

SELECTING THE BEST APPLICANTS AND SUPPORTING DIVERSITY



NIJAC

*Northern Ireland Judicial
Appointments Commission*

ANNUAL REPORT

AND ACCOUNTS

2017-18



NIJAC

*Northern Ireland Judicial
Appointments Commission*

Northern Ireland Judicial Appointments Commission

**Annual Report and Accounts
for the year ended 31 March 2018**

***Laid before the Northern Ireland Assembly by The Executive Office
under paragraphs 5 and 7 of Schedule 2 to the Justice (Northern
Ireland) Act 2002, as amended***

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THE PERFORMANCE REPORT

Overview

Chairman's Foreword

This overview aims to provide sufficient information to aid understanding of the organisation, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

This is our thirteenth report on the work of the Northern Ireland Judicial Appointments Commission (NIJAC), which covers a very demanding period of appointments, renewals, diversity and communications work, policy review and internal governance and accountability.

During the reporting period 1 April 2017 - 31 March 2018, NIJAC made 32 recommendations (16 women and 16 men) for judicial appointment (Courts 5, Tribunals 27) and 35 renewals of appointment.

We continue to work within our statutory obligations and, through review and evaluation of our strategies and policies, continually seek to improve.

We have achieved success with applications broadly reflecting the Northern Ireland community and the legal applicant pool; however a priority remains to attract applications from those in under-represented groups, that being woman and the solicitors profession.

I would like to place on record my thanks to Mrs Mandy Kilpatrick who ably led the Commission as its Chief Executive until 19 January 2018. The recruitment for Mrs Kilpatrick's replacement concluded in March 2018 and Ms Tonya McCormac commenced as the new Chief Executive on 21 August 2018. I would also like to extend my thanks to Ms Adeline Frew who was Interim Chief Executive in the intervening period from 22 January 2018 to 20 August 2018.

A significant project undertaken during 2017-18 was a Review of the Effectiveness of NIJAC's Appointments Process (RENAP). The RENAP project was led by Commissioners

Mr Brian Coulter and Mr Eoin Doyle and was an examination of the effectiveness of the process and identification of areas for development. RENAP's primary source of information was drawn from the Presiding judiciary who, as Co-opted Selection Committee members and are frequently involved in NIJAC appointment schemes. The Working Group also sought the views of Commissioners, applicants, auditors and staff. Additional information was considered from Judicial Appointments Ombudsman (JAO) reports and NIJAC's internal Lessons Learned Reports.

The Working Group identified a number of recommendations and it has been most heartening to find that those on whose behalf NIJAC works are on the whole content with what we do, why we do it, and the results we deliver. The recommendations made seek to guide our continuous improvement through the evolution of our current practices and were incorporated into the 2018/19/20 Continuous Improvement Plans.

During the period under review NIJAC's Commissioners and staff engaged with around 500 people through events and meetings, promoting judicial service and demystifying the application process.

There were two significant matters under review since 2016-2017 which concluded in 2018. NIJAC agreed to cease obtaining medical checks for fee paid offices and, following consultation Plenary determined to no longer obtain medical checks for salaried office. NIJAC, will however establish if the applicant requires any reasonable adjustment.

NIJAC is determined to promote judicial office to those who demonstrate the required abilities, qualities and skills to meet the challenges and fulfil the expectations of judicial office. I would encourage anyone with an interest to contact NIJAC to discuss opportunities and initiatives such as Judicial Shadowing or visit our website (www.nijac.gov.uk) for further information.

The lack of resolution at Stormont has resulted in no new Commissioners being appointed. There is the potential to put the reputation of the Commission at risk and negatively impact upon public confidence in the judicial appointments process. My remaining fellow Commissioners and I will do what we can to mitigate risks to governance and operations and work with those who can influence a resolution to the matter.

I look forward to another year fulfilling our statutory remit to ensure the most meritorious appointments based upon open and fair processes. I also welcome hearing from those with an interest in how the Commission can more positively influence those they work on behalf of, should that be the courts and tribunals, the legal and other professions.

The Right Honourable Sir Declan Morgan

Lord Chief Justice of Northern Ireland and Chairman of the Northern Ireland Judicial Appointments Commission

Purpose and Activities

Who we are

NIJAC is an independent public body which was established to bring about a new system for appointing members of the judiciary in Northern Ireland.

NIJAC was established on 15 June 2005 under the Justice (Northern Ireland) Act 2002, as amended. It is an independent executive Non-Departmental Public Body (NDPB) sponsored by The Executive Office (TEO).

As a consequence of the Northern Ireland Act 2009 policing and justice powers were devolved to the Northern Ireland Assembly on 12 April 2010.

The 2009 Act also extended NIJAC's statutory duties as not only a recommending body (for listed judicial offices commonly known as Crown appointments, generally substantive posts) but also as an appointing body (for non-Crown appointments, primarily fee paid posts) which removed this function from Government Ministers and the political process.

NIJAC also has influence over the judicial complement, and determination over certain terms and conditions in agreement with sponsoring departments who hold the budgets for judicial offices.

The Commission normally comprises 13 members drawn from the judiciary, legal profession and other professional backgrounds. The Chairman is the Lord Chief Justice of Northern Ireland, Sir Declan Morgan. The 12 other members are ordinarily appointed by TEO, however due to the absence of Ministers within the NI assembly for a period of three years to 11 January 2020 it was not possible to make appointments to the Commission through TEO as this power rests with the First Minister and deputy First Minister. This resulted in the Commission operating for part of the year with no representation from the Court of Appeal, the High Court, the County Court, the Law Society or the Bar Council.

Appointments were made possible however in November 2018 as the Secretary of State for Northern Ireland brought forward legislation (Northern Ireland (Executive Formation and Exercise of Functions) Act 2018) which permitted the Lord Chancellor to make

appointments to the NIJAC Board. Steps were taken during the time that appointments were not possible to mitigate the risks such as considering new ways of working and revisiting Standing Orders and Committee Terms of Reference.

The five judicial members are nominated by the Lord Chief Justice. Commissioners, who hold publicly funded office i.e. salaried members of the judiciary, are not remunerated by NIJAC for their work in accordance with public sector policy.

The Bar Council of Northern Ireland and the Law Society of Northern Ireland nominate one member each to serve as legal members on the Commission, and the Commission's five lay members who do not hold (or have never held) a protected judicial office and are not (and have never been) a barrister or solicitor are selected and appointed by the First Minister and deputy First Minister acting jointly.

The Commission is supported by 12 staff headed by the Chief Executive, who is responsible for the day to day management of NIJAC.

The Commissioners and staff have very different responsibilities. The Board of NIJAC (Plenary) has corporate responsibility for ensuring that it fulfils its statutory obligations and the aims and objectives agreed with its sponsor department. Commissioners have an equal say in the work of NIJAC and are of equal status. A detailed list of Plenary's responsibilities is set out in the Management Statement and Financial Memorandum and the Justice (Northern Ireland) Act 2002, as amended and includes the requirement to comply with the Code of Conduct (incorporating the 7 Nolan Principles).

The Chief Executive is the Accounting Officer (AO) for NIJAC and is therefore responsible to Plenary for the discharge of NIJAC's responsibilities. The AO is also responsible for promoting the efficient, economic and effective use of staff and other resources.

Our purpose

NIJAC is committed to the appointment of the best possible judicial officers for Northern Ireland through fair, open and transparent assessment, selection and appointment processes. See Appendix 1.

We recognise and value diversity and seek to promote equality while ensuring that merit remains the guiding principle for appointment.

It is our policy to have due regard to the need to promote equality of opportunity to actual and potential applicants irrespective of gender, marital status, religious belief or political opinion, race, age, disability, sexual orientation, dependant responsibilities or geographical location.

Our aim is to ensure that those who do apply for judicial office will undergo an appointment process that assesses their abilities, qualities and skills fairly and openly. In this way we are confident that those most meritorious will be appointed.

Our statutory responsibilities

- To select and appoint, and recommend for appointment, in respect of all listed judicial offices up to and including High Court Judge;
- To recommend applicants solely on the basis of merit;
- To engage in a programme of action to secure, so far as it is reasonably practicable to do so, that appointments to listedⁱ judicial offices are such that those holding such offices are reflective of the community in Northern Ireland;
- To engage in a programme of action to secure, so far as it is reasonably practicable to do so, that a range of persons reflective of the community in Northern Ireland is available for consideration by NIJAC whenever it is required to select a person to be appointed, or recommend a person for appointment, to a listed judicial office; and
- To publish an annual report setting out the activities and accounts for the past year.

Our principles

The principles which guide and inform our work are:

- **Independence** – we will ensure NIJAC fulfils all of its statutory obligations, free from any political influence or interference;
- **Merit** - we will appoint and recommend for appointment applicants solely on the basis of merit;
- **Diversity** - we will implement a programme of action designed to support our aim to achieve, as far as reasonably practicable, a judiciary that is reflective of our society;
- **Fairness** - we will be fair in our decision making;
- **Transparency** - we will be open about our policies, procedures and activities;
- **Accountability** - we will explain our activities and where appropriate the reasons for our decisions; and
- **Partnership** - we will work closely with interested parties to share learning and to progress and inform our work.

ⁱ Schedule 1 of the Justice (Northern Ireland) Act 2002, as amended.

Key Issues and Risks

Risk Management is integrated into the activities of NIJAC by a direct link to the achievement of objectives. NIJAC implements effective risk management arrangements, which are detailed in our Risk Management Handbook. These include developing, monitoring and reviewing the Risk Register which identifies the key risks, identifying those responsible for ensuring that the risks are managed, and the action that will be taken to manage them. Further details can be found in the Governance Statement.

Whilst focussing on our core business – selecting and recommending people for appointment to judicial office - we must be alive to other issues, such as local and national politics, including any potential impact of Brexit, the Programme for Government, the Future Administration and Structure of Tribunals in Northern Ireland, and of course, any alterations to our applicant pools influenced by various factors, including changing demographics and the economy.

The Senior Salaries Review Body (SSRB) was commissioned in October 2016 to embark upon a major review of judicial remuneration. For the first time this review also considered and made recommendations on the remuneration of fee paid judges. SSRB's work considered the overall structure of judicial remuneration and reported in October 2018. NIJAC engaged with the Office of the Lord Chief Justice and SSRB to inform this review taking into account the ongoing challenges in securing appointments to the High Court.

The main risks to NIJAC's Business Objectives included in the Risk Register for 2017-2018 were:

- Breaches of confidentiality and speculation around schemes by others, causing misinformation and potential for reputational damage;
- Sufficient capacity, expertise and knowledge in staff available to ensure the business delivers its priorities;
- Loss of Commissioners;
- Delays in the appointments process; and
- Ability to operate within allocated budget to deliver statutory duties.

Going Concern Basis

The statement of financial position at 31 March 2018 shows net liabilities of £93,542. This reflects the inclusion of liabilities falling due within one year which, to the extent that they are not met from NIJAC's other sources of income, may only be met by future grant-in-aid from NIJAC's sponsoring department (TEO). This is because, under the normal conventions applying to Assembly control over income and expenditure, such grants may not be issued in advance of need.

Grant-in-aid for 2018-19, taking into account the amounts required to meet NIJAC's liabilities falling due in that year, has already been included in the department's estimates for that year, which have been approved by the Assembly, and there is no reason to believe that the department's future sponsorship and future Assembly approval will not be forthcoming. It has been considered appropriate therefore to adopt a going concern basis for the preparation of these financial statements.

Performance Summary

During the reporting year, NIJAC managed and delivered a substantial programme of appointments and renewals to judicial office. NIJAC made 32 recommendations for appointment, and 35 recommendations for the renewal of appointments.

Performance Analysis

Introduction

NIJAC is an executive NDPB established as an independent body under the Justice (Northern Ireland) Act 2002, as amended. NIJAC's primary source of financing is grant-in-aid provided by TEO.

NIJAC, in consultation with the Department of Justice (DoJ), Department for Communities (DfC), Department for the Economy (DfE) and TEO, will set out its objectives and key targets having regard to the priorities of the Executive and available resources.

The relationship between NIJAC and the Ministers and their department is governed by the 'arm's length' principle. The requirements of this principle are discharged on a day-to-day basis on the Ministers' behalf by the sponsoring department (TEO).

Corporate Objectives

- **Recruitment & Selection** - We will strive to meet our statutory duty to ensure a reflective judiciary which is appointed on merit;
- **Our People** - We will fulfil our commitments through the efforts of skilled and engaged Commissioners, Co-opted Experts and Staff;
- **Working with Others** - We will work closely with others to deliver our statutory duties and implement best practice; and
- **Accountability** - We will make judicial appointments while safeguarding public money and making the best use of our resources.

Accounting Responsibilities

NIJAC's financial statements have been prepared in accordance with paragraph 7 of Schedule 2 to the Justice (Northern Ireland) Act 2002, as amended.

Operating Review

During the reporting year, NIJAC managed and delivered a substantial programme of appointments and renewals to judicial office. NIJAC made 32 recommendations for appointment (Courts 5, Tribunals 27), and 35 recommendations for the renewal of

appointment (Courts 8; Tribunals 27). For full equality monitoring information on applicant pools and renewals (Courts and Tribunals) see Appendix 2.

Various guidance has been subject to review during 2017-18 including the Guiding Principles applied to Interviews and Situational Judgment Exercises, the Ratio of Interviews to Vacancies, Guidance to Applicants and the Standardised Approach to Medical Schemes. During 2017-18 the Conflict of Interest, Reasonable Adjustments and Confidentiality policies were all reviewed, as was the approach to Lessons Learned Reports.

The 2017-20 Continuous Improvement Plan reflects NIJAC's commitment to being a learning organisation, as do the Commissioner and Staff training plans. These will help ensure NIJAC's evolving policies and practice meet industry standards and continue to deliver meritorious appointments.

Lessons Learned are considered for each scheme as are Applicant Evaluations. Engaging in this reflective practice assists in identifying issues which need to be addressed with the responsible departments and helps inform the tailoring of Scheme Outreach Plans and the overarching programme of action.

NIJAC has a sustained track record of achievement in adhering to strict governance arrangements and our aim is to continue to maintain those high standards. During 2017-2018 NIJAC examined its approach to anti-corruption and anti-bribery with a review of its practices against the Northern Ireland Audit Office (NIAO) guidance entitled 'Managing the Risk of Bribery and Corruption Guide'. Building on the knowledge gained in this review and as agreed with the Audit and Risk Committee an action plan was rolled out in 2018-19 to heighten awareness of this issue amongst staff and Commissioners.

Business Plan Performance

Of the 12 Business Objectives contained in the 2017-18 Business Plan 10 were fully achieved and 2 were partially achieved. The partial achievements were due to two external factors – the absence of an Assembly prevented the Annual Report and Accounts being laid and the existence at year end of vacant offices in the High Court. Business Objectives are monitored by the responsible Committee and Plenary in year.

Financial Overview

As an NDPB, NIJAC is subject to the relevant Government and accounting guidelines. NIJAC was financed in 2017-18 by grant-in-aid through TEO and does not normally obtain additional funding from any other source.

Deficit transferred to taxpayers' equity for the year totalled £1,039,667 (2016-17: £1,013,392). The main areas of expenditure were staff costs £583,292 (2016-17: £630,523) which accounted for 52% (2016-17: 54%) of the total expenditure, and accommodation costs of £245,475 (2016-17: £232,240) accounting for 22% (2016-17: 20%) of the total expenditure. Accommodation costs relating to the part of Headline Building shared by The Appeals Service (to Sept 2017) and the Office of the President of the Appeal Tribunals (to Sept 2017) are recharged; these recharges are included in receipts. Income of £74,278, relating to the reimbursement of rent, rates and other premises costs, was received during the year (2016-17: £149,087).

The total grant drawn down from TEO in respect of 2017-18 was £1,023,495 (2016-17: £1,021,000).

Capital expenditure during the year was £NIL (2016-17: NIL). At the year end, the assets owned by NIJAC had a net book value of £1,059 (2016-17: £2,185).

The expenditure for the last four years is shown in the table below.

| | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
|--|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Staff costs | 583,292 | 630,523 | 617,081 | 659,132 |
| Depreciation, amortisation and revaluation | 1,126 | 1,740 | 2,923 | 3,398 |
| Other expenditure | 529,527 | 530,216 | 481,412 | 543,746 |
| | <u>1,113,945</u> | <u>1,162,479</u> | <u>1,101,416</u> | <u>1,206,276</u> |
| Income | (74,278) | (149,087) | (130,897) | (157,302) |
| | <u>1,039,667</u> | <u>1,013,392</u> | <u>970,519</u> | <u>1,048,974</u> |
| Capital | - | - | 780 | 3,116 |
| Total (including Capital) | <u>1,039,667</u> | <u>1,013,392</u> | <u>971,299</u> | <u>1,052,090</u> |
| Cost increase / saving on prior year | +3% | +4% | -8% | -14% |

In 2017-18 NIJAC delivered on its statutory objectives while achieving a £49k (4.2%) saving in gross running costs (before income) compared to 2016-17. However the year-end net operating cost position of £1,040k was a £26k (2.6%) increase on the previous year. This 2.6% increase was primarily driven by a fall in income compared to 2016-17 of £75k (over 50%) due to the loss of Co-tenants from Headline Building, offset by savings of £47k in staff costs.

Long Term Expenditure Trends

Since 2013-14 the Commission's gross expenditure has reduced by 18.7% from £1,369,461 in 2013-14 to £1,113,945 in 2017-18. Despite this historical reduction the pressure on public expenditure points to the need to plan in case of further reduction in budgets over the period 2019 – 2021 and to highlight the potential consequences on service delivery.

The budget allocation for 2017-18 was £1,038k. The final outturn position was £1,040k which is 0.2% over the budget allocation. This occurred because of the matter relating to the remuneration of the Chief Executive referred to in the Financial Statements Note 14 Events after the Reporting Period (page 81) which resulted in an unplanned additional cost of £3.54k.

It is expected that around 73% of our budget will continue to be expended on core business, i.e. running appointment schemes and the associated programme of action and

around 27% will be expended on administrative support including corporate planning, finance and governance.

NIJAC will face difficult financial challenges in 2018-19 and in future years. The particularly given the considerable cost of accommodation which is outwith its control. We will continue to work closely with our colleagues in the Asset Management Unit and TEO to develop an effective solution that enables delivery of NIJAC's statutory responsibilities. NIJAC will continue to look at ways to be more cost effective, ensuring value for money and safeguarding the public purse.

2018-19 Budget Position

In the absence of the Northern Ireland Executive the NI Secretary of State issued a written statement to Departments on 8th March 2018 setting out the 2018/19 Budget for Northern Ireland Departments.

On 26th March 2018 TEO issued an opening 2018-19 budget allocation to NIJAC of £1,004k.

Future Strategy

The 2017-20 Corporate Plan, published in May 2017, is set around NIJAC's key aim of appointing and recommending for appointment solely on merit. In accordance with our governing legislation, NIJAC is required to engage in a programme of action to ensure as far as is reasonably practicable that appointments to listed judicial office are such that those holding such offices are reflective of the community in Northern Ireland.

As you can see from the diagram below we have identified four key work areas, each of which interact with the other, work towards delivering our key aim and comply with our statutory commitments. While some operational targets may change over the period of the Corporate Plan, our focus will remain on meeting the commitments aligned to each of these four areas.



The 2018-19 Business Plan, which has been approved by Departmental Officials in the absence of the First and deputy First Minister, sets out the work we will do in the coming year. One of the key pieces of work is delivering on the second year commitments within the Corporate Plan however we are ever mindful that our budget has been reduced and it may be necessary to readjust plans accordingly.

Within the 2018-19 Business Plan we will be reviewing the Standardised Approach to Legal Schemes and undertaking two compatibility reviews which help ensure an appropriate balance is achieved when deploying different assessment methods. Research will begin regarding Online Testing and the use of Telephone/Video Interviews. Additionally the RENAP recommendations regarding the Personal Profile, information gathered from applicants and Selection Committees, assessment methods and attracting applicants will also be reflected in the 2018-2019 and 2019-2020 Business Plans.

Sustainability Report

NIJAC is working towards sustainable development and seeks to demonstrate its commitment to reducing environmental impacts wherever possible.

NIJAC's aims are:

- **climate change and energy efficiency** - to reduce energy consumption as far as reasonably and economically practicable;
- **waste management and recycling** - to reduce waste, increase the proportion of waste that is recycled and eliminate our use of landfill sites for general office waste;
- **procurement** - to promote a purchasing policy which will give preference, as far as practical, to those products and services which cause the least harm to the environment; and
- **people** - to seek to embed the principle of sustainable development through increasing awareness of sustainability responsibilities among staff and for all who work with us.

NIJAC currently recycles all office waste and encourages electronic communication to reduce the generation of excess paper. The circulation of corporate publications is confined to a succinct audience and NIJAC ensures that corporate documents are printed on paper derived from sustainable sources. NIJAC ensures that all printed publications are carbon neutral and that its website is used to promote circulation of corporate information to a wider audience.

NIJAC use NICS contracts wherever possible. All NICS Contracts for the supply of goods include a condition that requires suppliers to comply with the Packaging Act which makes the supplier responsible for recycling of the packaging materials.

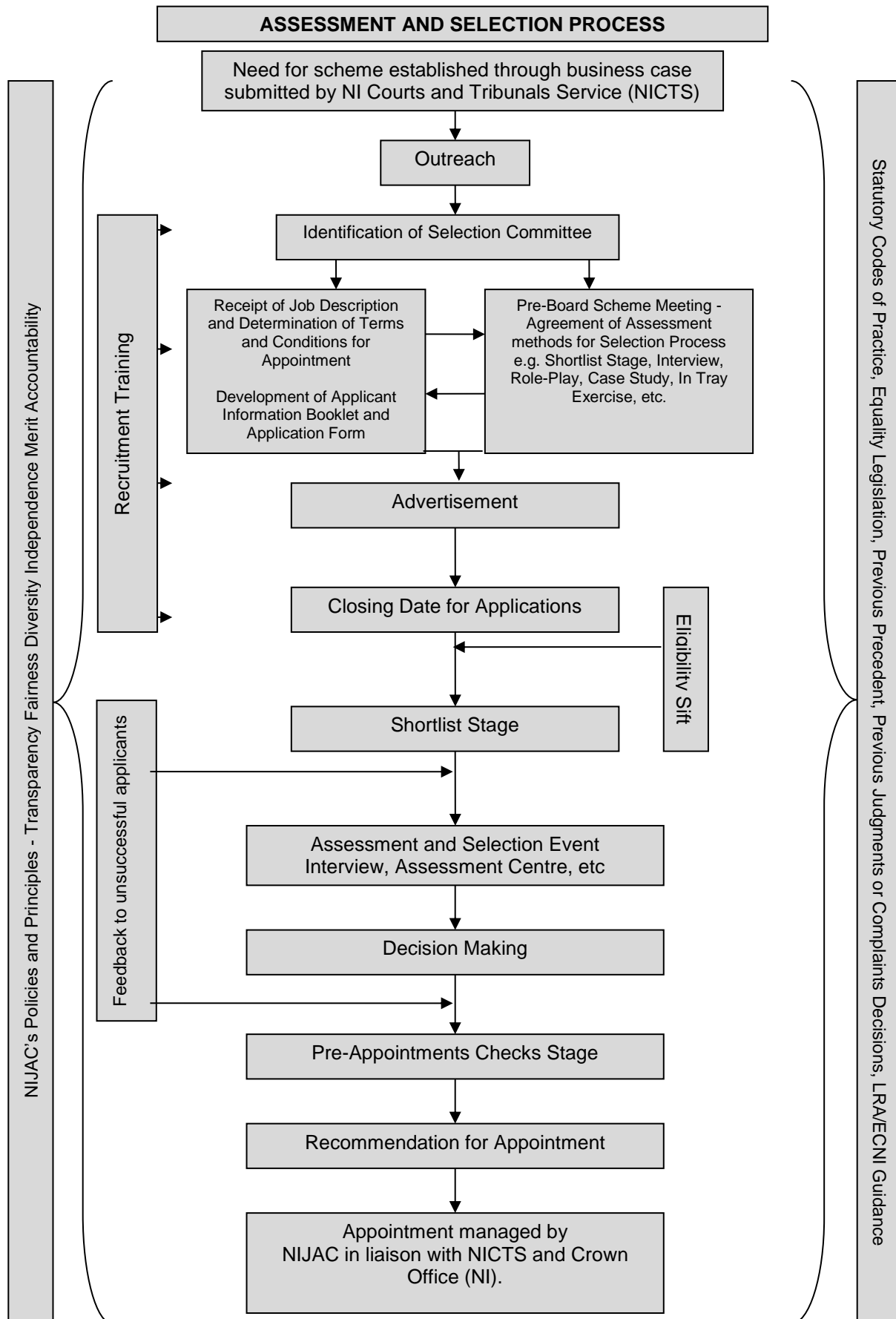


Tonya McCormac

Accounting Officer

28 May 2021

Appendix 1 – Assessment and Selection Process for Judicial Appointment



Appendix 2 - Diversity Statistics

**1. Recommendations for Appointment (including applicant pools)
during the period 1 April 2017 to 31 March 2018**

2. Renewals during the period 1 April 2017 to 31 March 2018

The statistical information contained in this appendix on the diversity of those who have applied and those who have been recommended as suitable for appointment, is provided in accordance with the Commissions statutory obligations under Justice (Northern Ireland) Act 2002 (c.26) Schedule 2.

1. Recommendations for appointment (including applicant pools) during the Period 01/04/17 – 31/03/18.

During the reporting period the Commission made 32 recommendations for appointment (Courts 5; Tribunals 27) –

1 Coronerⁱ, 1 Deputy County Court Judgeⁱⁱ, 1 Deputy District Judge (Magistrates' Courts)ⁱⁱⁱ, 1 District Judge (Magistrates' Courts) (84 applications received) and 1 High Court Judge (10 applications received).

1 Legal Member of the Appeal Tribunals (88 applications received), 11 Medical Generalist Members of the Appeal Tribunals (38 applications received), 3 Medical Specialist Members of the Appeal Tribunals (3 applications received), 1 Adjudicator (Lay) of the Criminal Injuries Compensation Appeals Panel (CICAP) (18 applications received), 3 Adjudicators (Medical) of CICAP (14 applications received), 1 Ordinary Member of the Charity Tribunal (24 application received), 1 Employment Judge (Fee Paid) of the Industrial Tribunals and Fair Employment Tribunal (IT/FET)^{iv}, 1 Medical Member of the Mental Health Review Tribunal (MHRT) (3 applications received), 1 Deputy President of the Pensions Appeal Tribunals (PAT)^v, 3 Legal Members of PAT (43 applications received), and 1 Reserve Forces Reinstatement Committee (RFRC) Chairman^{vi}.

Note – all % are rounded to 1 decimal point

| Gender | Male | Female | Total |
|------------------------|-------|--------|---------------|
| Recommendations | 16 | 16 | 32 |
| % | 50.0% | 50.0% | 100.0% |
| Applicant Pools | 157 | 168 | 325 |
| % | 48.3% | 51.7% | 100.0% |

| Community Background | Protestant | Roman Catholic | Neither |
|-----------------------------|------------|----------------|---------|
| Recommendations | 8 | 19 | 5 |
| % | 25.0% | 59.4% | 15.6% |
| Applicant Pools | 120 | 183 | 22 |
| % | 36.9% | 56.3% | 6.8% |

| Age on Appointment | Unknown | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|---------------------------|---------|--------------|-------|-------|-------|-------|-------|---------|
| Recommendations | 0 | 2 | 4 | 1 | 5 | 6 | 7 | 7 |
| % | 0.0% | 6.3% | 12.5% | 3.1% | 15.6% | 18.8% | 21.9% | 21.9% |
| Applicant Pools | 0 | 46 | 62 | 48 | 48 | 44 | 54 | 23 |

ⁱ Appointed under Section 2 of the Coroners Act (Northern Ireland) 1959. This is a dual appointment.

ⁱⁱ Appointed under the auspices of the Post Retirement Appointment Policy.

ⁱⁱⁱ Appointed under the auspices of the Post Retirement Appointment Policy.

^{iv} Appointed under the auspices of the Post Retirement Appointment Policy.

^v Appointed as a result of an internal trawl.

^{vi} Appointed as a result of an internal trawl.

| | | | | | | | | |
|---|------|-------|-------|-------|-------|-------|-------|------|
| % | 0.0% | 14.2% | 19.1% | 14.8% | 14.8% | 13.5% | 16.6% | 7.1% |
|---|------|-------|-------|-------|-------|-------|-------|------|

| Ethnic Origin | White | Other | | Disability | No Disability Declared | Disability Declared |
|------------------------|-------|-------|--|------------------------|------------------------|---------------------|
| Recommendations | 31 | 1 | | Recommendations | 30 | 2 |
| % | 96.9% | 3.1% | | % | 93.8% | 6.2% |
| Applicant Pools | 315 | 10 | | Applicant Pools | 312 | 13 |
| % | 96.9% | 3.1% | | % | 96.0% | 4.0% |

| Personal Geographic Location | | | | |
|-------------------------------------|------------------------|----------|-----------------------|----------|
| Location | Recommendations | % | Applicant Pool | % |
| Belfast | 15 | 46.9% | 137 | 42.2% |
| Co Antrim | 7 | 21.9% | 28 | 8.6% |
| Co Armagh | 1 | 3.1% | 10 | 3.1% |
| Co Down | 4 | 12.5% | 82 | 25.2% |
| Co Fermanagh | 0 | 0.0% | 4 | 1.2% |
| Co Londonderry | 2 | 6.3% | 31 | 9.5% |
| Co Tyrone | 0 | 0.0% | 21 | 6.5% |
| Other | 3 | 9.4% | 12 | 3.7% |

| Business Geographic Location | | | | |
|-------------------------------------|------------------------|----------|-----------------------|----------|
| Location | Recommendations | % | Applicant Pool | % |
| Belfast | 16 | 50.0% | 142 | 43.7% |
| Co Antrim | 3 | 9.4% | 12 | 3.7% |
| Co Armagh | 1 | 3.1% | 2 | 0.6% |
| Co Down | 2 | 6.3% | 13 | 4.0% |
| Co Fermanagh | 0 | 0.0% | 0 | 0.0% |
| Co Londonderry | 1 | 3.1% | 14 | 4.3% |
| Co Tyrone | 0 | 0.0% | 6 | 1.8% |
| Other | 3 | 9.4% | 5 | 1.5% |
| Not indicated | 6 | 18.8% | 131 | 40.3% |

2. Renewals of appointment during the Period 01/04/17 – 31/03/18.

During the reporting period the Commission made 35 recommendations for renewal of appointment (Courts 8; Tribunals 27) –

1 Deputy County Court Judge and 7 Deputy District Judges (Magistrates' Courts).

3 Appeals Tribunals Specialist Medical Members; 3 Appeals Tribunals Generalist Medical Members; 1 Mental Health Review Tribunal (MHRT) Deputy Chairman; 1 MHRT Experienced Member; 1 MHRT Legal Member; 1 MHRT Medical Member; 1 National Security Certificates Appeal Tribunal (NSCAT) Deputy Chairman; 3 NSCAT Lay Members; 2 NSCAT Legal Members; 3 NIVT Valuation Members; 1 Pensions Appeal Tribunals (PAT) Legal Member; 6 Special Educational Needs and Disability Tribunal (SENDT) Chairman and 1 SENDT President.

Note – all % are rounded to 1 decimal point

| Gender | Male | Female | Total |
|--------|-------|--------|--------|
| | 25 | 10 | 35 |
| % | 71.4% | 28.6% | 100.0% |

| Community Background | Protestant | Roman Catholic | Neither |
|----------------------|------------|----------------|---------|
| | 17 | 14 | 4 |
| % | 48.6% | 40.0% | 11.4% |

| Age on Reappointment | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|----------------------|--------------|-------|-------|-------|-------|-------|---------|
| | 0 | 2 | 0 | 3 | 1 | 9 | 20 |
| % | 0.0% | 5.7% | 0.0% | 8.6% | 2.9% | 25.7% | 57.1% |

| Ethnic Origin | White | Other |
|---------------|-------|-------|
| | 34 | 1 |
| % | 97.1% | 2.9% |

| Disability | No Disability Declared | Disability Declared |
|------------|------------------------|---------------------|
| | 32 | 3 |
| % | 91.4% | 8.6% |

| Personal Geographic Location | | |
|-------------------------------------|----|-------|
| Belfast | 13 | 37.1% |
| Co Antrim | 8 | 22.9% |
| Co Armagh | 1 | 2.9% |
| Co Down | 6 | 17.1% |
| Co Fermanagh | 0 | 0.0% |
| Co Londonderry | 4 | 11.4% |
| Co Tyrone | 2 | 5.7% |
| Other | 0 | 0.0% |
| Not indicated | 1 | 2.9% |

| Business Geographical Location | | |
|---------------------------------------|----|-------|
| Belfast | 18 | 51.4% |
| Co Antrim | 4 | 11.4% |
| Co Armagh | 0 | 0.0% |
| Co Down | 3 | 8.6% |
| Co Fermanagh | 0 | 0.0% |
| Co Londonderry | 3 | 8.6% |
| Co Tyrone | 2 | 5.7% |
| Other | 1 | 2.9% |
| Not indicated | 4 | 11.4% |

Appendix 3 – 2017-18 Corporate and Business Plan Objectives

The Objectives in the 2017-18 Business Plan

The four work areas are Recruitment & Selection, Our People, Working with Others and Accountability.

Recruitment & Selection

Corporate Objective

We will strive to meet our statutory duty to ensure a reflective judiciary which is appointed on merit.

Business Objectives

- We will develop, implement and deliver a programme of action to attract applications from the widest possible pool;
- We will deliver a programme of appointments and renewals that meet business needs and supports continuity in Courts and Tribunals; and
- We will review and benchmark what we do and implement an evidence based plan of action to deliver best practice in judicial appointments.

Our People

Corporate Objective

We will fulfil our commitments through the efforts of skilled and engaged Commissioners, Co-opted Experts and Staff.

Business Objectives

- We will put in place a Programme of Development to ensure that all are clear and confident in their roles and responsibilities and supported to deliver on our commitments; and
- We will promote an ethos of appreciating the value of diversity and encouraging continuous improvement.

Working with Others

Corporate Objective

We will work closely with others to deliver our statutory duties and implement best practice.

Business Objectives

- Active and meaningful dialogue with the Law Society and Bar Council, as members of the Joint Liaison Cte; the Judges' Council and the Northern Ireland Judicial Appointments
- We will build upon our relationships with the DoJ and the Northern Ireland Courts and Tribunals Service (NICTS); and
- We will build upon our relationships with Judicial Appointments Commission England & Wales and Judicial Appointments Board Scotland and develop a relationship with the new appointments body within the Republic of Ireland.

Accountability

Corporate Objective

We will make judicial appointments while safeguarding public money and making the best use of resources.

Business Objectives

- We will manage our resources effectively through sound financial management and controls, while increasing our efficiency;
- We will protect all data held safeguarding the confidentiality of applicants; and
- We will deliver an effective governance system that will ensure probity and the safeguarding of public funds and provide assurance to our sponsor (TEO).

THE ACCOUNTABILITY REPORT

Corporate Governance Report

The purpose of the corporate governance report is to explain the composition and organisation of NIJAC's governance structures and how they support the achievement of NIJAC's objectives.

Directors' Report

Chief Executive

Mandy Kilpatrick was the Acting Chief Executive and Accounting Officer until her resignation on 19 January 2018. Adeline Frew was appointed as Interim Chief Executive and Accounting Officer on 22 January 2018 until 20 August 2018. Tonya McCormac was appointed as Chief Executive and Accounting Officer on 21 August 2018.

Salary and pension entitlements

Details of the remuneration and pension interests of the Chief Executive and remuneration details of Commissioners are detailed in the Remuneration Report.

Composition of the Commission

The Commission normally consists of a Chairman (the Lord Chief Justice of Northern Ireland) and twelve other members appointed by the First Minister and deputy First Minister, acting jointly.

The Right Honourable Sir Declan Morgan (Chairman), the Lord Chief Justice of Northern Ireland

Mr Brian Coulter OBE, Lay Member (first term ends 9 November 2018)

Mr Paul Douglas, Lay Member (commenced 18 October 2016)

Mr Eoin Doyle QFSM, Judicial Member – Lay Magistrate (first term ends 14 June 2018)

Ms Marion Matchett CBE, Lay Member (commenced 18 October 2016)

Mr James McNulty QC, Legal Member (term ended 14 June 2017)

District Judge (Magistrates' Courts) Rosalie Prytherch (first term ends 14 June 2018)

Mr Alastair Rankin, Solicitor, Legal Member (term ended 14 June 2017)

Professor Nichola Rooney, Lay Member (term ended 14 June 2017)

The Honourable Mr Justice Stephens, High Court Judge (term ended 4 September 2017)
Mr Lindsay Todd, Lay Member (second term ends 2 October 2020)
The Right Honourable Lord Justice Weatherup, Lord Justice of Appeal (term ended 4 September 2017)

Until 2016 at the end of their first term, judicial members were re-appointed for a period of 5 years, the lay members were re-appointed for 4 years and the legal members for a period of 3 years. Upon consultation with the Bar Council and Law Society, NIJAC had recommended to TEO that all future appointments are for a 5 year term, which may be renewed for one further 5 year term.

In the absence of a First and Deputy First Minister no appointments were possible during the year and the Commission ended the year without representatives of the Court of Appeal, the High Court, the County Court, the Bar Council and the Law Society. There was also a Lay Commissioner vacancy at year end.

However appointments have now been made possible as in November 2018 the Secretary of State for Northern Ireland brought forward legislation (Northern Ireland (Executive Formation and Exercise of Functions) Act 2018) which permitted the Lord Chancellor to make appointments to the NIJAC Board.

All members are non-executive and independent.

Pen pictures of all Commissioners can be found on our website www.nijac.gov.uk.

Commissioners' Interests

None of the Commissioners held interests or directorships during the year which would conflict with their responsibilities as members of the Commission. Registers of Interest are available for viewing upon request at Headline Building.

Auditors

The financial statements are audited by the C&AG in accordance with the Justice (Northern Ireland) Act 2002, as amended. He is the head of the Northern Ireland Audit Office (NIAO) and he and his staff are wholly independent of NIJAC.

The audit of the financial statements for 2017-18 resulted in an audit fee of £9,700 (2016-17: £9,400). The C&AG did not provide any non-audit services during the year. NIJAC is currently not involved in the National Fraud Initiative.

Information Management

NIJAC aims to ensure that all information is safeguarded and kept securely and that we protect sensitive and personal data, particularly that of applicants. We are very aware of the potential harm or embarrassment that our actions may cause and we have strengthened training and various processes including quality control to ensure we manage information risk by following the requirements of our suite of Information Assurance policies. We have reviewed compliance with these policies to ensure that the importance of information security is embedded within NIJAC. There were no incidents reported to the Information Commissioners Officer during the period under review.

NIJAC has been preparing for the introduction of the General Data Protection Regulations on 25 May 2018. An audit of information has been completed, all staff and Commissioners have received regular updates on the progress of readiness through monthly bulletins. Appropriate training is planned for the forthcoming year and formal reports have been made to the relevant NIJAC Committees on progress.

Payment of Suppliers

NIJAC is committed to the prompt payment of suppliers. The Confederation of British Industry's Prompt Payment Code for achieving good payment performance in commercial transactions requires payment within 30 days of the receipt of the goods or services or on presentation of a valid invoice or similar demand, whichever is later (unless otherwise stated in the contract). During the year 99.24% (2016-17: 99.68%) of invoices were paid within this standard.

Against the stricter target applied by NIJAC during 2017-18 98.30% (2016-17: 98.24%) of invoices were paid within ten days of receipt.

Any supplier payments made outside these targets were due to disputed invoices.

Complaints

During the period of this report two non-Commission Complaints were made (not from applicants for judicial office). Of the two complaints an element of one was upheld. The complaints related to an individual's engagement with NIJAC, and upon investigation NIJAC undertook to amend records and to review the approach taken. Two Commission Complaints were received, one of which was not upheld and the other was determined as being out of time.

Statement of Accounting Officer's Responsibilities

Under paragraph 7 of Schedule 2 to the Justice (Northern Ireland) Act 2002, as amended, the Commission is required to prepare a statement of accounts in respect of each financial year in such a 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 NIJAC and of its net operating expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the TEO 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.

TEO's Accounting Officer has designated the Chief Executive as Accounting Officer of NIJAC. 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 NIJAC's assets, are set out in *Managing Public Money Northern Ireland (MPMNI)* published by the DoF.

As Accounting Officer, I confirm that 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 understandable.

I confirm that I have taken appropriate steps to make myself aware of relevant audit information and to establish that the Comptroller & Auditor General (C&AG) is aware of that information. To my knowledge, there is no relevant audit information of which the C&AG is unaware.

Governance Statement

Introduction

This statement is given in respect of NIJAC's Accounts for 2017-18. It outlines NIJAC's governance framework for directing and controlling its functions and how assurance is provided to support me in my role as Accounting Officer.

The Governance Framework

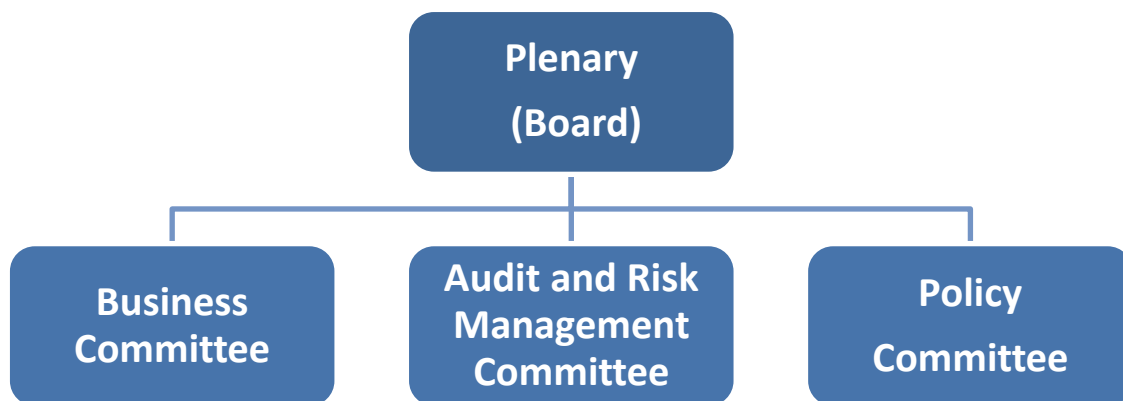
As Accounting Officer of NIJAC I have overall responsibility for ensuring NIJAC applies high standards of corporate governance, including effective support for the Board's performance and management of risks, to ensure it is well placed to deliver its objectives, and is sufficiently robust to face challenges that it encounters.

I have responsibility for maintaining a sound system of internal control that supports the achievement of NIJAC's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in MPMNI and the NDPB Accounting Officer Memorandum.

Plenary (NIJAC's Board) has three committees; the Audit and Risk Management Committee (ARMC), the Business Committee and the Policy Committee.

The relationship between NIJAC and its sponsoring department, TEO, is set out in the Management Statement. The Management Statement defines the financial and administrative framework within which NIJAC operates, sets out the conditions on which grant-in-aid is paid and the delegations assigned to NIJAC. The Management Statement has been approved by Ministers responsible for TEO. It is supplemented by a Financial Memorandum agreed with NIJAC and approved by TEO and the DoF.

Committee Structure and Coverage of Work



Plenary

The Board of NIJAC (Plenary) has corporate responsibility for ensuring that it fulfils its statutory obligations and the aims and objectives agreed with its sponsor department.

Plenary, which is chaired by the Chairman of NIJAC, typically meets five times a year. Exceptional meetings are convened as required. The Chairman and the Chief Executive, in consultation with Business Committee and Plenary determine the programme of meetings and direction for business each year. Approved minutes of Plenary meetings are published on NIJAC's website.

A detailed list of Plenary's responsibilities is set out in the Management Statement and Financial Memorandum and the Justice (Northern Ireland) Act 2002, as amended and includes the requirement to comply with the Code of Conduct (which includes the 7 Nolan Principles).

Membership as at 31 March 2018

The Right Honourable Sir Declan Morgan (Chairman), the Lord Chief Justice of Northern Ireland

Mr Brian Coulter OBE, Lay Member

Mr Paul Douglas, Lay Member

Mr Eoin Doyle QFSM, Lay Magistrate

Ms Marion Matchett, CBE Lay Member

District Judge (Magistrates' Courts) Rosalie Prytherch

Mr Lindsay Todd, Lay Member

Commissioners normally are drawn from the judiciary, legal profession and other professional backgrounds. Commissioners have an equal say in the work of NIJAC and are of equal status.

Section 3 of the Justice (Northern Ireland) Act 2002, as amended describes the constitution of the Board as follows:

- The Lord Chief Justice (Chairman)
- a Lord Justice of Appeal
- a Judge of the High Court
- a County Court Judge
- a District Judge (Magistrates' Courts)
- a Lay Magistrate
- a barrister
- a solicitor
- five Lay members

Audit and Risk Management Committee (ARMC)

The committee supports Plenary and the Accounting Officer by reviewing the comprehensiveness, reliability and integrity of the assurances provided to the Committee regarding NIJAC's internal controls, risk management processes and governance. This includes financial, operational and compliance controls and the quality and reliability of financial reporting. On the basis of assurances provided to it, the Committee will form an overall view of the state of risk management, governance and internal control in the Commission which it will report to Plenary.

The Committee consists of at least four members and meets four times per year. Additional meetings may be convened to discuss particular issues. The meetings are normally attended by a representative from NIJAC's Internal Audit function, External Audit and the sponsorship department.

ARMC is an advisory body with no executive powers. However, it is authorised by Plenary to investigate any activity within its terms of reference, and to seek any information it requires from staff who are requested to co-operate with the Committee in the conduct of its enquiries. Requests for work and reports received from Internal Audit will be channelled through the Accounting Officer. ARMC is authorised to obtain independent professional advice if it considers it necessary.

ARMC advises Plenary and the Accounting Officer on:

- the strategic process for risk, control and governance and the Governance Statement;
- the accounting policies, the accounts, and the annual report of NIJAC, including the process of review of the accounts prior to submission for audit, levels of error identified, and the management's letter of representation to the External Auditors;
- the planned activity and results of both Internal and External Audit;
- adequacy of management response to issues identified by audit activity, including External Audit's Report to Those Charged with Governance;
- assurances relating to the management of risk and corporate governance requirements for NIJAC;
- proposals for tendering Internal Audit services;
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations, and

- the Committee will also periodically review its own effectiveness and report the results of that review to Plenary.

A full list of ARMC's tasks and responsibilities can be found in the Committee's Terms of Reference contained within NIJAC Standing Orders.

Membership as at 31 March 2018

Mr Lindsay Todd, Lay Member (Chair)

Mr Brian Coulter OBE, Lay Member

Mr Eoin Doyle QFSM, Lay Magistrate

Ms Marion Matchett CBE, Lay Member

Business Committee

Business Committee sits four times a year and consists normally of four members. The Chair of the Committee reports back to Plenary at each session.

Business Committee is responsible for the following:

- the approval of publication of the Business Plan and Corporate Plan and overseeing the Chief Executive's review and monitoring of performance against the Business and Corporate Plan Objectives;
- ensuring that Annual Report and Accounts are produced and adhere to the Accounts Direction issued by the TEO in accordance with Paragraph 7 of Schedule 2 of the Justice (Northern Ireland) Act 2002, as amended;
- the approval of the commencement of Appointment Schemes, use of Reserve Lists and outreach plans plus monitoring progress of Appointments. The membership of panels for Appointment Schemes, as proposed by the Chief Executive, will be shared with the Committee for comment, prior to consultation and final approval by the Chair of NIJAC;
- being consulted on budget allocation from sponsor department and intended annual budget allocation assigned by the Executive Team;
- overseeing and monitoring the budget and use of public funds;
- ensuring that procedures are in place for the identification and assessment of risk, and those risks impacting on the achievement of NIJAC's objectives are identified and reported on correctly in the Corporate Risk Register, and
- the approval of any Direct Award Contracts over £500.

Membership as at 31 March 2018

Mr Brian Coulter OBE, Lay Member (Chair)

Mr Paul Douglas, Lay Member

Mr Eoin Doyle QFSM, Lay Magistrate

Policy Committee

Policy Committee sits four times a year and normally consists of five members. The Chair of the Committee reports back to Plenary at each session.

Policy Committee is responsible for:

- directing a programme of work with a view to promoting the delivery of the Programme of Action aimed at ensuring, so far as is reasonably practicable, that a range of people reflective of the community is available for consideration for appointment on merit;
- directing a programme of work aiming to ensure effective assessment and selection methodologies and to support best practice approaches so as to select fairly on the basis of merit; and
- ensuring that the work of the Committee and its determination of priorities are supported and informed by NIJAC's scheme evaluations and diversity management information.

Membership as at 31 March 2018

Ms Marion Matchett CBE, Lay Member (Chair)

Paul Douglas, Lay Member

District Judge (Magistrates' Courts) Rosalie Prytherch

Lindsay Todd, Lay Member

Attendance at Plenary and Committee Meetings

| Members | Plenary (4 in 2017-18) | Audit & Risk Management Committee (4 in 2017-18) | Business Committee (4 in 2017-18) | Policy Committee (4 in 2017-18) |
|---|---------------------------|---|---|---------------------------------------|
| The Right Honourable Sir Declan Morgan (Chairman) | 4 | - | - | - |
| Mr Brian Coulter OBE | 4 | 4 | 4 | 2** |
| Mr Eoin Doyle QFSM | 3 | 4 | 2* | 1** |
| Mr Paul Douglas | 4 | - | 4 | 2** |
| Mr James McNulty QC (to Jun. 2017) | 1 | - | - | 1 |
| Ms Marion Matchett CBE | 2 | 2* | - | 4 |
| District Judge (Magistrates' Courts) Rosalie Prytherch | 4 | - | - | 4 |
| Mr Alastair Rankin (to Jun.2017) | 1 | 1 | 1 | - |
| Professor Nichola Rooney (to Jun. 2017) | 1 | - | 2 | - |
| The Honourable Mr Justice Stephens (to Sept. 2017) | 1 | - | - | 1 |
| Mr Lindsay Todd | 4 | 4 | - | 2 |
| The Right Honourable Lord Justice Weatherup (to Sept. 2017) | 1 | - | - | - |

* appointed to Committee Sept 2017

** appointed to Committee Nov 2017

At the beginning of each Plenary and Committee meeting, members are asked by the Chair to declare any conflicts or potential conflicts of interest. To prepare and consider any potential conflicts of interest members are provided with an agenda and all papers to be discussed a reasonable period before the meeting. When a potential conflict of interest is declared by a member, the remaining members consider the potential conflict and a decision is made to whether the member should step out of the meeting when the agenda item is discussed.

Board's Performance and Effectiveness

Once the timetable of meetings for Plenary, the ARMC, the Business Committee and the Policy Committee are agreed it is then the responsibility of each Committee to plan its work for the year to allow sufficient time to discharge its responsibilities effectively. Assignment to Committees is made by assessing the member's expertise and strengths, and on which

Committee this could best be utilised, and, having consulted Commissioners, if possible based on any Committee preferences they may have.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and papers relating thereto are forwarded to each Committee Member, and any person required to attend, a reasonable time before the meeting.

NIJAC staff provide secretarial support to Plenary, ARMC, Business Committee and Policy Committee. The staff have the appropriate skills and experience to provide the secretarial support required. Each Committee will have access to sufficient resources in order to carry out its duties, this includes the support of the appropriate team, who will be responsible for arranging meetings, drafting agendas in consultation with the Chair, providing and circulating papers, maintaining Committee records including taking minutes and undertaking any Committee business that may fall outside meetings. Plenary minutes are published on the NIJAC website.

The Commission regularly engages with others, including the Judicial Appointments Commission for England and Wales, the Public Appointments Service for Ireland, the Commissioner for Public Appointments for Northern Ireland, and the Judicial Appointments Board for Scotland as a way of learning, benchmarking its performance against others and ensuring best practice.

Plenary assesses its performance, and that of its Committees, on an annual basis. Every Committee reports its progress to Plenary by way of a Committee Chair update at each meeting. Each Committee presents a report annually to Plenary, timed to support finalisation of the accounts and summarising its conclusions from the work it has done during the year.

On-going training is provided to keep Commissioners' skills and knowledge up-to-date and ensure Commissioners are fully functional on the Committees they have been assigned to, including Selection Committees. Commissioners participated in a full day's review and learning on Assessment Methods on 30 March 2018. This brought learning up to date on the various new and emerging assessment methods including online testing, psychometric assessment and different methods of interviewing.

The Chairman of the Commission undertakes a performance review annually with each individual member. This assesses the member's role not only as a member of Plenary / Committees but also as a Selection Committee Member. All Commissioners complete a Board Effectiveness Questionnaire annually and the findings and planned actions are presented to Plenary after the year end to inform any improvements to Plenary's effectiveness.

Quality of Data provided to Plenary / Committees

Plenary is satisfied as to the quality of data and information provided which is always thoroughly reviewed. All papers are issued within a reasonable time before meetings to allow Commissioners to review and, where appropriate, to raise questions in advance. The timely provision of information is in a form and of a quality that enables Plenary / Committees to discharge its duties effectively. Plenary / Committees are content with the quality and content of the papers provided; the papers ensure Plenary / Committees are fully updated on issues under their remit as stated in their terms of reference, enabling them to make informed decisions.

All reports / papers conform to a standard layout to ensure the appropriate focus on key issues. Financial and performance data is extracted from the accounting and operational systems and is therefore subject to regular, planned internal quality assurance checks and independent audits. All statistical and financial information is provided or reviewed by a professionally qualified accountant.

Significant Governance Issues

As the result of routine internal reviews of HR policies and headcount requirements after the end of the reporting period two issues have emerged that have required remedial action to be implemented and improvements in Governance arrangements to be instituted.

Firstly during discussions with TEO on the current approved headcount it was confirmed that the Chief Executive grade is currently approved by Ministers at Grade 5 (legislation requires that NIJAC's headcount and the grades of staff must be approved at Ministerial level). However in error the post of Chief Executive has been remunerated since January 2018 at the lower Grade 6 level. This has impacted on the interim Chief Executive from January 2018 to Aug 2018 and myself as Chief Executive from my date of appointment in

August 2018. As soon as this error was confirmed I informed TEO and the Board that I could not be involved in the rectification of this issue as I had a potential conflict of interest. Therefore the Board worked directly with TEO to seek approval to pay the relevant arrears of salary and this was obtained in November 2020. The amount of arrears relating to the year ending 31 March 2018 is included in these Accounts and the Remuneration Report for this year reflects the correct salary. Amounts related to the year ended 31 March 2019 and 31 March 2020 have been included in the relevant Accounts and Remuneration Reports for those years. Revised HR processes are now in place to ensure the headcount and grade structure is aligned to the current Ministerial approvals that are in place. Note 14 to the Accounts (page 81) –Events after the Reporting Period also makes reference to this issue.

Secondly as part of a review of HR policies NIJAC permanent staff contracts of employment were found to be wrongly linked to the NICS Staff Handbook and had been like this for a number of years. Although NIJAC Terms and Conditions are substantially the same as NICS Terms and Conditions good practice indicated that a process of negotiation with staff and the trade union should be undertaken to agree NIJAC Employment Contracts. As soon as this issue was confirmed I informed TEO and the Board that neither I nor my staff could be involved in the resolution of this issue as we had a potential conflict of interest. Therefore Board representatives had direct engagement with the trade union and an agreement on this was reached in December 2020. Staff have all now signed revised contracts and have received an incentive payment to do so. The amount involved will be accounted for in the year ending 31 March 2021. Revised HR processes are now in place to ensure NIJAC Employment Contracts are accurate. Note 11 to the Accounts (page 79) –Contingent Liabilities also makes reference to this issue.

There have been no other issues during the course of the year that suggest that NIJAC has been vulnerable in relation to its performance or stewardship of its resources. This is further endorsed through the performance reported against our Business Plan Objectives.

Highlights

For 2017-18 Internal Audit gave an overall Satisfactory assurance rating to NIJAC. During 2017-18, Internal Audit carried out 3 reviews in accordance with the 2017-18 Internal Audit Plan.

The reviews and assurance ratings are as follows:

| System | Assurance rating * |
|--|---------------------------|
| Payroll, pensions and travel expenses | Satisfactory |
| Records Management and Information Assurance | Satisfactory |
| Human Resource Management | Satisfactory |

**Satisfactory – Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.*

Additionally Internal Audit carried out an analysis of diversity data to help inform the annual suite of papers prepared for each October Plenary on NIJAC's Impact.

Corporate Governance

NIJAC follows the DoF guidance *Corporate Governance in Central Government Departments: Code of Good Practice NI 2013*, as far as possible and in proportion to its capacity as a small arms-length body. As such, it does not comply with the code provisions relating to a Minister, nor have a separate professionally qualified finance director sitting on the Board. Risk Management is supported fully through the ARMC, which reports back to NIJAC's Board (Plenary).

The Board membership is set down in the Justice (Northern Ireland) Act 2002, as amended. The Chairs of each Committee reported to Plenary in June 2018 on the effectiveness of the Committee and their performance in 2017-18. Risk Management is supported fully through the ARMC, which reports back to the Board.

Otherwise, in accordance with this code, Plenary and its other Committees provide the necessary leadership, effectiveness, accountability and sustainability to ensure that NIJAC delivers on its objectives. As Accounting Officer, I also take seriously my responsibilities on the use of public funds that have been provided to NIJAC, to ensure the most effective and efficient use of those funds.

NIJAC has a Board in place, in accordance with the Justice (Northern Ireland) Act 2002, as amended, which consists of the Chairman and the Commissioners, who all have equal

decision-making rights. As Chief Executive I attend Plenary meetings, together with senior staff, in a non-voting capacity.

Internal Control and Risk Management

NIJAC 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 and the Executive Team, is taken.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness.

A number of elements contribute to the system of internal control including:

- The Executive Team, which exercises authority at a corporate level within NIJAC and comprises the Accounting Officer, Director of Governance and Appointments and the Assistant Directors;
- The Business Committee, which is chaired by a Lay Member, is presented with the Risk Register at each meeting for review, following a formal quarterly review and update by the Executive Team. The Committee met four times in 2017-18;
- The ARMC, chaired by a Lay Member, met four times in 2017-18. The Committee receives reports on internal control and provides oversight in ensuring that appropriate steps are being taken to manage and monitor risks, the Committee reviews the Risk Register at each meeting. The Committee approves Internal Audit plans and reviews reports from both Internal and External Auditors. The meetings are also attended by Internal and External Audit and minutes of the meetings are provided to Plenary, which comprises the full Commission;
- Plenary, chaired by the Lord Chief Justice in his role as Chairman of NIJAC, receives the Risk Register annually and an update is provided at each meeting by the Accounting Officer;
- The internal audit function, provided by ASM, operates to the Public Sector Internal Audit Standards. Internal Audit submits regular reports to the ARMC and to me as Accounting Officer. These include an independent opinion by the Head of Internal Audit on the adequacy, reliability and effectiveness of the Commission's system of risk management, control and governance, together with recommendations for improvement; and

- A quarterly Assurance Statement on Internal Control is produced by the Director of Governance and Appointments and sent to me as Accounting Officer. This provides me with assurance that risk management processes are effective and operating in line with NIJAC's risk management framework. As Accounting Officer, I submit quarterly Assurance Statements on Internal Control to NIJAC's sponsoring department, TEO, and the ARMC.

Risk assessment and management is an ongoing process in NIJAC. The key strategic risks are set out in the Risk Register. The Director of Governance and Appointments is responsible for risk management within the two teams:

- Corporate Finance Team; and
- Judicial Appointments Team.

Risks to information are managed and controlled as part of the Risk Management Process. The Information Risk Policy supplements our corporate approach to risk management and encourages all staff to consider information as assets, supported by the compilation of Information Asset Registers. As Accounting Officer, I have assumed the role of Senior Information Risk Owner for NIJAC.

As part of the business planning process, at all levels, the identification and assessment of risk is required when setting Business Objectives; these risks are formally reported in the Risk Register. Risks are assessed in terms of their probability of occurrence and impact on the achievement of objectives, and scored and reported on accordingly.

NIJAC's Risk Management Handbook is used to manage risks that may affect the achievement of Business Objectives. It outlines the respective roles and responsibilities of the Accounting Officer, Internal Audit, the ARMC and all staff.

NIJAC has a low to medium Risk Appetite, that is, NIJAC is prepared to accept, tolerate or be exposed to a low to medium level of risk at any point in time. Plenary approved the continued use of a low to medium Risk Appetite for NIJAC on 8 March 2018.

NIJAC is operating within a constrained economic environment in the 2017-18 financial year. Plenary will continue to monitor and evaluate the risk various cost cutting measures may have on service delivery through the Business Committee.

Remuneration and Staff Report

The remuneration and staff report sets out NIJAC's remuneration policy for senior civil servants, reports on how the policy has been implemented and sets out the amounts awarded to senior civil servants.

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 now been finalised.]

Service Contracts

NIJAC staff appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, 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 officials 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.

Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

Salary and pension entitlements (*Audited Information*)

The following sections provide details of the remuneration and pension interests of the Commissioners and the most senior management of NIJAC (the Acting Chief Executive).

Chief Executive

The position of Acting Chief Executive was held by Mandy Kilpatrick (a Seconded from DoJ) to 21 January 2018 and the position of Interim Chief Executive was held by Adeline Frew (the current Director of Corporate Governance and Appointments) from 22 January 2018 until 20 August 2018. Tonya McCormac was appointed as Chief Executive on 21 August 2018.

The remuneration payable in the Chief Executive role during the reporting period was as follows:

| | 2017-18 | | | | | 2016-17 | | | | |
|--|------------------------------------|----------------|-------------------|---------------------|---------|---------|----------------|-------------------|---------------------|---------|
| | Salary | Bonus Payments | Benefits in Kind | Pension Benefits* | Total | Salary | Bonus Payments | Benefits in Kind | Pension Benefits* | Total |
| Name | £'000 | £'000 | (to nearest £100) | (to nearest £1,000) | (£'000) | £'000 | £'000 | (to nearest £100) | (to nearest £1,000) | (£'000) |
| Mrs M Kilpatrick (Until 21 January 2018) | 50-55 (60-65 full year equivalent) | - | - | (4,000) | 45-50 | 60-65 | - | - | 11,000 | 70-75 |
| Ms Adeline Frew (From 22 January 2018) | 10-15 (65-70 full year equivalent) | - | - | 5,000 | 15-20 | - | - | - | - | - |

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

Commissioners

The remuneration payable to the Commissioners was as follows:

| Name | 2017-18 | | 2016-17 | |
|---|----------------|--|----------------|--|
| | Salary £000 | Benefits in Kind (nearest £100) | Salary £000 | Benefits in Kind (nearest £100) |
| The Right Honourable Sir Declan Morgan (Chair)** | - | - | - | - |
| The Right Honourable Lord Justice Weatherup** (resigned 4 September 2017) | - | - | - | - |
| The Honourable Mr Justice Stephens, High Court Judge** (resigned 4 September 2017) | - | - | - | - |
| His Honour Judge Kinney (resigned 9 December 2016)** District Judge (Magistrates' Courts) Rosalie Prytherch** | - | - | - | - |
| Mr Brian Coulter OBE | 5-10 | - | 10-15 | - |
| Mr Paul Douglas (appointed 18 October 2016) | 0-5 | - | 0-5 | - |
| Mr Eoin Doyle QFSM | 5-10 | - | 0-5 | - |
| Mrs Briedge Gadd (tenure ended 2 October 2016) | - | - | 0-5 | - |
| Ms Marion Matchett CBE (appointed 18 October 2016) | 5-10 | - | 0-5 | - |
| Mr James McNulty QC* (resigned 14 June 2017) | - | - | - | - |
| Mr Alastair Rankin (resigned 14 June 2017) | 0-5 | - | 5-10 | - |
| Professor Nichola Rooney (resigned 14 June 2017) | 0-5 | - | 5-10 | - |
| Mr Lindsay Todd | 0-5 | - | 5-10 | - |

* Mr McNulty has foregone his right to claim fees and expenses.

** Salaried members of the judiciary are not remunerated by NIJAC for their work in accordance with current public sector policy.

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 ex gratia payments.

Benefits in Kind

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

Bonuses

Bonuses 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. No staff bonuses were awarded in 2017-18 (2016-17: NIL) and Commissioners do not receive bonus payments.

Pay Multiples (Audited Information)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the Commission in the financial year 2017-18 was £60,000-£65,000 (2016-17: £60,000-£65,000). This was 2.21 times (2016-17: 2.19 times) the median remuneration of the workforce, which was £28,318 (2016-17: £28,500).

| | 2017-18 | 2016-17 |
|---|---------|---------|
| Band of Highest Paid Director's Total Remuneration | 60-65 | 60-65 |
| Median Total Remuneration | 28,318 | 28,500 |
| Ratio | 2.21 | 2.19 |

The above ratio uses the full year equivalent salary band of the staff member receiving the highest amount of pay in the year i.e. M.Kilpatrick. The table at page 47 shows A.Frew was in a higher full year equivalent salary band than M.Kilpatrick but due to the duration of her tenure as Chief Executive her pay for the Chief Executive post was less than M.Kilpatrick for the 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.

The upward movement in the ratio between 2017-18 and 2016-17 was primarily due to the recruitment of directly recruited staff replacing seconded staff.

Pension Entitlements (Audited Information)

Commissioners

No pension contributions are made by NIJAC in respect of the Commissioners.

Chief Executive

| Name and title | Accrued Pension at pension age as at 31/03/18 and related lump sum £'000 | Real increase/ (decrease) in pension and related lump sum at pension age £'000 | CETV at 31/03/18 £'000 | *CETV at 31/03/17 £'000 | Real increase/ (decrease) in CETV £'000 | Employer contribution to partnership pension account Nearest £100 |
|---------------------------------------|---|---|---------------------------|----------------------------|--|--|
| Mrs M Kilpatrick** Chief Executive | 30-35 plus a lump sum of 90-95 | 0-2.5 plus a lump sum of 0-2.5 | 684 | 651 | (4) | - |
| Ms Adeline Frew** Chief Executive | 10-15 plus lump sum of 30-35 | 0-2.5 plus lump sum of 0-2.5 | 237 | 231 | 4 | - |

* The figure may be different from the closing figure in last year's accounts. This is due to the CETV factors being updated to comply with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2009.

** See narrative under Chief Executive above that shows tenure of post as Chief Executive

Northern Ireland Civil Service (NICS) Pension Schemes

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 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 their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is 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 a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

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 for the period covering 1 April 2018 – 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 to alpha | Contribution rates – All other members |
|---|-------------|--|---|
| From | To | From 01 April 2018 to 31 March 2019 | From 01 April 2018 to 31 March 2019 |
| £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 pension age, or immediately on ceasing to be an active member of the scheme if

they are at or over pension age. Pension age is 60 for members of **classic**, **premium**, and **classic plus** and 65 for members of **nuvos**.

The normal pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website <https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>.

Cash Equivalent Transfer Values

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

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. 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.

Payments to Past Directors (Audited Information)

There were no payments paid to past Directors of the Commission during 2017-18 (2016-17: Nil).

Compensation for Loss of Office (Audited Information)

There was no compensation paid for loss of office during 2017-18 (2016-17: Nil).

Off-payroll engagements

There were no existing or new 'off-payroll' engagements in 2017-18 that had lasted six months or longer in duration.

Staff Report (Audited Information)

Senior Civil Servants

The number of Senior Civil Service staff (or equivalent) by salary band at 31 March is as follows:

| Salary Band | 2017-18 Number | 2016-17 Number |
|-----------------------------|---------------------------|---------------------------|
| Pay Scale 1 £69,651-£79,849 | 1 | - |

The optimum staffing structure, agreed at the end of 2013-14, continues to be 12.5 full time equivalents (FTEs). New direct recruits and the loss of Secondees in 2017-18 has shifted the balance of employees toward directly recruited staff.

NIJAC is committed to staff development to ensure a quality and cost effective service is delivered. Direct recruits are employed on NICS terms and conditions and all NICS policies are appropriately applied, including the performance management system.

The average number of staff in post during 2017-18 can be found on page 56.

The gender split for the Board (Commissioners) and staff at 31 March 2018 (prior year comparison in brackets) is as follows:

| | <u>Total</u> | <u>Male</u> | <u>Female</u> |
|-----------------|--------------|-------------|---------------|
| The Board | 7(12) | 5 (9) | 2 (3) |
| Senior Managers | 1 (1) | 0 (0) | 1 (1) |
| Employees | 11 (11) | 6 (5) | 5 (6) |

Staff costs comprise:

| | Permanently employed staff £ | Inward seconded staff * £ | Agency staff £ | Commissioners £ | 2017-18 Total £ | 2016-17 Total £ |
|-----------------------|---|--|-------------------------------|----------------------------|--------------------------------|--------------------------------|
| Wages and salaries | 237,842 | 181,636 | 13,947 | 31,774 | 465,199 | 496,613 |
| Social security costs | 13,934 | 15,009 | - | 748 | 29,691 | 43,220 |
| Other pension costs | 53,635 | 34,767 | - | - | 88,402 | 90,690 |
| Total costs | 305,411 | 231,412 | 13,947 | 32,522 | 583,292 | 630,523 |

* Inward seconded staff wages and salaries cost includes £38,569 (2016-17: £51,241) relating to VAT.

The NICS pension schemes are unfunded multi-employer defined benefit schemes but NIJAC is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DoF Superannuation and Other Allowances Resource Accounts as at 31 March 2018.

For 2017-18, employers' contributions of £53,635 were payable to the NICS pension arrangements (2016-17: £46,470) 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 2017-18, the rates will range from 20.8% to 26.3%. 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. Employers' contributions of £Nil (2016-17 £Nil) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2016-17: 8% to 14.75%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

In addition, employer contributions of £Nil, 0.5% (2016-17: £Nil, 0.5%) of pensionable pay, were payable to the NICS Pension Schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the **partnership** pension providers at the reporting period date were £Nil. Contributions prepaid at that date were £Nil.

No persons (2016-17: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £Nil (2016-17: £Nil).

Average number of persons employed (Audited Information)

The average number of whole-time equivalent persons employed (including senior management, but excluding Commissioners) during the year was as follows:

| | Permanent staff | Seconded staff | Agency staff | 2017-18 Number | 2016-17 Number |
|----------------------------|------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| | | | | Total | Total |
| Chief Executive | 0.2 | 0.8 | - | 1.0 | 1.0 |
| Corporate Finance Team | 1.6 | 1.4 | - | 3.0 | 2.9 |
| Judicial Appointments Team | 4.8 | 2.8 | 0.3 | 7.9 | 7.8 |
| Total | 6.6 | 5.0 | 0.3 | 11.9 | 11.7 |

Reporting of Civil Service and other compensation schemes (Audited Information)

Exit Packages

There are no Civil Service or other compensation schemes exit packages to report in 2017-18 (2016-17: Nil).

Equal Opportunities and Diversity

There are policies in place to guard against discrimination, to ensure compliance with legal requirements and to ensure that there are no unfair or illegal discriminatory barriers to employment and advancement in NIJAC.

Generally the policies contained in the Northern Ireland Civil Service Staff Handbook have been adopted by NIJAC and apply both to staff on secondment and those directly recruited.

All staff are currently managed under the NICS Equal Opportunities Policy, which guards against discrimination in employment and which values and respects all individuals.

Staff are currently covered by the Equality Scheme produced by the NICS, which seeks to ensure compliance with the public sector equality duty to have due regard for the promotion of equality of opportunity in respect of disability, gender, race, religion, political opinion and among those of different ages, marital status or sexual orientation or who have or have not dependants; and good relations between those of different religions, political opinions and races.

The sponsor department's Employment Equality Plan to protect all those groups from discrimination also applies. Employment and recommendation for promotion are based solely on merit. Where staff work reduced hours, they are assessed on the same basis as those working full time. A Dignity and Harmony at Work policy is in place to secure a positive working environment.

Employment of Disabled Persons

NIJAC adheres to the NICS Code of Practice on the Employment of Disabled People that aims to ensure that there is no discrimination on the grounds of disability and that access to employment and career advancement in NIJAC is based solely on ability, qualifications and suitability for the post.

NIJAC aims to ensure that people with disabilities have equality of opportunity and fair participation in all aspects of their employment, and that discrimination does not take place.

Employee Involvement

NIJAC encourages widespread consultation and exchange of information at all levels. This is achieved through senior staff briefings and the cascading of information to all staff. All staff are automatically invited to contribute during the consultation exercises issued in relation to staff policies.

Days lost due to absence

NIJAC encourages a culture where good attendance is expected and valued. However, it recognises that from time to time absences for medical reasons may be unavoidable. NIJAC aims to treat its staff who are ill, with sympathy and fairness, and where possible to provide them with support which will enable them to recover their health and attend work regularly.

In 2017-18 the percentage of working days lost was 1.10% (2016-17: 0.61%) or an average of 2.87 days (2016-17: 1.60) per annum per employee. There was one member of staff on long term sick absence during 2017-18 (2016-17: NIL).

Expenditure on Consultancy

There was no expenditure on consultancy in 2017-18 (2016-17 nil).

Assembly Accountability and Audit Report

The Assembly accountability and audit report brings together the key Assembly accountability documents within the annual report and accounts.

Regularity of Expenditure (Audited Information)

As NIJAC's Accounting Officer I am content that the expenditure and income of the Commission has been applied to the purposes intended by the NI Assembly. Furthermore I am content that NIJAC's transactions are within the scope of the authorities that govern them, and that there are no material weaknesses in the design and implementation of NIJAC's internal controls to prevent and detect fraud.

Fees and Charges (Audited Information)

NIJAC does not charge for its services therefore there is no requirement to complete a Memorandum Trading Account (MTA) detailing forecast income and expenditure in support of the charging proposals for schemes / services.

The income figure reported in Note 3 consists of recharges for rent, rates, and other premises costs for the sharing of Headline Building.

Remote Contingent Liabilities (Audited Information)

NIJAC has no remote contingent liabilities as at 31 March 2018.

Losses and Special Payments (Audited Information)

Losses Statement

| | 31/03/18 | | 31/03/17 | |
|-----------------------------|----------|---|----------|---|
| | Number | £ | Number | £ |
| Total Losses under £250,000 | - | - | - | - |
| Total Losses over £250,000 | - | - | - | - |

Special Payments

There were no special payments made during the year.



Tonya McCormac

Accounting Officer 28 May 2021

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 Northern Ireland Judicial Appointments Commission for the year ended 31 March 2018 under the Justice (Northern Ireland) Act 2002 as amended. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. 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 Northern Ireland Judicial Appointments Commission's affairs as at 31 March 2018 and of the Northern Ireland Judicial Appointments Commission's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Justice (Northern Ireland) Act 2002 as amended 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. My staff and I are independent of the Northern Ireland Judicial Appointments Commission in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our 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.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs(UK) require me to report to you where:

- the Northern Ireland Judicial Appointments Commission’s use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Northern Ireland Judicial Appointments Commission has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Northern Ireland Judicial Appointments Commission’s ability to continue to adopt the going concern basis.

Other Information

The Commissioners and the Accounting Officer are 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 Justice (Northern Ireland) Act 2002 as amended; 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 Commissioners and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Commissioners and the Accounting Officer are 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 Justice (Northern Ireland) Act 2002 as amended.

My objectives are 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 (UK) 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 the 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.



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

10 June 2021

**NORTHERN IRELAND JUDICIAL
APPOINTMENTS COMMISSION**

FINANCIAL STATEMENTS

2017-18

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

This account summarises the expenditure and income generated and consumed on an accruals 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 or expenditure.

| | | 2017-18 £ | 2016-17 £ |
|--|-------------|------------------|------------------|
| | Note | | |
| Other operating income | 3 | (74,278) | (149,087) |
| Total Operating Income | | (74,278) | (149,087) |
| Staff Costs | 4.1 | 583,292 | 630,523 |
| Other Operating Expenditure | 4.1 | 529,527 | 530,216 |
| Depreciation, amortisation and revaluation | 4.2 | 1,126 | 1,740 |
| Total Operating Expenditure | | 1,113,945 | 1,162,479 |
| Net expenditure for the year | | 1,039,667 | 1,013,392 |

All operations are continuing.

Other Comprehensive Net Expenditure

Items that will not be reclassified to net operating costs:

| | | 2017-18 £ | 2016-17 £ |
|---|-------------|------------------|------------------|
| | Note | | |
| Net (gain) / loss on revaluation of Intangibles | 6 | - | (103) |
| Comprehensive net expenditure for the year | | 1,039,667 | 1,013,289 |

The notes on pages 69 to 81 form part of the accounts.

Statement of Financial Position as at 31 March 2018

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

| | | 2018 | | 2017 | |
|--|-------------|-----------|------------------|-----------|------------------|
| | | £ | £ | £ | £ |
| | Note | | | | |
| Non-current assets: | | | | | |
| Property, plant and equipment | 5 | 944 | | 1,454 | |
| Intangible assets | 6 | 115 | | 731 | |
| Total non-current assets | | | 1,059 | | 2,185 |
| Current assets: | | | | | |
| Trade and other receivables | 7 | 17,094 | | 32,638 | |
| Cash and cash equivalents | 8 | 25,737 | | 62,927 | |
| Total current assets | | | 42,831 | | 95,565 |
| Total assets | | | 43,890 | | 97,750 |
| Current liabilities | | | | | |
| Trade and other payables | 9 | (137,432) | | (175,120) | |
| Total current liabilities | | | (137,432) | | (175,120) |
| Total assets less current liabilities | | | (93,542) | | (77,370) |
| Total assets less total liabilities | | | (93,542) | | (77,370) |
| Taxpayers' equity and other reserves | | | | | |
| Revaluation reserve | | | 1,514 | | 1,514 |
| General reserve | | | (95,056) | | (78,884) |
| Total equity | | | (93,542) | | (77,370) |

The financial statements on pages 64 to 81 were approved by the Plenary on 28 May 2021 and were signed on its behalf by:



Tonya McCormac
Chief Executive / Accounting Officer
28 May 2021

The notes on pages 69 to 81 form part of the 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 NIJAC during the reporting period. The statement shows how NIJAC 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 NIJAC. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the NIJAC's future public service delivery.

| | | 2017-18 | 2016-17 |
|--|-------------|--------------------|------------------|
| | | £ | £ |
| | Note | | |
| Cash flows from operating activities | | | |
| Net Expenditure | | (1,039,667) | (1,013,392) |
| Adjustments for non-cash transactions (Increase) / decrease in trade and other receivables | 4.2 | 1,126 | 1,740 |
| Increase / (decrease) in trade and other payables | 7 | 15,544 | (10,886) |
| | 9 | (37,688) | 53,185 |
| Net cash outflow from operating activities | | (1,060,685) | (969,353) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 5 | - | - |
| Purchase of intangible assets | 6 | - | - |
| Net cash outflow from investing activities | | - | - |
| Cash flows from financing activities | | | |
| Grants from sponsoring department | | 1,023,495 | 1,021,000 |
| Net financing | | 1,023,495 | 1,021,000 |
| Net increase / (decrease) in cash and cash equivalents in the period | | (37,190) | 51,647 |
| Cash and cash equivalents at the beginning of the period | 8 | 62,927 | 11,280 |
| Cash and cash equivalents at the end of the period | 8 | 25,737 | 62,927 |

The notes on pages 69 to 81 form part of the 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 NIJAC, 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 General Fund represents the total assets less liabilities, to the extent that the total is not represented by other reserves and financing items.

| | General Fund £ | Revaluation Reserve £ | Taxpayers' Equity £ |
|--|----------------------|-----------------------------|---------------------------|
| Balance at 31 March 2016 | (86,500) | 1,420 | (85,080) |
| Grants from Sponsoring Department | 1,021,000 | - | 1,021,000 |
| Comprehensive Net Expenditure for the year | (1,013,392) | - | (1,013,392) |
| Auditors Remuneration | | | |
| Transfers between reserves | 8 | (8) | - |
| Gain on revaluation of intangibles | - | 102 | 102 |
| Balance at 31 March 2017 | (78,884) | 1,514 | (77,370) |
| Grants from Sponsoring Department | 1,023,495 | - | 1,023,495 |
| Comprehensive Net Expenditure for the year | (1,039,667) | - | (1,039,667) |
| Auditors Remuneration | | | |
| Transfers between reserves | - | - | - |
| Gain on revaluation of intangibles | - | - | - |
| Balance at 31 March 2018 | (95,056) | 1,514 | (93,542) |

The notes on pages 69 to 81 form part of the accounts.

Notes to the Financial Statements

1.0 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2017-18 *Government Financial Reporting Manual (FReM)* issued by the DoF. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of NIJAC for the purpose of giving a true and fair view has been selected. The particular policies adopted by NIJAC are described below. They have been applied consistently in dealing with items 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 assets and liabilities to fair value as determined by the relevant accounting standards, and subject to the interpretations and adaptations of those standards in FReM.

1.2 Property, Plant and Equipment

Property, plant and equipment comprises of plant and equipment, furniture and fittings, and information technology.

Expenditure on property, plant and equipment of £1,000 or more is capitalised. For furniture and fittings the individual assets are recorded on a pooled basis.

On initial recognition, assets are measured at cost, including any costs such as installation, directly attributable to bringing them into working condition.

All property, plant and equipment is reviewed annually for impairment. As permitted by the FReM, NIJAC has adopted the depreciated historical cost basis as a proxy for fair value where non-property operational assets are deemed to be short-life or low value assets.

All non-property operational assets are deemed to be short-life or low value assets and are therefore valued on the basis of depreciated historical cost as an approximation of fair value.

Under IFRS 13 Property, plant and equipment were not revalued as there is unlikely to be material difference between historical cost amounts and the revalued amounts due to the short expected useful life of the assets and their low values.

All expenditure on repairs and maintenance is charged to the Statement of Comprehensive Net Expenditure during the financial year in which it is incurred.

1.3 Intangible assets

Expenditure on intangible assets which includes software, software licences, and the associated costs of implementation is capitalised where the cost is £1,000 or more.

Intangible assets are reviewed annually for impairment. Intangible assets are not currently revalued as the net book value is such that any revaluation would be immaterial.

1.4 Depreciation and Amortisation

Property, plant, and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is charged in the month of acquisition.

Intangible assets are amortised over the shorter of the term of the licence and the useful economic life.

Useful lives are normally in the following ranges:

| | |
|------------------------|------------|
| Plant and Equipment | 5-10 years |
| Furniture and Fittings | 5-10 years |
| Information Technology | 3 years |
| Intangible Assets | 3 years |

The residual values of assets are reviewed on an annual basis.

Additions to non-current assets will be depreciated from the month of acquisition where material. Disposals from non-current assets will not be depreciated in the month of disposal.

1.5 Financing

Grant-in-Aid funding received from TEO is treated as financing and is recorded in the accounts as a movement in the General Fund.

1.6 Income

Income consists of recharges for rent, rates, and other premises costs for the sharing of Headline Building with:

- The Office of the President of the Appeal Tribunals (OPAT) for the period 01 April 2017 to 31 August 2017; and
- The Appeals Service (TAS) for the period 01 April 2017 to 31 August 2017.

1.7 Operating leases

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease.

1.8 Pensions

Past and present employees are covered by the provisions of the Civil Service Pension Scheme (CSP) which are described in the Remuneration and Staff Report. The defined benefit schemes are unfunded. NIJAC recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the CSP of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the CSP. In respect of the defined contribution elements of the schemes, NIJAC recognises the contributions payable for the year. A separate scheme statement is prepared for CSP as a whole.

1.9 Value Added Tax

NIJAC is ineligible to reclaim input Value Added Tax (VAT) on expenditure. Therefore, all expenditure is inclusive of VAT.

1.10 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, NIJAC discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but

which have been reported to the Assembly in accordance with the requirements of *MPMNI*.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

1.11 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

As the cash requirements of NIJAC are met through Grant-in-Aid provided by TEO, 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 NIJAC's expected purchase and usage requirements and is therefore exposed to little credit, liquidity or market risk.

1.12 Employee Benefits

Under the requirements of IAS 19 *Employee Benefits*, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any annual and flexi leave entitlements that have been earned at the year-end but not yet taken. The cost of untaken annual and flexi leave has been determined by using actual salary costs and the data from staff leave returns at 31 March. It is not anticipated that the level of untaken leave will vary significantly from year to year.

1.13 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2018

Additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2017-18 have been considered. The adoption of these standards has not had a significant impact on NIJAC's financial position or results.

1.14 Accounting standards, interpretations and amendments to published standards not yet effective

NIJAC has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. NIJAC considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

2. Statement of Operating Costs by Operating Segment

The organisation's operating structure has been reviewed to identify if there are any business activities which are unconnected and thus separate segments as defined by IFRS 8 *Operating Segments*. NIJAC does not generate any income streams; any income disclosed in the accounts relates to rechargeable expenses as a result of the shared occupancy of the building 2017-18: £74,278 (2016-17: £149,087).

NIJAC's expense generating activities are interlinked and cannot operate in isolation, therefore the Chief Executive Officer in her role as Accounting Officer and Chief Operating Decision Maker (CODM) does not consider there to be separate segments within the organisation.

Financial information is reported to the CODM, Plenary, the Business Committee, the ARMC and TEO, for the organisation as a whole, no part of the organisation is reported on separately. The budget is bid for, allocated and managed by NIJAC as a whole; there are no budget allocations to a specific area as a separate segment.

3. Income

| | 2017-18 | 2016-17 |
|------------------------|----------------|----------------|
| | £ | £ |
| Reimbursement of costs | 74,278 | 149,087 |
| Total Income | 74,278 | 149,087 |

4. Expenditure

| | 2017-18 | 2016-17 |
|-------------------------------------|------------------|------------------|
| | £ | £ |
| 4.1 Operating costs | | |
| Staff Costs ¹ : | | |
| Wages and Salaries | 465,199 | 496,613 |
| Social Security Costs | 29,691 | 43,220 |
| Other Pension Costs | 88,402 | 90,690 |
| Accommodation Costs | 245,475 | 232,240 |
| Maintenance | 29,843 | 63,502 |
| Security Costs | 64,147 | 61,818 |
| Scheme Costs | 35,123 | 46,857 |
| IT Services | 34,395 | 30,572 |
| Heat & Light | 23,820 | 22,742 |
| Managed Service Fees | 34,504 | 21,318 |
| Other Costs | 10,839 | 11,583 |
| Other Accommodation Services | 10,484 | 9,969 |
| Staff Related Costs | 19,275 | 9,434 |
| Auditors' Remuneration ² | 9,700 | 9,400 |
| Commissioner Costs | 8,552 | 5,663 |
| Printing, Design and Stationery | 2,408 | 4,198 |
| Operating Leases | 962 | 920 |
| Total | 1,112,819 | 1,160,739 |
| 4.2 Non-cash items | | |
| Amortisation | 616 | 990 |
| Depreciation | 510 | 750 |
| Total | 1,126 | 1,740 |

¹Further analysis of staff costs is located in the Staff Report on pages 54 to 56.

²During the year, NIJAC purchased no non-audit services from its auditor (NI Audit Office).

5. Property, plant and equipment

| | Plant and Equipment £ | Furniture and Fittings £ | Information Technology £ | Total £ |
|---|--------------------------|-----------------------------|-----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 April 2017 | 10,784 | 5,000 | 17,716 | 33,500 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2018 | 10,784 | 5,000 | 17,716 | 33,500 |
| Depreciation | | | | |
| At 1 April 2017 | 10,545 | 3,785 | 17,716 | 32,046 |
| Charged in year | 239 | 271 | - | 510 |
| Disposals | - | - | - | - |
| At 31 March 2018 | 10,784 | 4,056 | 17,716 | 32,556 |
| Carrying amount at 31 March 2018 | - | 944 | - | 944 |
| Carrying amount at 31 March 2017 | 239 | 1,215 | - | 1,454 |
| Asset financing: | | | | |
| Owned | - | 944 | - | 944 |
| Finance Leased | - | - | - | - |
| Carrying amount at 31 March 2018 | - | 944 | - | 944 |

| | Plant and Equipment £ | Furniture and Fittings £ | Information Technology £ | Total £ |
|---|--------------------------|-----------------------------|-----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 April 2016 | 10,784 | 5,000 | 17,716 | 33,500 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2017 | 10,784 | 5,000 | 17,716 | 33,500 |
| Depreciation | | | | |
| At 1 April 2016 | 10,066 | 3,514 | 17,716 | 31,296 |
| Charged in year | 479 | 271 | - | 750 |
| Disposals | - | - | - | - |
| At 31 March 2017 | 10,545 | 3,785 | 17,716 | 32,046 |
| Carrying amount at 31 March 2017 | 239 | 1,215 | - | 1,454 |
| Carrying amount at 31 March 2016 | 718 | 1,486 | - | 2,204 |
| Asset financing: | | | | |
| Owned | 239 | 1,215 | - | 1,454 |
| Finance Leased | - | - | - | - |
| Carrying amount at 31 March 2017 | 239 | 1,215 | - | 1,454 |

6. Intangible assets

Intangible assets comprise of software and associated implementation costs.

| | Total £ |
|---|--------------------|
| Cost or valuation | |
| At 1 April 2017 | 34,455 |
| Additions | - |
| Disposals | - |
| Revaluations | - |
| At 31 March 2018 | 34,455 |
| Amortisation | |
| At 1 April 2017 | 33,724 |
| Charged in year | 616 |
| Disposals | - |
| Revaluations | - |
| At 31 March 2018 | 34,340 |
| Carrying amount at 31 March 2018 | 115 |
| Carrying amount at 31 March 2017 | 731 |
| Asset financing: | |
| Owned | 115 |
| Finance Leased | - |
| Carrying amount at 31 March 2018 | 115 |
| | Total £ |
| Cost or valuation | |
| At 1 April 2016 | 34,268 |
| Additions | - |
| Disposals | - |
| Revaluations | 187 |
| At 31 March 2017 | 34,455 |
| Amortisation | |
| At 1 April 2016 | 32,650 |
| Charged in year | 990 |
| Disposals | - |
| Revaluations | 84 |
| At 31 March 2017 | 33,724 |
| Carrying amount at 31 March 2017 | 731 |
| Carrying amount at 31 March 2016 | 1,618 |
| Asset financing: | |
| Owned | 731 |
| Finance Leased | - |
| Carrying amount at 31 March 2017 | 731 |

7. Trade receivables and other current assets

| | 2017-18 | 2016-17 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade receivables | - | 2,853 |
| Other receivables | - | - |
| Prepayments and accrued income | 17,094 | 29,785 |
| Total | <u>17,094</u> | <u>32,638</u> |

There are no trade receivables or other current asset amounts falling due after more than one year.

8. Cash and cash equivalents

| | 2017-18 | 2016-17 |
|---|---------------|---------------|
| | £ | £ |
| Balance at 1 April | 62,927 | 11,280 |
| Net change in cash and cash equivalent balances | (37,190) | 51,647 |
| Balance at 31 March | <u>25,737</u> | <u>62,927</u> |

The following balances at 31 March were held at:

| | | |
|-----------------------------------|---------------|---------------|
| Commercial banks and cash in hand | 25,737 | 62,927 |
| Balance at 31 March | <u>25,737</u> | <u>62,927</u> |

9. Trade payables and other current liabilities

| | 2017-18 | 2016-17 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade payables | 84 | 132,750 |
| Accruals and deferred income | 137,348 | 42,370 |
| Total | <u>137,432</u> | <u>175,120</u> |

There are no trade payables or other current liabilities falling due after more than one year.

10. Commitments under leases

10.1 Operating leases

NIJAC make use of premises where the operating lease is held by TEO. NIJAC is invoiced directly by the lessor for the lease of the premises; NIJAC does not have any future commitments in respect of these leases.

The lease of Headline Building runs from 7 January 2012 for 15 years and was signed by the DoF on behalf of TEO.

NIJAC holds no operating leases in its own name.

11. Contingent Liabilities

NIJAC staff permanent contracts of employment were found during the financial year to be wrongly linked to the NIAC Staff Handbook and had been like this for a number of years. Although substantially the same as NICS Terms and Conditions good practice indicated that a process of negotiation with staff and the trade union should be undertaken to agree NIJAC Employment Contracts. Agreement on this was reached in December 2020. Staff signed these in February 2021 and received an incentive payment to do so. The amount involved will be accounted for in the year ending 31 March 2021.

12. Financial instruments

IFRS 7 *Financial Instruments: Disclosures* requires NIJAC to provide disclosure that enables evaluation of the significance of financial instruments for NIJAC's financial position and performance, and the nature and extent of risks arising from financial instruments to which NIJAC is exposed during the period and at the reporting date, and how NIJAC manages those risks. Due to the largely non-trading nature of NIJAC's activities and the way in which executive non-departmental bodies are financed, NIJAC is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies.

NIJAC has no powers to borrow or invest surplus funds and except for relatively insignificant purchases of foreign currency, financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing NIJAC in undertaking its activities.

12.1 Classification of financial instruments

NIJAC's financial assets are classified as trade receivables and other current assets (Note 7) and cash and cash equivalents (Note 8). NIJAC's financial liabilities are trade payables and other current liabilities (Note 9). The carrying value of these financial assets and liabilities, as disclosed in the notes to the accounts, approximates to fair value because of their short maturities. All financial instruments held by NIJAC are non-interest bearing.

13. Related-party transactions

NIJAC is a NDPB sponsored by TEO; NIJAC has had material transactions in the form of Grant in Aid with TEO.

NIJAC has had material transactions in the form of recharges for the sharing of Headline Building with The Appeals Service (TAS) and the Office of the President of the Appeal Tribunals (OPAT). The recharges are for rent, rates, and other premises costs.

NIJAC second staff from the Department of Justice (DoJ), Department of Agriculture, Environment and Rural Affairs (DAERA), the Department for Communities (DfC), the Department for the Economy (DfE), and the Department of Health (DoH).

NIJAC has had material transactions with the DoF in the form of services provided by Enterprise Shared Services (ESS) and Central Procurement Directorate (CPD).

TEO, OPAT, DoJ, DAERA, DfC, DfE, DoF and DoH are regarded as related parties.

None of the Commissioners, members of key management staff or other related parties has undertaken any material transactions with NIJAC during the year.

14. Events after the Reporting Period

There are two events that have occurred after the reporting period that provide further evidence of conditions that existed at the end of the reporting period.

(i) The Chief Executive post was remunerated during the year at the equivalent of the NICS Level 6 salary scale and should have been remunerated at the Senior Civil Service (SCS) Level 5 salary scale. This is an adjusting event and an additional amount has been accrued in the year end Accounts and taken account of in the salary band shown in the Remuneration Report for the Chief Executive. The Annual Report and Accounts for the years ending 31 March 2019 and 31 March 2020 also include the financial impact relevant to those years for this event.

(ii) The pay award for 2017-18 was approved by TEO in October 2018 before the Annual Report and Accounts have been authorised for issue. The impact of this has been accounted for in the accrued amount noted at (i) above for the Chief Executive's remuneration.

Tonya McCormac was appointed Chief Executive and Accounting Officer on 21 August 2018.

Date of authorisation for issue

The Accounting Officer, Tonya McCormac, authorised the issue of these financial statements on 10 June 2021.

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