoing Lee v Ashers Baking Co Ltd case. In any event, despite this year's fall in visitors, the Commission's website remains a relatively high traffic website. During this year, in response to the increasing number of people using mobile devices as their primary means of accessing the internet, enhancements were made to ensure

compatibility and maintain security. The 2016 survey of employers and service providers indicated that 86% considered that the website is of high quality and met their needs.



The Commission issued 24 ezines this year. These included eight editions focused on employers, five on public authorities, one for MLAs and the other ten on general issues, for the wide range of stakeholders that the Commission serves. Commission ezines enjoyed a readership rate of 16% and a click through rate of 29%. The editions targeted for employers generated the highest levels of interest.

Wider Public engagement

Currently we engage with the general public through attendance at public events such as Belfast Mela, Disability Exhibition and the Balmoral Show. Attendance at the Balmoral Show (10-13 May) enabled direct engagement with well over 2,000 members of the general public as well as businesses, politicians and school groups. Social media posts from these events were amongst the most seen and engaged with over the year.

Attendance at events resulted in a number of follow up actions including referrals to legal advisory services, requests for talks, social media engagement, and the usual feedback from informal surveys of visitors to our stand. Although we agree specific communications objectives for our

attendance at these events and review outcomes and conduct informal surveys to assess attendees' awareness of the Commission or their rights, a more strategic approach to developing overarching communication objectives for this area of work, and for the planning, delivery and evaluation of these objectives, is necessary. The findings of the Equality Awareness survey of the general public are relevant to this area of our work and are informing a change of focus away from groups which are reporting high awareness of the Commission and its work.

This was the first year we tried a public engagement festival event, based on the findings of the Equality Awareness Survey. The event, as part of the Imagine Festival, was a new way of building understanding by stimulating discussion of equality issues, making connections in a more direct way with a new audience and building our reputation. We are planning more of this type of engagement in the coming year, focusing our efforts on people and groups where we have found it more difficult to engage previously.

Similarly, we currently have outreach programmes which target various sectors with a focus on raising awareness of rights, the role and work of the Commission and the services we provide. Attendance at events such as LGBT Awareness Week and Belfast Pride Awards continued to maintain the Commission's visibility, profile and role in respect of LGBT rights. Related social media activity also achieved good engagement with the target audience. Feedback from stakeholders and nominations in two categories in the Belfast Pride Awards demonstrate positive attitudes towards the Commission.

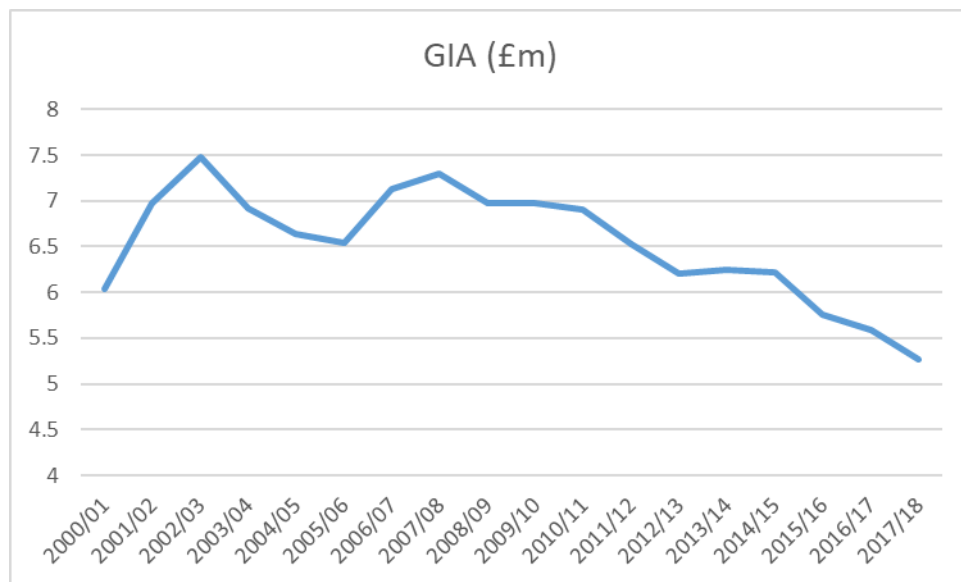
Stakeholder engagement meetings were held with support groups across other equality sectors, particularly race and disability. Budget reductions in the area of external engagement and particularly on the development of outreach will impact on the Commission's ability to extend its reach and develop its relationship with 'harder to reach' target groups. As a consequence, further consideration is being given to identify and assess areas where we can best target our actions.

Strategic Priority 4. Delivering equality effectively and efficiently

As has been the case for much of the past decade, the Commission continues to deliver its statutory responsibilities and business objectives within the constraints of a difficult financial background. In 2000-1, the first full year of the Commission's existence, its grant-in-aid (GIA) totalled £6.035m. Grant-in-aid available in 2017-18 is £5.378m, a decrease of £657k (10.9%).

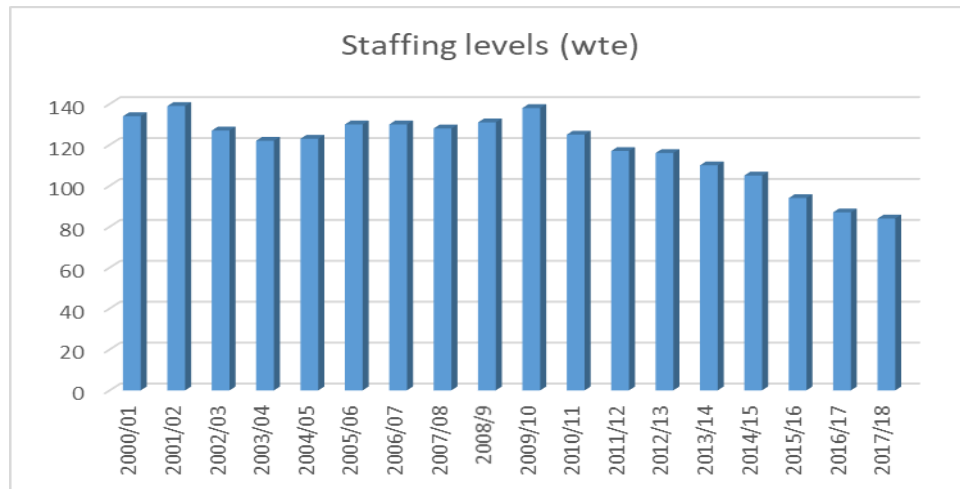
Given the structure of the Commission and proportion of its budget that needs to be committed to staffing, budget reductions have a disproportionate impact on staffing levels. The Commission was set up with an establishment strength of 143 staff. In 2000-1, the average full-time equivalent staffing level was 134. During this year, the equivalent staffing level is 84, a decrease of 50 (37.3%).

The charts below provide an illustration of the scale of budget and staffing reductions since 2000-01.



Over the first years of its existence the Commission's budget increased to over £7m. However, since 2007-08 there has been a year on year reduction. Over the past five years alone the Commission's grant-in-aid has fallen by £939k (15.1%).

For staffing levels the decline has been even more dramatic. The Commission never reached its original establishment figure of 143. The closest it came to this was in 2001/2 (139) and 2009/10 (138). Since then it decreased each year, down to 84 this year, less than 60% of the original establishment figure.



Resourcing its plans

Inevitably reductions of the scale outlined above will impact on business operations and service levels. In response the Commission has sought to generate additional sources of income, mitigating the reductions through reducing overheads and delivering efficiency savings where possible. It has also focused its corporate resources on core governance and internal control, while striving to protect the benefits of greater sustainability and its commitment to continuous improvement.

This year the Commission was provided with an opening indicative budget of £5,194k, a reduction of 2.5% on last year's resource baseline. Although a June bid for additional Resource allocation to address a substantial (54%) rent increase was unsuccessful, a £100k bid (subsequently reduced to £60k) for Capital was approved, as was the retention of some of the anticipated income against the gross Resource allocation. A further Resource bid to address an increase in legal liabilities, totalling £150k, was also made and approved during the course of the year. The above resulted in a revised budget allocation for the year of £5,517k.

Business cases were approved for voluntary exits (VES) at the end of this year and three staff left under VES at 31 March 2018. A further two staff on reduced hours will leave under VES on 31 May 2018. These exits are being funded under the conditions of the Public Sector Restructuring Fund

Income from activities, mainly resulting from sharing the costs of Equality House with other organisations, as well as income generated through providing some shared services, mainly ICT services to organisations sharing accommodation, this year was £401,739, a reduction from last year's £411,736. The reduction was largely due to a rate rebate and some reallocation of costs between the various bodies.

During the course of the year savings in some general costs were possible for example in telephones, annual contracts and travel and subsistence. Budget reductions and volatility required the agreement of the Commission to scaling back on some business plan objectives.

Ensuring effective governance and internal control

The Commission has high standards of governance and risk management as measured by internal and external audit reports and comments from the auditors. This year's audit outturns continued the positive trend that has been established in recent years. All five internal audit reports provided satisfactory assurance.

There were no failures of internal control over the period and the level of near misses remains low. During the year progress was made in preparing Commission for introduction of General Data Protection Regulation (GDPR) in May 2018.

Encouraging sustainability and improvement

The Commission is presently recognised at the Gold level for Investors in People (March 2017) and Gold for EFQM. The Commission will continue to structure its continuous improvement work around these two key standards. The Commission was last assessed against the EFQM standard in 2010 and is planning to renew its accreditation next year. Work on a planned EFQM assessment this year had to be deferred due to budget reductions. The Commission also withdrew from the ISO 9001 and Lexcel frameworks due to the impact of budget reductions.

Budget reductions this year resulted in a reduction of spend on staff training this year, although this was mitigated by the identification and use of a number of lower cost, on-line solutions.

Financial Results for the Year

The financial position of the Commission as at 31 March 2018 and other results for this year are set out in detail in our Financial Statements at page 84. The Accounting Officer authorised these financial statements for issue on 3 July 2018.

The Financial Reporting Manual (FRoM) requires the Commission to treat grant-in-aid as financing rather than income. £5,261,000 (2017-18, £5,588,000) was received from TEO in the year, a reduction of £327,000 (5.85%).

The Commission also shows a small reduction in income from its activities. Income from activities was £401,739 this year, which compares with £411,736 last year. The reduction in income resulted mainly from a reduction in premises costs from one of our co-tenants obtaining rates exempt status. The Department gave approval for retaining income in the amount of £426,000.

Net expenditure for the year was £5,451,299 (2016-17, £5,484,520). This was within the Commission's budget allocation and set control levels.

There has been a reduction in the Taxpayers' Equity of £186,982 - from a surplus of £226,090 at 31 March 2017, to a reduced surplus of £39,108 at 31 March 2018.

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.

The Northern Ireland Executive's target is for 90% of valid bills to be paid within 30 days. During the period 97.1% of bills were paid within the thirty

day standard, 78.6% within 10 days. The comparative figures for 2016-17 were 91.6% and 69.4%.

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 continued to be the ongoing 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. It is anticipated that the need to manage these risks will continue into 2018-19.

This year saw no changes to membership of the Commission.

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 85 permanently employed staff to 83. Five staff exited the Commission this year, using the Public Sector Restructuring Fund. In response to falling staff numbers some restructuring of responsibilities was required. This process will continue in 2018-19.

This year expenditure on Staff and Commissioners' costs was £4,023,246, a decrease of £127,592 in staffing costs compared with last year (£4,150,838). The decrease was a consequence of the continuing reduction in staff numbers.

The Voluntary Exits in 2017-18 were all on the basis of the Public Sector Restructuring Fund 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.

The Commission aims to operate within the allocated budget provided by TEO, avoiding overspend and managing underspend within tolerance level of 1.5% by 31 March. At the year-end this target was met both in terms of the resource and capital allocations.

Likely Future Developments

As anticipated there were further reductions in the opening budget position and in grant-in-aid for 2018-19.

The coming year will see the initiation of a recruitment process for new Commissioners, initiated by the Northern Ireland Office, and aimed at replacing the membership of the existing Commission in a staged and planned way and thereby mitigating the impact of this on business continuity.

Progress on the Programme for Government and the outcome based approach to business planning and delivery, although affected by the ongoing political uncertainty, will continue. The Commission has begun work on preparation of an OBA focused Corporate Plan covering the period 2019-22 and this will continue in the coming year.

The Commission's lease for Equality House ends in July 2021. Discussions have been initiated with The Executive Office in relation to its plans for the future accommodation of the Commission, within the arrangements for the Executive's Reform of Property Management project, and how any resultant impact on the Commission's additional income and overall financing position will be addressed.

Important Events Occurring After the Year-end

There have been no 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.

Going concern

The Equality Commission operates as a going concern. It is financed by funding from The Executive Office. Funding for 2018-19 has been approved and a budget is in place covering the next twelve months. The Commission has no significant liabilities that cannot be funded over the coming period.

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.

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

Evelyn Collins CBE
Chief Executive and Accounting Officer
3 July 2018

Accountability Report

This accountability report is made up of a **Corporate Governance Report**, including a Directors' Report setting out key aspects of the Commission's structure, naming those with the key responsibilities for directing the Commission in the delivery of its objectives. Information on Commissioners' attendance, their remuneration and any external interests can be found in the Directors' Report. The Directors' Report also provides information on any personal data incidents reported to the Information Commissioner's office.

The corporate governance report also provides information on the Accounting Officer's responsibilities in relation to preparation of the annual report and accounts and includes a Governance Statement prepared by the Accounting Officer. The Governance Statement provides a comprehensive summary of the Commission's governance framework and arrangements for risk management and assurance. Also included is a review of potential risk areas. There are no significant internal control issues at present.

Also included is a **Remuneration and Staff Report**, which sets out the policy for remunerating Commissioners and key staff with responsibilities in relation to directing and controlling the activities of the Commission, as well as statutory disclosures in relation to pensions, compensation for early retirement or loss of office, fair pay disclosures are also included. The remuneration report also includes additional information on staff numbers and costs, staff composition, sickness absence data and exit packages.

The **Assembly Accountability and Audit Report** is the final section of the Accountability report. This report contains a number of additional disclosures relating to losses and special payments. In 2017-18 there were none to be disclosed.

The detailed reports are set out below.

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

The Commission's Chief Executive, Dr Evelyn Collins CBE, has been designated as the Accounting Officer. Her responsibilities as the Accounting Officer are set out below at page 49. 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 51-61 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. The current membership of the Commission comprises nine men and seven women.

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
Lesley Carroll	Deputy Chief Commissioner	10	9
Eileen Chan-Hu		10	8

Deborah Donnelly	10	8
Duane Farrell	10	8
Helen Ferguson	10	10
Hazel Francey	10	9
William Gamble	10	10
Judith Gillespie	10	10
Tom Hartley	10	9
Jarlath Kearney	10	10
Geraldine McGahey	10	8
William McKee	10	9
Joseph McVey	10	9
Robin Mullan	10	9
David Rose	10	8

Management Executive

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

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 for 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 2017 – 31 March 2018.

Audit and Risk Committee

COMMISSIONER		NO. OF MEETINGS	NO. ATTENDED
Deborah Donnelly	Chair	5	5
Leslie Carroll		4	3
Eileen Chan-Hu		5	3
Duane Farrell		5	5
Geraldine McGahey		5	4
Robin Mullan		5	4
David Rose		5	4

Statutory Duty Investigations Committee

COMMISSIONER		NO. OF MEETINGS	NO. ATTENDED
Lesley Carroll	Chair	5	4
Eileen Chan-Hu		5	4
Helen Ferguson		5	5
William Gamble		5	5
Tom Hartley		5	5
William McKee		5	2
Michael Wardlow		5	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 2017-18 the following Commissioners served on Legal Funding Committees: Deborah Donnelly, Helen Ferguson, Hazel Francey, Judith Gillespie, Tom Hartley, Jarlath Kearney, Geraldine McGahey, William McKee, Joe McVey 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. During 2017-18 an action plan was in place and action taken to prepare the Commission for the introduction of the General Data Protection Regulation in May 2018.

There were no incidences of data loss during the 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 consent of the Department of Finance 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, application of resources, 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 I ought to have taken as Accounting Officer in order to make myself 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

2017-18

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, The Executive Office (TEO). 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 The Executive Office. 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 The Executive Office 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. 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.

A record of Commissioners' attendance is included in the annual Corporate Governance report. 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, which is 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

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 2018. 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.

In November 2016 a new Chair of the Audit and Risk Committee was appointed and a number of new Commissioners were appointed to the Committee.

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 assurance 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 assurance statement to the Audit and Risk Committee and to the Commission's Sponsoring Department.

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 2018 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 currently 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.

Business Planning and budgeting

The Commission's annual Business Plan for 2017-18 was approved in January 2018. A Business Plan and budget for 2018-19 are in place. The Business Plan was approved by the Departmental Board in April 2018.

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. The Commission made a return in May 2016 to the Departmental Security Health Check (DSHC) initiated by NICS. This return was reviewed by internal audit in November 2016 and satisfactory assurance was provided.

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.

An internal audit review of Data Protection and Freedom of Information processes was completed, as part of an overall review of regulatory compliance in February 2018. Satisfactory assurance was provided. The Commission undertook a further review of its processes in the context of preparations for the introduction of General Data Protection Regulations (GDPR) in May 2018.

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. A further audit of business continuity arrangements is scheduled to take place in 2018-19.

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

The Commission's Whistle blowing procedure was reviewed and updated in May 2015, following a review against the new guidance issued by the Northern Ireland Audit Office (NIAO) and others. There have been no incidences of whistle blowing during the year.

Fraud

The Commission has a Fraud Policy and Fraud Response Plan. The policy and response plan were reviewed and an updated policy and plan approved by the ARC at its May 2017 meeting.

In response to a request from TEO, a further review was undertaken and an updated Policy and Response Plan will be reviewed by The Audit and Risk Committee in 2018-19.

There are no fraud related issues to report.

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 figure for average days due to sickness per employee during 2017-18 was 9 days. This is an increase on last year's 6.2 days. The increase is mainly due to the long-term absence of a small number of staff. The position will be kept under review throughout 2018-19.

Complaints

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 under the procedure is reported in the Annual Report.

During 2017-18, the Commission received five complaints about its services. In terms of our Customer Complaints Procedure, one was concluded at Stage 1 and one was concluded at stage 2 with explanations provided; one was not upheld at stage 2 and one was not upheld at stage 3. One was ongoing at the end of the year under review.

During 2015-16 a review of the Commission’s complaints handling procedures was undertaken by the Commission’s internal auditors. Substantial assurance was provided. A further review is scheduled for next year.

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 UK Audit LLP (formerly RSM Northern Ireland), 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.

An audit plan for 2017-18 was approved at the February meeting of the Audit and Risk Committee. Audits covering the following areas have been scheduled for completion:

Audit Area	Assurance Rating
Management of Contracts and Service Level Agreements	Satisfactory
Budgetary Control / Programme Expenditure Management	Satisfactory
Payroll, Travel and Subsistence	Satisfactory
Regulatory Compliance	Satisfactory
Risk Management	Satisfactory

In his Annual Report to the Audit and Risk Committee, the Head of Internal Audit's independent opinion provided a Satisfactory level of assurance for 2017-18.

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 budget reductions 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 in staff numbers over the past number of years.

The Commission has been able to do this through the management of flexible working arrangements, natural wastage and facilitating where practicable voluntary exit. Due to the increasing pressure on the Commission resulting from continuing budget reductions the risk rating in this area remains high.

The Commission has recently prepared business cases for the opportunity to fund a number of voluntary exits through access the Public Sector Restructuring Fund. Both of the business cases were approved and the funding will be provided. Further bids may be prepared in 2018-19.

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.

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 2017 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. A further review will be undertaken in 2018 using the updated November 2017 checklist.

This year, the Commission undertook a comprehensive internal review and self-assessment of its board effectiveness. The report recorded that its practices were well aligned with the good practice set out in the NIAO's Board Effectiveness: A Good Practice Guide (NIAO, 2016).

Significant internal control issues

There are no significant internal control issues at present.

Accountability Report

Remuneration and Staff Report

Remuneration Policy

The Senior Civil Service (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. The minimum point has been removed in each year from 2014 to 2016 (the scales now have 8 pay points) to allow progression through the pay scales within a reasonable period of time.

The pay remit (for the NI public sector and SCS) is normally approved by the Minister of Finance but in the absence of an Executive the DoF Permanent Secretary has set the 2017-18 NI public sector pay policy in line with the overarching HMT parameters and in a manner consistent with the approach taken by the previous Finance Minister in 2016-17. The pay award for SCS staff for 2017-18 has not yet been finalised.

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	Salary £,000	Bonus Payments £'000	2017-18 Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £'000	2016-17 Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Michael Wardlow Chief Commissioner	55-60 (FTE 70-75)	0	0	37	95-100 (FTE 105- 110)	55-60 (FTE 70-75)	0	0	22	80-85 (FTE 95- 100)
Dr Lesley Carroll Deputy Chief Commissioner	5-10	0	0	0	5-10	5-10	0	0	0	5-10
Deborah Donnelly	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Hazel Francey	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Judith Gillespie	0-5	0	0	0	0-5	0-5	0	0	0	0-5
William McKee	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Joseph McVey	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Robin Mullan	0-5	0	0	0	0-5	0-5	0	0	0	0-5
William Gamble	0-5	0	0	0	0-5	0-5	0	0	0	0-5

Commissioner	Salary £,000	Bonus Payments £'000	2017-18 Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)	Salary £,000	Bonus Payments £'000	2016-17 Benefits in kind (to nearest £100)	Pension Benefits (£,000)**	Total (£,000)
Tom Hartley	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Geraldine McGahey	0-5	0	0	0	0-5	0-5	0	0	0	0-5
David Rose	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Duane Farrell	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Helen Ferguson	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Jarlath Kearney	0-5	0	0	0	0-5	0-5	0	0	0	0-5
Eileen Chan-Hu	0-5	0	0	0	0-5	0-5	0	0	0	0-5

Senior Management

Official	2017-18					2016-2017				
	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	<4>	75-80	75-80	0	0	14	90-95
Keith Brown Head of Corporate Services	60-65	0	0	<1>	60-65	60-65	0	0	12	75-80
Eileen Lavery Head of Legal, Policy and Research	60-65	0	0	<5>	55-60	60-65	0	0	11	75-80

** 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.*

Fair Pay Review Disclosure

	2018	2017
	£	£
Band of Highest Paid Employee - Chief Executive	75,000 – 80,000	75,000 – 80,000
Median Other Staff Remuneration	31,446	31,135
Ratio	2.5	2.5

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 2017/2018 was £75,000 to £80,000 (2016/2017 was £75,000 to £80,000). This was 2.5 times (2016/2017, 2.5 times) the median remuneration of the workforce, which was £31,446 (2016/2017, £31,135).

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. The bonuses reported in 2017-18 relate to performance in 2017-18 and the comparative bonuses reported for 2016-17 relate to the performance in 2016-17.

No bonus payments were paid to Commissioners in these years.

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 age 60 as at 31/03/18 and related lump sum £'000	Real increase in pension and related lump sum at age 60 £'000	CETV at 31/3/18	CETV at 31/3/17	Real increase in CETV
Michael Wardlow Chief Commissioner	10-15 plus lump sum 0	0-2.5 plus lump sum 0	338	286	33
Evelyn Collins Chief Executive	30-35 plus lump sum 100-105	0-2.5 plus lump sum 0-2.5	803	757	<4>
Keith Brown Head of Corporate Services	20-25 plus lump sum 70-75	0-2.5 plus lump sum 0-2.5	542	532	<1>
Eileen Lavery Head of Legal, Policy and Research	30-35 plus lump sum 90-95	0-2.5 plus lump sum 0-2.5	695	688	<5>

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 schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and nuvos 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 did 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 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 is 2.32%.

New entrants joining can choose between membership of alpha 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 also 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%.

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). From April 2011 pensions payable under classic, premium and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2017 was 3% and HM Treasury has announced that public service pensions will be increased accordingly from April 2018.

Employee contribution rates for all members from 1 April 2018 to 31 March 2019 are as follows:

Scheme Year 1 April 2018 to 31 March 2019

Annualised rate of Pensionable Earnings (Salary Bands)		Contribution rates - Classic members or classic members who have moved into alpha	Contribution rates - All other members
From	To	From 01 April 2017 to 31 March 2018	From 01 April 2017 to 31 March 2018
£0	£15,000.99	4.6%	4.6%
£15,001.00	£21,636.99	4.6%	4.6%
£21,637.00	£51,515.99	5.45%	5.45%
£51,516.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (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 their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of **classic**, **premium**, and **classic plus** and 65 for members of **nuvos**. The normal scheme 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 schemes can be found at the website www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure 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.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 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, 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.

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

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	0
£10,000 - £25,000	0	1	1
£25,000 - £50,000	0	1	1
£50,000 - £100,000	0	1	1
£100,000 - £150,000	0	0	0
£150,000 - £200,000	0	0	0
Total number of exit packages	0	3	3
Total resource cost/£	0	124,432	124,432

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.

Staff Report

Staff and Commissioner costs (Audited) comprise:

				2017-18	2016-17
	Commissioners	Permanently employed staff	Others	Total	Total
	£	£	£	£	£
Wages and Salaries	137,995	2,777,655	45,600	2,961,250	3,038,405
Social security costs	7,103	276,453	2,358	285,914	298,876
Other pension costs	15,253	630,087	6,310	651,650	667,648
Severance	Nil	124,432	Nil	124,432	145,907
Total net costs	160,351	3,808,627	54,268	4,023,246	4,150,836

Pension Disclosure

The Northern Ireland Civil Service main pension schemes 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 DoF Superannuation and Other Allowances Annual Report and Accounts as at 31 March 2018.

For 2017-18, employer's contributions of £651,650 were payable to the NICS pension arrangements (2016/2017 £667,648) 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 2018-19, the rates will also range from 20.8% to 26.3%, however the salary bands differ. The contribution rates are set to meet the cost of the benefits accruing during 2017-18 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	2017-18	2016-17
			Total	Total
Directly Employed	83	1	84	85
Other	0	0	0	2
Total	83	1	84	87

Staff Composition (not wte)

The following table provides the gender composition of Equality Commission staff at 1 January 2018.

Grade	M	F	Total
Senior Civil Service	0	1	1
Other Staff	31	63	94
Total	31	64	95

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

Grade	P	RC	ND*	Total
Senior Mgt Team	2 (66.6%)	1 (33.3%)		3
All Staff	37 [38.9%]	58 [61.1%]	0	95

One member of staff voluntarily resigned during the reporting year, but the number of employees remained at 95 for the reporting period, due to the recruitment of one employee. The table below summarises the changes in the community composition of the Commission's workforce over the past five years.

Year (1 January)	P		RC		ND*	Total
	No.	[%]	No.	[%]	No.	No.
2014	43	[33.9]	84	[66.1]	3	130
2015	44	[35.8]	79	[64.2]	3	126
2016	37	[37.4]	62	[62.6]	1	100
2017	36	[37.9]	59	[62.1]	0	95
2018	37	[38.9]	58	[61.1]	0	95

* Community background could not be determined

Square bracket '['%'] percentages are a percentage of total Catholics and Protestants only.

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 2017-18 was 9 days, an increase on last year's 6.2 days. This was largely due to the long-term illness of a small number of staff. Of the 9 days lost, 5.8 related to long term absence (more than 20 days) and 3.2 to short term absence (20 days or less). This compares to an equivalent 2.7 days for long and 3.5 days for 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.

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 2017-18 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

	2017-18	2016-17
	£	£
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

Special Payments

	2017-18	2016-17
	£	£
Total number of special payments	Nil	Nil
Total value of special payments	Nil	Nil

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:

A handwritten signature in cursive script, appearing to read 'Evelyn Collins', is written above a horizontal line.

Evelyn Collins CBE
Chief Executive and Accounting Officer
3 July 2018

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

Opinion on financial statements

I certify that I have audited the financial statements of the Equality Commission for Northern Ireland for the year ended 31 March 2018 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 Accountability Report that is described in that report as having been audited.

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 2018 and of the Equality Commission for Northern Ireland's 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 directions issued thereunder.

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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. I am independent of the Equality Commission for Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

The Accounting Officer is responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the 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 the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Accounting Officer for the financial statements

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.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Northern Ireland Act 1998.

I am required to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, 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 Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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 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 the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU
5 July 2018

**Equality Commission
for
Northern Ireland**

Financial Statements

**for the 12 months ended
31 March 2018**

Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

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	2017-18 £	2016-17 £
Income			
Income from Activities	5	401,739	411,736
Total Operating Income		401,739	411,736
Expenditure			
Staff and Commissioners' Costs	2 & 3	(4,023,246)	(4,150,838)
Depreciation	6	(73,712)	(78,726)
Amortisation	7	(35,228)	(25,378)
Provision for Legal Expenses	12	(87,042)	53,077
Other Expenditure	4	(1,633,810)	(1,694,391)
Total Operating Expenditure		(5,853,038)	(5,896,256)
Net Operating Expenditure		(5,451,299)	(5,484,520)
Finance Income/Expense		0	0
Net Expenditure		(5,451,299)	(5,484,520)
Other Comprehensive Net Expenditure			
	Note	2017-18	2016-17
Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of Plant and Equipment	6	3,317	4,353
Total Comprehensive Expenditure for the year		(5,447,982)	(5,480,167)

The notes on pages 89 to 102 form part of these accounts.

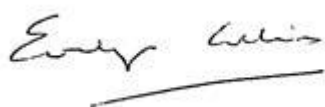
Statement of Financial Position

as at 31 March 2018

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	2018 £	2017 £
Non-Current assets:			
Plant and equipment	6	230,767	281,551
Intangible assets	7	165,899	160,706
Total non-current assets		396,666	442,257
Current assets:			
Trade and other receivables	10	115,957	106,245
Cash and cash equivalents	9	11,857	78,953
Total current assets		127,814	185,198
Total assets		524,480	627,455
Current liabilities (<1 year)			
Trade and other payables	11	(321,318)	(324,353)
Other liabilities		0	0
Total current liabilities		(321,318)	(324,353)
Total assets less current liabilities		203,162	303,102
Non-current liabilities (>1 year)			
Provisions	12	(164,054)	(77,012)
Other payables		0	0
Total non-current liabilities		(164,054)	(77,012)
Total assets less total liabilities		39,108	226,090
Taxpayers' equity			
Revaluation reserve		55,795	52,478
SOCNE reserve		(16,687)	173,612
		39,108	226,090

The financial statements on pages 84 to 102 were approved by the Commission on 27 June 2018 and were signed on its behalf by;



Evelyn Collins CBE, Accounting Officer and Chief Executive
The notes on pages 89 to 102 form part of these accounts.

Statement of Cash Flows

for the year ended 31 March 2018

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	2017-18 £	2016-17 £
Cash Flows from operating activities			
Net Expenditure		(5,451,299)	(5,484,520)
Adjustments for non-cash transactions			
Depreciation	6	73,712	78,726
Amortisation	7	35,228	25,378
Increase/(Decrease) in provisions	12	306,883	297,214
(Increase)/Decrease in trade and other receivables	10	(9,712)	(18,510)
Increase/(Decrease) in trade payables	11	(3,035)	(47,382)
Use of Provisions	12	(219,841)	(350,291)
Net cash outflow from operating activities		(5,268,064)	(5,499,385)
Cash flows from investing activities			
Purchase of plant and equipment	6	(19,611)	(23,969)
Purchase of intangible assets	7	(40,421)	(122,058)
Net cash outflow from investing activities		(60,032)	(146,027)
Cash flows from financing activities			
Financing from TEO		5,261,000	5,588,000
Net financing		5,261,000	5,588,000
Net (decrease)/increase in cash and cash equivalents in the period	9	(67,096)	(57,412)
Cash and cash equivalents at the beginning of the period		78,953	136,365
Cash and cash equivalents at the end of the period	9	11,857	78,953

The notes on pages 89 to 102 form part of these accounts.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2018

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 £
Balance at 31 March 2016		48,125	70,132	118,257
Changes in Taxpayers' Equity 2016-17				
Grant from TEO		0	5,588,000	5,588,000
Comprehensive Net Expenditure for the year		0	(5,484,520)	(5,484,520)
Revaluations				
Recognised in Statement of Comprehensive Expenditure		4,353	0	4,353
Balance at 31 March 2017		52,478	173,612	226,090
Changes in Taxpayers' Equity 2017-18				
Grant from TEO		0	5,261,000	5,261,000
Comprehensive Net Expenditure for the year		0	(5,451,299)	(5,451,299)
Revaluations				
Recognised in Statement of Comprehensive Expenditure		3,317	0	3,317
Balance at 31 March 2018		55,795	(16,687)	39,108

The notes on pages 89 to 102 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 2017-18 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, 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:

<i>IT Equipment</i>	25-33%
<i>Office Equipment</i>	10-33%
<i>Furniture</i>	10%
<i>Fixtures & Fittings</i>	10-33%
<i>Intangible Assets</i>	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 & Associated Costs	Programme Costs	*Other Costs	12 mths to 31/03/2018 Total	Salaries & Associated Costs	Programme Costs	*Other Costs	12 mths to 31/03/2017 Total
	£	£	£	£	£	£	£	£
Integrated/ New Areas	856,250	348,620	211,742	1,416,612	892,868	328,114	167,414	1,388,396
Disability	485,578	60,969	120,080	666,627	459,116	91,620	86,087	636,823
Religion & Politics	546,463	14,028	135,136	695,627	479,015	21,326	89,818	590,159
Gender	384,751	59,143	95,146	539,040	333,364	106,339	62,507	502,210
Race	202,282	19,824	50,023	272,129	236,512	40,166	44,347	321,075
Statutory Duty	365,156	977	90,300	456,433	313,392	26,182	58,763	398,337
Resources	588,836	0	145,615	734,451	816,048	0	153,015	969,063
Executive	309,147	0	76,450	385,597	309,242	0	57,984	367,226
Total Costs	3,738,463	503,561	924,492	5,166,516	3,839,557	613,747	719,935	5,173,239
Members Costs	160,351	0	0	160,351	165,374	0	0	165,374
Other Costs	124,432	0	0	124,432	145,907	0	0	145,907
Total	4,023,246	503,561	924,492	5,451,299	4,150,838	613,747	719,935	5,484,520

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

3. Staff costs

	2017-2018	2016-2017
	Total	Total
	£	£
Wages and Salaries	2,943,330	2,999,954
Social security costs	285,914	298,877
Other pension costs	651,650	667,648
Agency	17,920	38,452
Severance	124,432	145,907
Total net costs	4,023,246	4,150,838

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

4. Other Operating Costs

	2017-18 £	2016-17 £
Note		
General Costs		
Travel and Subsistence	16,799	18,934
Staff Recruitment	0	3,345
Staff Related Costs	25,342	28,152
Postage	3,918	11,804
Telephones	21,427	32,246
Hospitality	1,967	1,584
Audit	9,000	9,450
Miscellaneous	15,919	16,202
Office Consumables	36,516	38,993
Annual Contracts	42,195	47,535
Legal Costs	15,981	1,800
Corporate Service	2,733	10,672
Early Retirement	0	0
	191,797	220,717
Premises		
Rents	564,531	427,312
Rates	186,118	200,706
Service Charge	18,226	18,148
Fuel Charge	71,710	60,430
R&M Buildings	50,012	29,171
Facilities	134,897	124,160
	1,025,494	859,927
Programme		
Education & A	98,588	132,013
Legal Fees	259,984	356,278
Other	57,947	125,456
	416,519	613,747
	1,633,810	1,694,391
Non-Cash Costs		
Depreciation	73,712	78,726
Amortisation	35,228	25,378
Increases in Legal Provision	306,883	297,214

5. Income

Source	2017-18 Total £	2016-17 Total £
Service Level Agreements	74,318	73,169
Accommodation	327,421	338,567
	<hr/> 401,739	<hr/> 411,736

All income is based on full cost recovery.

6. Plant and equipment

2017-18

	Information Technology £	Office Equipment £	Furniture £	Fixtures & Fittings £	Total £
Cost/Valuation					
At 1 April 2017	368,586	103,555	255,024	335,610	1,062,775
Additions	14,806	605	0	4,200	19,611
Disposals	(4,147)	0	0	0	(4,147)
Revaluations	8,746	1,336	5,253	2,450	17,785
At 31 March 2018	387,991	105,496	260,277	342,260	1,096,024
Depreciation					
At 1 April 2017	303,728	74,340	253,633	149,523	781,224
Charged in year	38,438	8,653	1,182	25,439	73,712
Disposals	(4,147)	0	0	0	(4,147)
Revaluations	7,192	959	5,225	1,092	14,468
At 31 March 2018	345,211	83,952	260,040	176,054	865,257
Carrying amount at 31 March 2018	42,780	21,544	237	166,206	230,767
Carrying amount at 31 March 2017	64,858	29,215	1,391	186,087	281,551
Asset Financing					
Owned	42,780	21,544	237	166,206	230,767
Finance lease	0	0	0	0	0
On-balance sheet	0	0	0	0	0
Carrying amount at 31 March 2018	42,780	21,544	237	166,206	230,767

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

2016-17

	Information Technology £	Office Equipment £	Furniture £	Fixtures & Fittings £	Total £
Cost/Valuation					
At 1 April 2016	374,080	93,455	249,047	329,873	1,046,455
Additions	13,948	6,923	0	3,098	23,969
Disposals	(25,370)	0	0	0	(25,370)
Revaluations	5,928	3,177	5,977	2,639	17,721
At 31 March 2017	368,586	103,555	255,024	335,610	1,062,775
Depreciation					
At 1 April 2016	284,894	61,026	245,796	122,784	714,500
Charged in year	39,792	11,239	1,938	25,757	78,726
Disposals	(25,370)	0	0	0	(25,370)
Revaluations	4,412	2,075	5,899	982	13,368
At 31 March 2017	303,728	74,340	253,633	149,523	781,224
Carrying amount at 31 March 2017	64,858	29,215	1,391	186,087	281,551
Carrying amount at 31 March 2016	89,186	32,429	3,251	207,089	331,955
Asset Financing					
Owned	64,858	29,215	1,391	186,087	281,551
Finance lease	0	0	0	0	0
On-balance sheet	0	0	0	0	0
Carrying amount at 31 March 2017	64,858	29,215	1,391	186,087	281,551

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.

2017-18

	Information Technology	Software Licences	Total
Cost or Valuation			
At 1 April 2017	96,196	143,262	239,458
Additions	0	40,421	40,421
Disposals	0	(6,078)	(6,078)
At 31 March 2018	96,196	177,605	273,801
Amortisation			
At 1 April 2017	20,597	58,155	78,752
Charged in year	4,209	31,020	35,228
Disposals	0	(6,078)	(6,078)
At 31 March 2018	24,806	83,097	107,902
Carrying amount at 31 March 2018	71,390	94,508	165,899
Carrying amount at 31 March 2017	75,599	85,107	160,706
Asset financing:			
Owned	71,390	94,508	165,899
Finance Leased	0	0	0
Contracts	0	0	0
Carrying amount at 31 March 2018	71,390	94,508	165,899

2016-17

	Information Technology	Software Licences	Total
Cost or Valuation			
At 1 April 2016	27,276	90,124	117,400
Additions	68,920	53,138	122,058
Disposals	0	0	0
At 31 March 2017	96,196	143,262	239,458
Amortisation			
At 1 April 2016	16,085	37,289	53,374
Charged in year	4,512	20,866	25,378
Disposals	0	0	0
At 31 March 2017	20,597	58,155	78,752
Carrying amount at 31 March 2017	75,599	85,107	160,706
Carrying amount at 31 March 2016	11,191	52,385	64,026
Asset financing:			
Owned	75,599	85,107	160,706
Finance Leased Contracts	0	0	0
Carrying amount at 31 March 2017	75,599	85,107	160,706

8. Financial Instruments

As the cash requirements of the Equality Commission are met through Grant-in-Aid provided by The Executive Office, 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

	2017-18	2016-17
	£	£
Balance at 1 April 2017	78,953	136,365
Net change in cash and cash equivalent balances	(67,096)	(57,412)
Balance at 31 March 2018	<u>11,857</u>	<u>78,953</u>
The following balance at 31 March were held at:		
Government Banking Service	11,783	78,914
Cash In Hand	74	39
Balance at 31 March 2018	<u>11,857</u>	<u>78,953</u>

10. Trade receivables and other current assets

	2017-18	2016-17
	£	£
Amounts falling due within one year:		
Prepayments	113,480	76,222
Accrued Income	2,477	29,474
Other Receivables	0	549
	<u>115,957</u>	<u>106,245</u>

11. Trade payables and other current liabilities

	2017-18	2016-17
	£	£
Amounts falling due within one year		
Accruals and deferred Income	321,318	324,353
	<u>321,318</u>	<u>324,353</u>

12. Provisions for liabilities and charges

	2017-18	2016-17
	Legal Costs	Legal Costs
	£	£
Balance at 1 April 2017	77,012	130,089
Provided in the year	361,798	355,972
Provisions not required written back	(54,915)	(58,758)
Provisions utilised in the year	(219,841)	(350,291)
	<u>164,054</u>	<u>77,012</u>
Balance at 31 March 2018	164,054	77,012

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

	2017-18	2016-17
Contracted capital commitments at 31 March 2018 not otherwise included in these financial statements		
Plant and equipment	0	0
Intangible asset	0	24,870
	<u>0</u>	<u>24,870</u>

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.

	2017-18 £	2016-17 £
Obligations under operating leases comprises:		
Buildings		
Not later than one year	516,000	450,240
Later than one year and not later than five years	1,204,000	1,500,650
Later than five years	0	0
Other:		
Not later than one year	4,637	4,421
Later than one year and not later than five years	5,322	8,841
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 2018.

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). 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
(£5,261,000 of which £0 was outstanding at the year end),
- the Northern Ireland Commission for Children and Young People
(£151,727.63 of which £258 was outstanding at the year end),
- the Commission for Victims and Survivors
(£63,514 of which £34 was outstanding at the year end),
- the Northern Ireland Human Rights Commission
(£9,675 of which £0 was outstanding at the year end),
- the Commissioner for Older People Northern Ireland
(£105,227 of which £1,159 was outstanding at the year end),
- the Northern Ireland Judicial Appointments Commission
(£700 of which £0 was outstanding at the year end),
- The Community Relations Council for Northern Ireland
(£78,771 of which £0 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

There were no events after the reporting period impacting on these statements.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 3 July 2018

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