



NORTHERN  
IRELAND  
HUMAN  
RIGHTS  
COMMISSION



Annual Report and Accounts  
2012–2013



NORTHERN  
IRELAND  
HUMAN  
RIGHTS  
COMMISSION

# Annual Report and Accounts 2012–13

Annual report presented to Parliament pursuant to  
paragraph 5(2) of Schedule 7 to the Northern Ireland Act 1998  
and Accounts presented to Parliament pursuant to  
paragraph 7(3)(b) of Schedule 7 to the Northern Ireland Act 1998.

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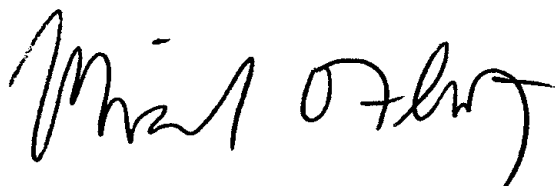
Rt Hon Theresa Villiers MP  
Secretary of State for Northern Ireland  
Stormont House  
Stormont Estate  
Belfast  
Northern Ireland  
BT4 3SH

Dear Secretary of State

I have pleasure in submitting to you, as required by paragraph 5(1) of Schedule 7 of the Northern Ireland Act 1998, the fourteenth Annual Report of the Northern Ireland Human Rights Commission. It shows how the Commission has performed its functions during the period 1 April 2012 to 31 March 2013.

The Annual Report includes the Commission's financial statements for the year ending 31 March 2013, which have been prepared in accordance with Paragraph 7 of Schedule 7 of the Northern Ireland Act 1998, and which were approved and certified by the Comptroller and Auditor General on 12 July 2013.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael O'Flaherty', written in a cursive style.

**Professor Michael O'Flaherty**  
Chief Commissioner



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# Chief Commissioner's Foreword

I have the honour to provide this Foreword to the Annual Report for 2012–2013 of the Northern Ireland Human Rights Commission. All of this work was carried out on the basis of the Strategic Plan for 2010–2013 that we inherited from our predecessor team of Commissioners.

The Commission has recently completed a strategic planning process for the period 2013–2016. In so doing it has reviewed every element of the organisation's past activities and current practices. It has consulted widely with stakeholders and with the Commission's staff. It has reflected deeply on the findings of the review and consultation process.

We have adopted a new Mission Statement:

*The Northern Ireland Human Rights Commission (the Commission) champions the human rights of those who live in Northern Ireland. The Commission is Northern Ireland's human rights guardian and centre of excellence. It holds to account and works in partnership with Government, elected representatives, statutory organisations and civil society. The Commission, established on the basis of the Belfast (Good Friday) Agreement, plays a central role in shaping a society that, as it emerges from conflict, respects the Universal Declaration of Human Rights by upholding human rights and responsibilities.*

In the honouring of our mission statement, in the coming three-year period, the Commission will focus its attention on the basis of three pillars.

## Pillar One: Human Rights and Good Governance.

Human rights need to be embedded at the heart of the executive and legislature, reflected in our basic legal framework and honoured in the operation of all offices of State. The challenges in these regards include the complexity of our constitutional system, the nature of our devolved jurisdiction and the relative newness of many of the governance structures.

**Actions:** The Commission will continue to support the development of a strong indigenous framework for human rights-compliance on the part of the State. It will continue to advise Government in support of a Bill of Rights for Northern Ireland. It will monitor, advise and support public servants – including local government and the Northern Ireland Prison Service (NIPS) – to carry out their functions in a human rights-compliant manner. In particular it will help develop capacity for rights-based commissioning and delivery of services in the health and social care sector.

**Outcomes:** The Commission will have supported the embedding of and capacities for human rights across Northern Ireland's governance structures, at all levels and including in the framework of service delivery, especially in the health and social care sector. It will have published annual statements on human rights in Northern Ireland. It will have advanced the process for a separate Bill of Rights for Northern Ireland. It will have ensured that UK-wide human rights initiatives take account of the particular circumstances of Northern Ireland and that these do not diminish existing protections or in any other way impede the distinct Northern Ireland Bill of Rights process.



### Pillar Two: Human Rights and the Conflict.

The legacy of conflict runs deep in Northern Ireland. There remain serious gaps in accountability, justice and inter-community reconciliation. Division and sectarianism result in violence and other forms of hate crime. Lives continue to be blighted and lost.

**Actions:** The Commission will foster a human rights-based understanding of “transitional justice” in Northern Ireland and further develop its own work programme on the topic. In so doing, it will pay particular attention to the situation of victims and survivors and of former prisoners convicted of conflict related offences. The Commission will challenge racism, including sectarianism and all its manifestations and will contribute to the promotion of good community relations. The Commission will undertake pioneering work on the human right to culture (including in terms of the right to acknowledge and celebrate diverse linguistic and other senses of individual and community identity). In recognition of the relationship of peace, equality and non-discrimination, the Commission will continue to play its role in combating discrimination including on such grounds as race, disability, gender, sexual orientation, gender identity, ethnicity and age.

**Outcomes:** The Commission will have stimulated a new phase of consideration of how Northern Ireland undertakes a wide-ranging programme of transitional-justice, taking account of international good practice. In so doing, it will have ensured that significant advances are made in addressing the particular situation of victims and survivors and of former prisoners convicted of conflict related

offences. It will have demonstrated how human rights need to be at the heart of good community relations. The Commission’s work on the protection of the human right to culture in post-conflict societies will have been of international significance. The Commission will have contributed substantially to ensuring that a post-conflict Northern Ireland is a more equal and non-discriminatory society.

### Pillar three: Protecting Human Rights in a Time of Austerity.

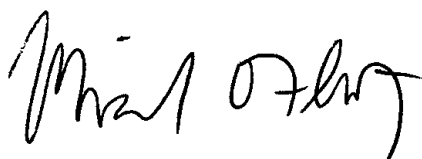
Economic recession and austerity measures have led to unemployment and budget cuts that impact deeply on the enjoyment of human rights, including the right to an adequate standard of living. While those who are already at a disadvantage suffer the most, it has to be recognised that recession impacts for the human rights of all the people of Northern Ireland.

**Actions:** The Commission will closely monitor the State’s compliance with its socio-economic duties, including that of ensuring an adequate standard of living. It will focus attention on the needs of those who are most powerless including persons with disabilities; children in the care of or detained by the state, prisoners; ethnic minorities (including Travellers) and persons in need of health and social care. It will advise government and its agencies on the achievement of these rights during a time of public spending constraint. The Commission will provide human rights capacity-building support to the State and other actors.

**Outcomes:** The Commission will have ensured that legislators and policy decision-makers address economic challenges with the understanding that human rights protection is a

priority matter. It will have brought to the forefront of their attention the impact of austerity measures on the most powerless in society addressing the needs of vulnerable individuals and those who are marginalised. The Commission will support their voices to be heard and those community and voluntary organisations working on their behalf. It will have transferred skills to relevant State actors for rights-based socio-economic decision making.

As I have mentioned previously, the Commission requires the continued collaboration and partnership of the Executive, the Assembly, Westminster, local government, the judiciary, the public service, the police, faith communities, the voluntary sector and civil society. Together we can build a Northern Ireland that cherishes the human rights of all its peoples.



**Professor Michael O'Flaherty**  
Chief Commissioner

# Management Commentary

## Introduction

I am pleased to report on the performance of the Northern Ireland Human Rights Commission during this year when so much has been achieved locally and internationally and to acknowledge the work of our staff in producing this report.

The Commission was established as a result of the Belfast (Good Friday) Agreement 1998 and has been in operation since 1 March 1999, under its governing legislation, the Northern Ireland Act 1998, amended by the Justice and Security (Northern Ireland) Act 2007. We are a non-departmental public body, with grant-in-aid provided by government through the Northern Ireland Office, and reporting to Parliament through the Secretary of State for Northern Ireland. This relationship was unaffected by the devolution, from 12 April 2010, of policing and justice from the UK Parliament to the Northern Ireland Assembly.

The Commission's role is to promote awareness of the importance of human rights, to review law and practice and to advise government on what steps need to be taken to fully protect human rights in Northern Ireland. We base our work on international human rights standards, including those of the United Nations (UN) and the Council of Europe. The Commission, in line with the 'Paris Principles' guidance of 1993, has 'A' status recognition at the UN as a national human rights institution. This gives us special access to the Human Rights Council, treaty bodies and other organisations (further information on the 'Paris Principles' is available at: [www.ohchr.org/english/law/parisprinciples](http://www.ohchr.org/english/law/parisprinciples)).

## What we do

The primary role of the Commission is to protect and promote the human rights of everyone in Northern Ireland. We do this through 4 key statutory functions:

- legal assistance and strategic litigation;
- policy and legislative scrutiny (including Treaty monitoring);
- investigations; and
- education.

## Powers and duties

The Commission's powers and duties are derived from sections 69 and 70 of the Northern Ireland Act 1998 and sections 14 to 16 of the Justice and Security (Northern Ireland) Act 2007. Under the 1998 Act as amended, the Commission has the following duties:

- to keep under review the adequacy and effectiveness in Northern Ireland of law and practice relating to the protection of human rights;
- to advise the Secretary of State for Northern Ireland and the Executive Committee of the Northern Ireland Assembly of legislative and other measures which ought to be taken to protect human rights;
- to advise the Northern Ireland Assembly whether proposed legislation is compatible with human rights standards;
- to promote understanding and awareness of the importance of human rights in Northern Ireland by, for example, undertaking or commissioning or otherwise assisting research and educational activities; and

- to provide advice to the Secretary of State for Northern Ireland on the scope for defining, in Westminster legislation, rights supplementary to those in the European Convention on Human Rights.

In addition, under sections 69 and 70 of the Northern Ireland Act 1998, the Commission has the following powers:

- to give assistance to individuals who apply to it for help in relation to proceedings involving law or practice concerning the protection of human rights;
- to bring proceedings involving law or practice concerning the protection of human rights;
- to conduct such investigations as it considers necessary or expedient for the purpose of exercising its other functions; and
- to publish its advice and the outcome of its research and investigations.

The Justice and Security (Northern Ireland) Act 2007 refers to the Commission sections 14–20 inclusive, amends sections 69 and 71 of the 1998 Act and gives the Commission additional powers:

- to institute, or intervene in, legal proceedings concerning human rights where it need not be a victim or potential victim of the unlawful act to which the proceedings relate;
- to require a person to provide information and documents in their possession, and to give oral evidence, in respect of an investigation; and
- to enter a specified place of detention in Northern Ireland, in respect of an investigation.

## Vision

The Commission was born out of a recognition that human rights values and standards need to be at the heart of our society if we are to achieve well-being, peace and justice. Northern Ireland must continuously re-affirm its commitment to core human rights and invigorate the work of building a fair society that upholds human dignity. All of us will be measured by how best we seek to honour and respect each other's human rights, especially those of the most powerless in society. The Commission recognises the central role it is called on to play in this vital work.

## Mission

The Northern Ireland Human Rights Commission (the Commission) champions the human rights of those who live in Northern Ireland. As an "A Status" UN-accredited human rights institution, the Commission is Northern Ireland's human rights guardian and centre of excellence. It holds to account and works in partnership with Government, elected representatives, statutory organisations and civil society. The Commission, established on the basis of the Belfast (Good Friday) Agreement, plays a central role in shaping a society that, as it emerges from conflict, respects the Universal Declaration of Human Rights by upholding human rights and responsibilities.

### Values

The Commission promotes and abides by the core principles of human rights, including:

■ **Legality and Independence:**

An “A Status” UN-accredited human rights institution must operate on the basis of international human rights law, in compliance with a statutory mandate and independently of the State. The Commission works for the promotion and protection of those human rights to which the United Kingdom (UK) is legally committed at the national, regional and international levels and does so on the basis of the mandate conferred upon it by law and in full conformity with the UN Paris Principles.

■ **Non-discrimination and equality:**

The universality of human rights requires that they can be enjoyed by all people on the basis of non-discrimination and equality, a principle that is reinforced in Northern Ireland by provisions of the Belfast (Good Friday) Agreement. The Commission honours this principle, above all, by affording priority to protecting the most powerless in society addressing the needs of vulnerable individuals and those who are marginalised.

■ **The equal status of civil, political, economic, social and cultural rights:**

Human rights, as recognised in the treaties to which the UK is committed, have equal value and status and must be implemented in an integrated or “indivisible” manner. The Commission respects this principle in its work and promotes full implementation in all engagements with the State and other partners.

■ **Participation:** Meaningful enjoyment of human rights must be based on participation by the holders of human rights in any processes that may impact on their well-being. The Commission is committed to involving rights-holders in all relevant areas of its activities and it strives to promote broader participation across society.

■ **Accountability:** The enforcement of human rights requires that “human rights duty-bearers” be held accountable. For this to happen, decision making must be transparent. The Commission honours these requirements in all its own actions. It demands similar standards in public life and calls to account all those with responsibility for the promotion and protection of human rights. The Commission supports existing independent oversight and accountability mechanisms.

■ **Partnership:** The promotion and protection of human rights requires the commitment of all who live in Northern Ireland, mindful that their rights are balanced by responsibilities. It demands the engagement of Government (central, regional and local), elected representatives, statutory bodies and civil society. The Commission plays a pivotal role in building and sustaining the necessary partnerships. It does so in the context of its role as a National Human Rights Institution with UN-accredited (“A Status”). The Commission also recognises the importance of its partnership with the other UN-accredited human rights institutions of these islands.

### ■ **Building a culture of human rights:**

A goal of the human rights system is to establish societies that embed human rights at their heart – that reflect a “culture of human rights”. A society that honours the culture of human rights is one where human rights values explicitly guide society. The Commission is committed to fostering this culture in Northern Ireland. In so doing it recognises the challenges presented in a society that has experienced a protracted and tragic conflict and within which community divisions run deep.

### Strategic aims

The Commission’s aims and objectives for the period ending March 2013, as set out in its Strategic Plan for 2010–13, and operationalised through its annual business plan, were as follows:

- building and embedding a human rights culture;
- challenging and seeking to prevent human rights violations;
- communicating and promoting human rights in an accessible way; and
- ensuring organisational effectiveness and efficiency.

### Achievement of aims and objectives in 2012–13

This has been a highly productive year for the Commission with greater effort to draw on all capacity across the organisation in a cross functional approach to completion of our business plan and fulfilment of the overarching strategic plan. The Commission has opened a project management approach to our work to build accountability mechanisms and ensure delivery of key objectives.

The Commission has developed opportunities in year to host international experts visiting Northern Ireland. We have welcomed:

- Mr Maina Kiai, Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of Association;
- Mr Zdzisiaw Kedzia, Vice-Chairperson of the Committee on Economic, Social and Cultural Rights of the United Nations; and
- Mr Ibrahim Salama, Director of Human Rights Treaties Division, Office of the United Nations High Commissioner for Human Rights.

In December 2012 a new focal point was created for the celebration of Human Rights Day in Northern Ireland, with the publication of our first Annual Statement on Human Rights 2012. Another first, was the invitation from the Speaker of the Assembly to launch the Statement at the Assembly. With the international support of Mr Zdzisiaw Kedzia the Commission was praised across the political perspective for this important work.

Following the publication of the Commission's investigation into Nursing Homes, 'In Defence of Dignity', the Department of Health and Social Care and Public Safety initiated a review of the Minimum Care Home Standards and the Commission was invited to advise the project. This report received extensive coverage in the media which we hope will lead to much greater consideration of this important issue in the future, not least given the planned reform through the Transforming Your Care initiative. Follow up work on previous investigations into prisons, immigration, mental health and access to services for migrants continued. Indeed, these were vital to the very significant advices provided by the Commission on Welfare Reform. Beyond advices to the Committee the Commission provided support and advices to the Ad hoc Committee set up to consider equality and human rights implications.

Throughout the year, the Commission provided advice to the Northern Ireland Executive and Assembly, the United Kingdom government and Westminster Parliament on a range of policies and legislation. This included written and oral submissions to:

- assist the Mental Capacity (Health, Finance and Welfare) Bill Team;
- Ministers and Committees on the Marriage (Same Sex Couples) Bill;
- the Committee for Health, Social Services and Public Safety on the Issue of deferral of blood donation for men who have sex with men (MSM);
- the Review of the Youth Justice System in Northern Ireland;
- the Department of Justice consultation document Reducing Offending: Towards A Safer Society;
- the Department of Health, Social Services and Public safety regarding the issue of management of HIV-infected healthcare workers in Northern Ireland;
- the Department of Culture, Arts and Leisure in response to the Strategy for Ulster Scots Language, Heritage and Culture 2012;
- the Department of Culture, Arts and Leisure in response to the draft Strategy for Protecting and Enhancing the Development of the Irish Language 2012;
- the Northern Ireland Prison Service on the Outline Estate Strategy 2012–2022;
- the Committee for Finance and Personnel on the Civil Service (Special Advisers) Bill 2012;
- the Department of Education Common Funding Scheme Review;
- the Department of Employment and Learning and the Department of Education in response to the joint consultation on the future of the Educational Maintenance Allowance scheme;
- the Committee for Social Development and ad Hoc Committee on the Welfare Reform Bill;
- the Committee for the Office of the First Minister and deputy First Minister on the Inquiry into Historical Institutional Abuse Bill 2012;
- the Committee for Justice on the Criminal Justice Bill 2012;
- the Public Prosecution Service on its draft 'Policy for Prosecuting Cases of Human Trafficking';
- to Lord Morrow on the Human Trafficking and Exploitation (Further Provisions and Support for Victims) Bill;

- the Department of Justice consultation concerning Encouraging Earlier Guilty Pleas;
  - the Committee stage of the Justice and Security Bill 2012;
  - the Office of the First Minister and deputy First Minister on the Strategy to improve the lives of disabled people 2012–15;
  - the Department of Justice consultation document on Provision of Community Impact Assessments;
  - the Commission on a Bill of Rights on the paper: A Second Consultation;
  - the Northern Ireland Office on the Code of Practice for Exercise of Stop and Search under the Terrorism Act 2000;
  - the Department of Health, Social Services and Public Safety for Northern Ireland on 'Transforming Your Care: A Review of Health and Social Care in Northern Ireland' ;
  - the Department of Health, Social Services and Public Safety on the proposed Mental Capacity (Health, Finance and Welfare) Bill;
  - the Department of Education on the particular issue of redress within the special educational needs system;
  - the Department of Education in response to the consultation on the Draft Traveller Child in Education Action Framework;
  - the NI Affairs Committee inquiry into the Government's draft Northern Ireland (Miscellaneous Provisions) Bill;
  - the Department of Health, Social Services and Public Safety on their proposals to consolidate and update the Provision of Health Services to Persons not Ordinarily Resident Regulations (Northern Ireland) 2005;
  - the Office of the Lord Chief Justice on the Draft Practice Direction on Third Party Interveners;
  - the Department of Justice in response to the public consultation on Making a Difference: Improving Access to Justice for Victims and Witnesses of Crime – a Five-Year Strategy;
  - the Department of Justice Consultation Managing Criminal Cases;
  - the Department of Health, Social Services and Public Safety in response to the consultation Who Cares? Future of Adult Care and Support in Northern Ireland; and
  - the Northern Ireland Affairs Committee of the House of Commons on the Implementation of the Armed Forces Covenant in Northern Ireland.
- In year the Commission engaged with international human rights bodies and mechanisms in a number of ways, including submissions to:
- the Committee for the Elimination of Racial Discrimination in follow up to its 2011 Concluding Observations on the UK;
  - the Committee against Torture with respect to the Fifth periodic report of the UK; and
  - the Committee for the Elimination of Discrimination against Women with respect to the seventh periodic report of the UK.



The Commission hosted:

- a delegation of European National Human Rights Institutions to debate and develop a response to the United Nations High Commissioner's Report on the Strengthening of the Human Rights Treaty Body System;
- the Special Rapporteur on the right to freedom of peaceful assembly and association during his mission to the UK and facilitated an engagement with stakeholders; and
- the Council of Europe's Committee of Experts of the European Charter for Regional or Minority Languages during its "on the spot visit" to take evidence on the UK's compliance with the languages Charter.

The Commission also engaged as a member of the UN International Co-ordinating Committee of National Human Rights Institutions (UN ICC) and the European Network of National Human Rights Institutions on issues including: assistance to other institutions with their UN accreditation, business and human rights, education, implementation of the United Nations Convention of the Rights of Persons with Disabilities (UNCPRD), and joint legal initiatives.

In 2012–13 the Commission built greater connection to the Commonwealth, in particular providing support on transitional justice with a view to aiding other jurisdictions with similar challenges to our own.

As an 'A' status institution through the UN ICC in Geneva the Commission developed supports for other institutions worldwide. As the UN ICC Euro Group Chair of accreditation support work the Commission supported existing and new National Human Rights Institutions.

The Commission provided assistance to Kosovo, Belgium and Latvia. Internationally, the Commission provided training and development through the Foreign Commonwealth Office to the Government of the Turks and Caicos Islands.

During the year the Commission developed human rights training for the Northern Ireland Civil Service in co-operation with the Office of the First Minister and Deputy First Minister and the Centre for Applied Learning. Pilot training sessions were rolled out in year with review so as to allow delivery in 2013–14.

The Commission developed its community engagement packages which are planned monthly across Northern Ireland to sites including Newry, Downpatrick, Newtownabbey and inner Belfast. These visits included legal clinics, training opportunities and for the first time school engagement at the start of the day was included. Each visit included strategic meetings with public authorities, most notably local councils and the PSNI. The views expressed by members of the public, community groups, local government and public bodies during these engagements were very influential in deciding the strategic plan for 2013–2016.

As always, co-operation with other National Human Rights Institutions, equality bodies and Ombudsmen was a key feature of our work. We held a joint meeting with the Scottish Human Rights Commission, Irish Human Rights Commission and Equality and Human Rights Commission on the 16 November 2012. This work assisted in co-ordinating responses to international treaty monitoring and in particular for engagement on the UN Universal Periodic Review.

The Chief Commissioner maintained a heavy schedule of engagements some examples of which are listed below as illustrative:

- Joint Committee on Human Rights at Westminster
- United Nations International Co-ordinating Committee (UN ICC) of NHRIs, Annual Meeting
- European Group of NHRIs, Annual Meeting.
- UN Committee Against Torture (CAT)
- Commonwealth Forum of NHRIs conference, Biennial Meeting
- British Irish Ombudsman Association conference
- Committee of Experts of the European Charter for Regional or Minority Languages
- Secretary of State
- Speaker of the NI Assembly
- Northern Ireland Affairs Committee
- Department of Foreign Affairs
- US State Department
- General Assembly of the United Nations
- Chief Constable PSNI
- Director General of Prisons
- Compton team from the Health and Social Care Board
- Foreign and Commonwealth Office
- Office of the Turks and Caicos Human Rights Commission
- Human Rights Consortium
- Head of the Northern Ireland Civil Service
- Leaders of the 4 main Churches
- Fundamental Rights Agency
- Commission for Victims and Survivors

- Older Persons Commissioner
- Prison Review Oversight Committee
- Committee for the Administration of Justice (CAJ)
- Citizens Advice Bureaux (CAB)
- Community Relations Council
- MENCAP
- Northern Ireland Commissioner for Children and Young People (NICCY)
- Children’s Law Centre
- Ulster People’s Forum
- Law Centre NI

Some examples of speaking engagements include:

- Speaker at the ‘Preventing abuse and neglect of older persons in Europe’ conference held by the Office of the High Commissioner for Human Rights (OHCHR) and the European Commission, Brussels;
- Speaker at the international Conference on the Future Role of the European Union Structural Funds to Advance Community Living for Older People and People with Disabilities;
- Speaker at Fundamental Rights Agency Conference in Brussels on “Justice in austerity – challenges and opportunities for access to justice”;
- Speaker at the High Level Expert Conference “Vienna+20: Advancing the Protection of Human Rights”, Department for Human Rights Federal Ministry for European and International Affairs; and
- Addressing the Sub Group on Torture Prevention, Foreign and Commonwealth Office.

The Chief Commissioner also appeared before numerous Committees and met with various NI Executive Ministers, MLAs and members of both Houses of Parliament. Through a new programme of community engagement the Chief Commissioner engaged with many local Councils, NGOs and community groups too numerous to list above.

The Commission held a joint meeting with the Equality Commission and agreed to continue the process and prioritise joint engagement with the four main Churches and other faith groups. Both organisations were commended for the value of this way of working by the Churches with a key focus on religion and rights and welfare issues.

In partnership with the Equality Commission for Northern Ireland we continued during the year to develop our role as the jointly appointed Independent Monitoring Mechanism in accordance with Article 33 of the UNCRRP. This work involved direct engagement with community and voluntary sector organisations raising awareness of the Convention and its application within the jurisdiction.

In accordance with our mandate under the Belfast (Good Friday) Agreement, the Commission continued to engage with the staff of the Irish Human Rights Commission pending appointment of new Commissioners.

Exercising our legal function, the Commission initiated in 2011 a judicial review challenging the bar which prevents unmarried and same sex couples in Northern Ireland being considered as adoptive parents. This case was decided on 18 October 2012 and the Commission was successful on all grounds.

The Attorney General appealed the decision and on 27 June 2013 the Court of Appeal upheld the ruling. The Commission understands that the Department is considering an appeal to the Supreme Court. We also continued to support inquests in legacy cases and in 2013, after almost 10 years of such support the final inquest concluded. The Commission engagement ensured a focus on a process compliant with the right to life.

A unique event took place in June 2012 in Belfast with the forming of the internationally agreed Belfast Statement. This was an agreed response by National Human Rights Institutions, firstly across Europe and latterly the world to reform of the UN Treaty body system. The Commission was then asked to address the General Assembly of the UN on this work which was an incredible marker on the value and timeliness of this work. A large number of National Human Rights Institutions and representatives of the UN system came together in Belfast to agree a first draft compiled at the Commission.

Building on our work on the Interlaken Declaration, during the year the Commission collaborated with other European National Human Rights Institutions providing advice on joint interventions before the European Court of Human Rights and led the development of a position statement on adoption for European institutions.

During the year the Commission published 'Is that Right? Fact and Fiction on a Bill of Rights' an explanatory document on the Bill of Rights which it presented to Secretary of State and Minister for Northern Ireland as well as all other political actors. The Commission continued to consider the development of promotion

of our advices locally and nationally. The Commission had engaged in a number of meetings with the UK Commission on a Bill of Rights prior to publication of its report and the UK Commission had visited Belfast during its deliberations and met specifically with the Commission.

A key development among the range of projects referred to above has been the creation of a human rights based approach to strategic planning which saw the development of a unique process for a human rights institution. Rounds of planned engagements with community and the public sector led to the development of a unique, user friendly plan which clearly identifies the priorities of the Commission.

In January 2013 the Commission welcomed former Chair of the ICC Rosslyn Noonan to provide training for Commissioners on their role. This engagement built upon previous contact with the Asia Pacific Forum.

Our work on detention in the criminal justice system continued throughout the year with six visits across Magilligan, Hydebank and Maghaberry prisons.

Corporately the Commission has developed a range of new processes and procedures to improve effectiveness and efficiency, including project management, audit and risk training and a new risk management framework.

## **Funding and financial accountability**

The Principal Accounting Officer (the Director General) of the Northern Ireland Office designates the Commission's Director as the Accounting Officer for the Northern Ireland Human Rights Commission.

The Commission operates under a Management Statement and Financial Memorandum agreed with the Northern Ireland Office (NIO), and is financed by grant-in-aid, the allocation of which comes from the NIO.

The Commission's financial statements for 2012–13 have been prepared in accordance with the requirements of paragraph 7(2)(a) of Schedule 7 to the Northern Ireland Act 1998 and in a form directed by the Secretary of State for Northern Ireland with the approval of the Treasury. The financial statements demonstrate the resources we have used to deliver the Commission's objectives. These financial statements have been prepared in accordance with the guidance set out in the Government Financial Reporting Manual for 2012–13 (available at: [www.gov.uk/government/publications/government-financial-reporting-manual](http://www.gov.uk/government/publications/government-financial-reporting-manual)).

The Commission spent its agreed resource allocation from the Northern Ireland Office for 2012–13.

The Commission developed funding opportunities outside of core work to build upon the significant civil service training project funded externally. The Commission secured a Service Level Agreement with the Ombudsman for Northern Ireland for one year in the first instance, with the possibility of two further extensions.

Efficiency was improved in the following areas:

- cross functions working – the Commission developed cross functions working in relation to the policy, investigation, legal and education work to ensure improved quality of services and optimised efficiency;
- human resource processes review – the Commission reviewed human resource processes to ensure optimum efficiency internally; and
- notable aspects of the Commission's expenditure during 2012–13, as compared to the previous year, detailed in Note 4 of the accounts, are highlighted below. Expenditure continued to be reduced across a range of programmes.

Expenditure was reduced in the following areas:

- consultancy – no consultancy services were retained in year in accordance with guidance from central government;
- building maintenance – the Commission secured, as a result of negotiations the provision by the Landlord of a new heating system;
- printing, postage and stationary – building on the considerable savings of previous years the Commission continues to secure savings by efficiency measures within the organisation, and saved a further £2,500; and
- hospitality – the Commission reduced costs of Commission meetings.

Expenditure increased in the following areas:

- advertising, publicity and publications – the Commission developed more information and advice in year than in the previous year including the addition of the Annual Statement. There was an increase of approximately £4,500 in public relations due to a Communications Strategy and there was an increase of approximately £10,400 in publications produced, due in part to additional funding from the NIO to publish a Rights in Progress Report;
- auditors cost increased by £2,000 in accordance with the time required to undertake the audit;
- building, maintenance and expenses – some additional expense (approximately £6,000) was incurred in maintaining the building;
- conferences and seminars – the Commission hosted a range of events in a very busy year of engagements including the significant Annual Statement launch in the Long Gallery, Stormont. The Commission also received additional funding of £15,000 from the NIO for promotion of the human right to culture in post-conflict societies which accounts for the large increase in expenditure from 2011–12;
- IT – Although the Commission concluded a new SLA which saw savings secured through provision of back up services for other organisations, this year also saw the completion of the website development, for which the Commission received additional funding of £28,100 from the NIO, and changes to hosting and management arrangements for the site;

- investigations – additional costs were incurred for the hate crime investigation e.g. translation/transcription expenses not necessary in the previous investigation;
- staff training – this saw a modest rise in accordance with provision and commercial rates; and
- travel, subsistence and hospitality increased by £17,000 – the Commission travelled more overall during the year to secure improved influence and outcomes and as part of that work hosted more events such as the operationalising of a new strategy of engagement which saw events across Northern Ireland.

### Commissioners and Management Team

The Commission is governed by its Commissioners. The following served as Commissioners during 2012–13:

- Professor Michael O’Flaherty
- Ms Christine Collins
- Mr John Corey
- Ms Grainia Long
- Mr Alan McBride
- Ms Marion Reynolds
- Mr Milton Kerr QPM
- Mr Paul Yam MBE

The Commission’s Director is Mrs Virginia McVea. As Accounting Officer, the Director is responsible for maintaining a sound system of internal control. The Governance Statement sets out how this responsibility has been discharged in 2012–13.

Dr David Russell is the Deputy Director.

Details of remuneration can be found in the Remuneration Report.

A register of interests of the Commissioners and the Management Team can be found on our website: [www.nihrc.org](http://www.nihrc.org)

### Corporate governance and risk management

The Commission is committed to ensuring a high standard of corporate governance. We have responsibility for defining strategy and determining resource allocations to ensure the delivery of the Commission’s objectives. The Audit and Risk Committee has clear terms of reference to support the Commission.

All Commissioners have received training in the role and responsibilities of board members of non-departmental public bodies, and induction into the work of the Commission.

The Commission developed a new risk management framework based upon a new software system rather than the previous word documents. The system was developed in order to facilitate improved performance and accountability with for example processes which will allow full calculation of gross and net risk with clear identification of treatments.

Following a reduction of grant-in-aid from the NIO the Commission continued a process of staff restructuring which concluded in the early part of 2012.

There were no complaints to the Parliamentary Ombudsman in 2012–13.

### Audit and Risk Management Committee

The Commission's Audit and Risk Management Committee met four times during the year. A new independent Chair was appointed to the Audit and Risk Management Committee. Audit and risk management training was developed for staff and Commissioners to provide full accountability across the organisation.

The Audit and Risk Management Committee 2012–13 comprised of:

- Dr Bill Smith (Independent Chairperson until 31 May 2012);
- Mr Neil Bodger (Independent Chairperson from 1 July 2012);
- Mr John Corey;
- Ms Marion Reynolds;
- Ms Christine Collins.

The Director, Deputy Director, Finance and Administration Manager, Internal Auditor and External Auditor attend Audit and Risk Management Committee meetings.

The Audit and Risk Management Committee supports the Accounting Officer, and the Commission, by monitoring and reviewing the risk, control and governance systems, and the associated assurance processes. This is achieved by providing an independent perspective and through a process of constructive challenge. The Chairperson or nominated Committee member reports on the activities of the Audit and Risk Management Committee at Commission meetings. Minutes of Audit and Risk Management Committee meetings are circulated to all Commissioners.

### Auditors

The financial statements are audited by the Comptroller and Auditor General. The audit fee for this year is £12,000 (2011–12: £10,000).

The Commission's internal audit is provided independently by ASM.

### Communities

The Commission seeks to support charitable work. We do this through the operation of a payroll-giving scheme which enables Commissioners and staff to make tax effective donations to charity. We also allow community and voluntary sector organisations to use our meeting facilities when possible, and we encourage social events for Commissioners and staff to raise funds for charity. The Commission has used a number of opportunities to advocate the support of the voluntary sector during recession and has sought to provide as much support as possible through increased and enhanced community engagements during the year across Northern Ireland. Free advocacy training was provided to Charities during 2012–13.

### Suppliers

Where available, we buy from Fair Trade sources and the Commission is a member of Fairtrade Belfast.

### Creditor payment, policy and performance

Monthly statistics submitted to the Northern Ireland Office highlight that the Commission has paid 87 per cent of all undisputed invoices within five working days against the Government target of paying 80 per cent of such invoices within this time period (2011–12: (92 per cent)).

## Research and development

The Commission has led more research in 2012–13 than at any time before with for example key projects in transitional justice, housing, travellers, education, procurement and hate crime. Advices on health and human rights and a range of justice issues as well as the portfolio of human rights legal advices, representation and initiation of legal action can be viewed at our website: [www.nihrc.org](http://www.nihrc.org)

The website itself has undergone significant development to make it more accessible and informative. The Commission ran a major project in year to develop new resources for the website and education events. Three short films were made in year in the areas of adequate standard of living, disability and the work of the Commission.

The Commission also worked on a range of international projects with the ICC, Fundamental Rights Agency and Commonwealth Secretariat.

## Staff issues

We are committed to equality of opportunity and promoting good relations in accordance with our Equality Scheme, prepared in compliance with Section 75 of the Northern Ireland Act 1998. The Commission therefore strives to promote equality of opportunity and good relations within the organisation as well as in the activities it conducts. We strive to comply fully with our statutory obligations and we liaise closely with the Equality Commission for Northern Ireland to ensure we work together effectively.

We aim to be an exemplar employer in meeting the requirements of the Disability Discrimination Act 1995 and associated legislation, ensuring that disability is not a bar to recruitment or advancement. All disabled applicants who meet the essential criteria for posts advertised at the Commission are guaranteed an interview.

Our work to promote positive attitudes towards disabled people and encourage participation by disabled people in public life is set out in our annual report to the Equality Commission for Northern Ireland, on the discharge of our duties under the *Disability Discrimination Order 2006*.

During 2012–2013 a new team building project was initiated with all staff and Commissioners attending a ground-breaking training which was followed up by a number of work streams to apply the learning.

## Learning and development

During the year we continued to give high priority to training and developing our entire staff to enhance their professionalism to support the Commission's objectives. As well as the opportunity to engage with a range of international experts who were invited to the Commission staff were involved in team building training with Commissioners and project management training. Staff participated in an event with the former Chair of the ICC and benefited from individual training opportunities such as IT training.



### Employee consultation

Our Strategic Plan is implemented through our staff. We recognise that involving staff in planning and decision-making is essential in achieving business objectives. The Northern Ireland Public Service Alliance (NIPSA) is the Commission's recognised trade union.

This year the Commission initiated a human rights based approach to strategic planning which is unique among National Human Rights Institutions. This approach involved a number of facilitated sessions with staff to develop the strategy and then joint engagements with staff and Commissioners.

### Health and safety

We recognise and accept our legal responsibilities in relation to the health, safety and welfare of our employees and for all people using our premises. We comply with the *Health and Safety at Work (Northern Ireland) Order 1978* and all other appropriate legislation.

The Commission's Joint Negotiating and Consultative Committee (JNCC) with NIPSA, which meets quarterly, also functions as the Commission's Health and Safety Management Committee. Health and safety matters are a standing item on JNCC agendas.

Three members of staff have been trained in first aid, with one designated as the Health and Safety Officer.

The Commission continued to use an Employee Assistance Programme which provides 24-hour access to counselling and support services for Commissioners, staff and close family members.

### Personal data

We are committed to safeguarding all retained personal data. Risks in this area are recorded in the Commission's risk register and the Audit and Risk Management Committee receives regular reports on activities to minimise the likelihood of the occurrence of these, and other, risks. No personal data-related incidents occurred during 2012–13.

The Commission participated in NIO led information security sessions and complied with all recommendations and requirements arising.

### Future developments

The new Commission strategic plan for 2013–16 is available on our website at [www.nihrc.org](http://www.nihrc.org). The new business plan for the period 2013–14 is also available. These plans prioritise the most marginal and vulnerable in Northern Ireland and takes full account of reduced economic circumstances. Overall the Commission strives to ensure public interest and value for money in corporate planning.

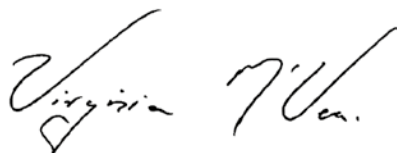
### Days lost due to absence

The Commission encourages a culture where good attendance is expected and valued. However, we recognise that from time to time absences for medical reasons may be unavoidable. We aim to treat staff who are ill with sympathy and fairness and where possible provide them with support which will enable them to recover their health and attend work regularly. This approach is reflected in the Commission's Leave and Attendance Management Policy, which has been agreed with NIPSA. The Commission has noted a significant reduction in days lost due to absence in this business year.

The percentage of working days lost in 2012–13 was 6.4 per cent or an average of 16 days a year per employee (2011–12: 10.8 per cent and 29 days respectively).

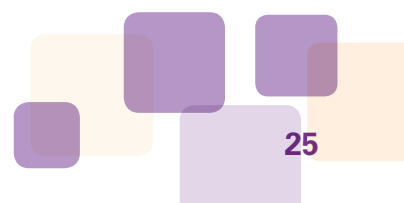
#### Disclosure of audit information

As Accounting Officer, I confirm that I have taken all steps to ensure that I am aware of any relevant audit information and to ensure the Commission's auditors are aware of that information. As far as I am aware, there is no relevant information of which the Commission's auditors are unaware. The auditor has not received any remuneration for non-audit work.



**Virginia McVea**  
Accounting Officer

Date: 8 July 2013



# Remuneration Report

## Remuneration policy

The remuneration of the Chief Commissioner and Commissioners is determined by the Secretary of State for Northern Ireland.

The Director's post is graded within the Senior Civil Service (SCS). Pay and performance management arrangements for this post are in line with guidance issued by the Cabinet Office: *Guidance for Approval of Senior Pay* (applicable from June 2010) and *HR Practitioners' Guide to SCS Reward, Benefits & Recruitment for 2010–11*. Increases in the Director's base pay, and the level of performance-related bonuses, are linked to average increases for SCS staff within the Northern Ireland Office.

The remuneration of Commission staff aligns with those of the Northern Ireland Civil Service, in common with its sister organisations. These pay arrangements continue to be performance-related. Performance is appraised by line managers in respect of achievement of agreed objectives.

The Chairperson of the Commission's Audit and Risk Management Committee was appointed through open competition from 1 July 2012. The Chairperson is remunerated at a rate of £350 per meeting (the Committee usually meets four times per year) and £350 per day (pro rata) for other work undertaken on behalf of, and at the request of, the Commission.

The other members of the Audit and Risk Management Committee are Commissioners Christine Collins, John Corey and Marion Reynolds. They do not receive any additional remuneration for attendance at Committee meetings.

## Contracts of employment

The Chief Commissioner and Commissioners are public appointments made by the Secretary of State for Northern Ireland in line with the requirements of the Northern Ireland Act 1998 and guidelines laid down by the Commissioner for Public Appointments ([www.ocpa.gov.uk](http://www.ocpa.gov.uk)). Appointments cannot be for more than five years at a time for the Chief Commissioner and for more than three years at a time for Commissioners. There is an option for a second term of appointment, at the Secretary of State's discretion. The Secretary of State will normally give three months' notice if an appointment is terminated.

Staff appointments are made in accordance with the Commission's recruitment and selection policy, which requires appointments to be made strictly on merit and through fair and open competition. Early termination, other than for misconduct, would normally result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

The Commission's age retirement policy enables members of staff who have reached the age at which they are entitled to draw their Commission pension (which for most staff is their sixtieth birthday) to choose the age at which they will retire.

## Remuneration (audited information)

The following section provides details of the remuneration and pension interests of the Commissioners and the Commission's Management Team.

	2013 Remuneration	2013 Benefit in Kind	2012 Remuneration	2012 Benefit in Kind
	£'000	To nearest £100	£'000	To nearest £100
<b>Professor Michael O'Flaherty</b> Chief Commissioner	75–80	0	40–45 <sup>1</sup>	0
<b>Ms Christine Collins</b> Commissioner	5–10	800	5–10	300 <sup>2</sup>
<b>Mr John Corey</b> Commissioner	5–10	0	5–10	0
<b>Mr Milton Kerr QPM</b> Commissioner	5–10	1,300	5–10	700 <sup>2</sup>
<b>Ms Grainia Long</b> Commissioner	5–10	0	5–10	0
<b>Mr Alan McBride</b> Commissioner	5–10	0	5–10	0
<b>Ms Marion Reynolds</b> Commissioner	5–10	300	5–10	100 <sup>2</sup>
<b>Mr Paul Yam MBE</b> Commissioner	5–10	200	5–10	300 <sup>2</sup>
<b>Dr Bill Smith</b> Chair of the Audit and Risk Management Committee (until 31 May 2012)	0–5	0	0–5	0
<b>Mr Neil Bodger</b> Chair of the Audit and Risk Management Committee (from 1 July 2012)	0–5	0	0	0
<b>Mrs Virginia McVea</b> Director	60–65	0	55–60	0
<b>Dr David Russell</b> Deputy Director	45–50	0	45–50	0
<b>Mr Don Leeson</b> Head of Corporate Services (until 15 July 2011)	0	0	20–25 <sup>3</sup>	0
<b>Mr Ciarán Ó Maoláin</b> Head of Legal Services, Policy and Research (until 15 July 2011)	0	0	15–20 <sup>4</sup>	0

1. Figure quoted is for the period 19 September 2011 to 31 March 2012. The full year equivalent is £75–80k.
2. Figure quoted is for the period 1 September 2011 to 31 March 2012.
3. Figure quoted is for the period 1 April 2011 to 15 July 2011. The full year equivalent is £45–50k.
4. Figure quoted is for the period 1 April 2011 to 15 July 2011. The full year equivalent is £45–50k.

	2013	2012
	£000	£000
<b>Band of highest paid employee's total remuneration:-</b>		
– Including severance pay:	<b>75-80</b>	75-80
<b>Median Total Remuneration:-</b>		
– Including severance pay:	<b>28</b>	22
<b>Ratio – Including severance pay</b>	<b>2.77</b>	3.53

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

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 pay multiple has reduced as, although overall staff numbers have reduced, there were then more staff on a higher salary than in 2012.

## Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; and any other allowance subject to UK taxation.

This presentation is based on accrued payments made by the Commission and thus recorded in these accounts.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument (salary). Mileage Allowance Payments for Commissioners are classed as a benefit in kind and relate to the use of their own vehicles for travel to the Commission's office for meetings.

Benefits in kind paid during the 2012-13 financial year were £2,600 (2011-12: £1,600).

## Pension benefits (audited information)

### Commissioners

The Commission is liable for pension contributions of:

£8,344 to the University of Nottingham and an accrual of £1,669 for the year ended 31 March 2013 for Professor Michael O’Flaherty (2011–12: £5,386).

No further pension contributions were made for Commissioners in the year ended 31 March 2013 (2011–12: £nil).

### Chairperson of the Audit and Risk Management Committee

Pension contributions of £236 were made for the outgoing Chairperson of the Audit and Risk Management Committee (2011–12: £365).

No pension contributions were made for the new Chairperson of the Audit and Risk Management Committee in the year ended 31 March 2013.

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, Commission staff may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial 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. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium.

## Management Team

	Accrued pension at pension age as at 31/3/13 and related lump sum <b>£000</b>	Real increase in pension and related lump sum at pension age <b>£000</b>	CETV at 31/3/13 <b>£000</b>	CETV at 31/3/12* <b>£000</b>	Real increase in CETV <b>£000</b>	Employer contribution to partnership pension account <b>Nearest £100</b>
<b>Virginia McVea</b> Director	0-5 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	Current 25 Preserved 34	Current 11 Preserved 32	Current 10 Preserved 1	0
<b>David Russell</b> Deputy Director	5-10 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	42	31	6	0

In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3 per cent

of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent 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 already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website: [www.civilservice.gov.uk/my-civil-service/pensions](http://www.civilservice.gov.uk/my-civil-service/pensions).

### 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 figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to 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 that is 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.



**Virginia McVea**  
Accounting Officer

Date: 8 July 2013



## Statement of Accounting Officer's Responsibilities

Under Section 7(2)(a) of Schedule 7 to the Northern Ireland Act 1998, the Secretary of State for Northern Ireland (with the consent of HM Treasury) has directed the Northern Ireland Human Rights Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the Northern Ireland Human Rights Commission's state of affairs at the year end and of its income and 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 HM Treasury's *Financial Reporting Manual* and, in particular, to:

- observe the Accounts Direction issued by the Secretary of State for Northern Ireland, 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 HM Treasury's *Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Northern Ireland Office has designated the Director as Accounting Officer of the Northern Ireland Human Rights Commission. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Human Rights Commission's assets, are set out in *Managing Public Money*, published by HM Treasury.

# Governance Statement

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Ireland Human Rights Commission's policies, aims and objectives, as set by Commissioners, and approved by the Secretary of State for Northern Ireland, whilst safeguarding the public funds and the Commission's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*. Our focus is upon outcomes and robust governance procedures which are designed to ensure that risk and opportunity are clearly identified and responded to.

The Commission complies as far as is relevant with the guidance provided in the corporate governance code for central government departments.

As a non-departmental public body (NDPB), sponsored by the Northern Ireland Office, responsible to Parliament through the Secretary of State for Northern Ireland the governance framework of the organisation includes a Financial Statement and Management Agreement. The Commissioners also operate in accordance with Standing Orders and guidance on corporate governance as well as agreed principles of public service in the Nolan Principles. The Chief

Commissioner and Commissioners have corporate responsibility for promoting the efficient and effective use of staff and other resources by the Commission, demonstrating high standards of corporate governance at all times. This role includes ensuring that they receive and review regular financial information concerning the management of the Commission, are informed in a timely manner about any concerns about the activities of the Commission, and provide assurance to the sponsoring Department that appropriate action has been taken on such concerns.

Discussions on financial matters and risk are normally held with officials at the NIO, rather than directly with Ministers. The NIO has in ongoing formal meetings confirmed the Commission's fulfilment of assurances. However, the Chief Commissioner and Commissioners have access to the Secretary of State on request. The Chief Commissioner has met twice with the Secretary of State Owen Paterson and latterly Theresa Villiers.

Commissioners, as part of the development session, reviewed their performance with the former Chair of the UN International Co-Ordinating Committee Rosslyn Noonan. During this session the Commission identified key areas of focus for its work moving forward to ensure robust evidence based assurance.

## Commissioners' Meetings

The Commission met 11 times during the reporting period.

### The following served as Commissioners from April 2012 – August 2013

	Meetings attended
Professor Michael O'Flaherty	9
Ms Christine Collins	8
Mr John Corey	11
Mr Milton Kerr QPM	11
Ms Grainia Long	9
Mr Alan McBride	9
Ms Marion Reynolds	10
Mr Paul Yam MBE	10

## Audit and Risk Management Committee Meetings

### The Audit and Risk Management Committee met 4 times during the reporting period.

	Meetings attended
Dr Bill Smith (Independent Chairperson until 31 May 2012)	1
Mr Neil Bodger (Independent Chairperson from 1 July 2012)	2
Ms Christine Collins	4
Mr John Corey	3
Ms Marion Reynolds	4

The Audit and Risk Management Committee report as required and at least annually to the full Commission board through the Independent Chair of the Committee. Audit and Risk Committee papers are available to all Commissioners. The new Commission works through one Commission meeting only and has no separate standing Committees other than that of Audit and Risk. The Commission is also represented by Commissioners and staff on the joint Independent Monitoring Committee with the Equality Commission for Northern Ireland.

During this year the Commission has met 11 times. Commission minutes have been made available and the report of the Audit and Risk Management Committee will be tabled in August 2013 for consideration.

There were no lapses of data security to report.

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. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Commission's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Commission for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The Commission's risk management framework, involves Commissioners and staff in reviewing and assessing risk on a regular basis, so that risk is an integral part of the ongoing planning and monitoring processes of the Commission. This process is being enhanced through development of project management, process and skills.

The Chairperson of the Commission's Audit and Risk Management Committee, who is independent of the Commission, also provides an additional source of expertise for management and Commissioners to consult on specific issues as they arise.

The Commission has a continuous, proactive and systematic approach to understand, manage and communicate risk across the organisation. The new risk management framework is comprehensive and involves Commissioners, managers and staff as follows:

- overall responsibility for ensuring that risks are identified and an appropriate framework is in place to manage those risks down to an acceptable level rests with the Commission's Accounting Officer;
- individual members of staff can be nominated as 'risk owners' delegated with responsibility from the Director for monitoring and reporting on specific risks within their area of work;
- the risk register, and the effectiveness of activities to manage identified risks, is reviewed monthly by the Management Team;
- the Audit and Risk Management Committee, which meets quarterly, reviews the entire risk register and reports to the Commission, through the Director, on the effectiveness of activities to manage identified risks following each meeting;
- the Commission reviews the risk register and the effectiveness of the risk management framework;
- the external environment is assessed for any opportunistic new risks as part of the annual business planning process and in addition for the new strategic plan; and
- information risk is managed by the Commission within the context of the risk management framework. The Commission seeks to manage down the likelihood of the risk materialising through an Information

Assurance Policy and Information and Communications Technology (ICT) policies and procedures, supported by training for staff on these. The Commission has liaised closely with the NIO network to ensure compliance.

The Commission managed and significantly mitigated the following principle key risks:

- reputation – the new human rights based approach to strategic planning focused on external perception, opportunities and risk. Commissioners and staff abide by and act in accordance with the Code of Governance and staff Code of Conduct respectively; additional training for Commissioners from the former Chair of the International Co-Ordinating Committee was designed to enhance reputation;
- effectiveness and efficiency – financial reports are presented to each management meeting, Audit and Risk Management Committee meeting and Commission meeting, setting out expenditure and commitments, performance against profile and forecast outturn. There is also regular liaison with the NIO on financial performance. An effectiveness and efficiency plan for managing the Commission's reduced budget allocation for 2012–13 and beyond was presented to the NIO in December 2011. A new project management approach was developed in year to ensure time, budget and quantity are clearly identified, maintained and consequently controlled to ensure optimum value for money for the public;

- legal costs – the Commission continued with processes to estimate and monitor legal costs in supported cases in order to ensure proper management of public monies and ultimately result in costs coming within budget;
- information security – staff completed the new online training package on protecting information and the Commission’s Information Assurance Policy and audit compliance was implemented. As outlined above, enhanced engagement with other NDPBs as sponsored by NIO was developed and the Commission has valued the increased opportunity to share learning and models of best practice; and
- industrial relations – the Commission developed a team building programme which in stage one with Commissioners and staff received very positive feedback. Stage two was applied learning in key organisational teams.

In addition to the mechanisms outlined above, as Accounting Officer, I have been advised on the effectiveness of the system of internal governance by the Commission (the Board), the Audit and Risk Management Committee and a plan to address identified further weaknesses and ensure continuous improvement of the system is in place.

The Audit and Risk Management Committee comprises an independent Chairperson, who has extensive financial management experience at a senior level in the public sector, who was appointed following an open recruitment competition, and up to four Commissioners with a range of experience in corporate governance. Both the Commission’s

internal and external auditors also attend Audit and Risk Management Committee meetings, as well as a representative of the Northern Ireland Office.

As outlined, Audit and Risk Management Committee minutes are tabled at Commission meetings and the Committee reports annually to the Commission. Furthermore, the Chairperson has direct access to the Director and Chief Commissioner as appropriate.

The Audit and Risk Management Committee reviews its effectiveness by assessing its operation and constitution against good practice guidelines issued by the National Audit Office. It also benchmarks itself against practice in sister organisations, through discussions between the Chair of the Audit and Risk Management Committee and his counterparts.

An annual Learning and Development Plan is agreed for the Audit and Risk Management Committee each year to help ensure that Committee members have the knowledge and skills to perform their role effectively and maintain a focus on continuous improvement.

The Audit and Risk Management Committee reviews the effectiveness of the Commission’s internal control mechanisms, including receiving and approving internal audit plans and reports and approving the Commission’s Financial Procedures Manual and significant changes to it. The Committee also oversees the risk management framework and reporting to the Commission on the effectiveness of activities to manage the occurrence or impact of identified risks. The Committee furthermore reviews all international travel undertaken by

Commissioners and staff, expenses claims submitted by the Chief Commissioner and the Director, and purchases over £1,000, with a particular focus on any contracts let by single tender action. As an additional reputational safeguard, the Chair of the Committee discharges the role of Authorising Officer for the Chief Commissioner's travel and expenses claims.

The Committee contributed an audit, risk management and value perspective to the development of the Commission's strategic and business plans, and of its policies across a range of issues including sickness, complaints and performance appraisal.

The Commission's Strategic Internal Audit Plan covered the period 2012–13. This focused audit activity on areas of greatest risk, and provided comprehensive assurance of the effectiveness of our system of internal control. The most recent audit took place in November 2012 and covered:

- IT
- information security
- business continuity planning

This audit also followed up on recommendations arising from the previous internal audit that took place in 2011.

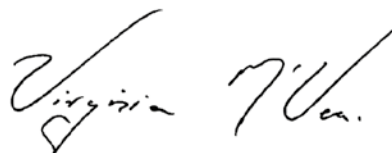
The internal audit concluded that the overall level of control within the Commission is satisfactory, and identified areas for further improvement, for which an action plan was agreed by the Commission's Audit and Risk Management Committee – progress in implementing the action plan is reported to each Committee meeting.

Commissioners receive monthly reports on financial performance and audit activity, and regular updates on the risk register. The recent internal audit awarded a substantial assurance rating to the financial and management information provided.

Internal audit for the period gave an assurance rating of satisfactory across the systems examined, being:

- IT
- Information Security
- Business Continuity Planning

There are no significant internal control issues within the Commission at present.



**Virginia McVea**  
Accounting Officer

Date: 8 July 2013

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of Northern Ireland Human Rights Commission for the year ended 31 March 2013 under the Northern Ireland Act 1998. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Commission, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Commission 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. My responsibility is to audit, certify and report on the financial statements in accordance with the Northern Ireland Act 1998. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Northern Ireland Human Rights Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Human Rights Commission; and the overall presentation of the financial statements.

In addition I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

## Opinion on Regularity

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

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Northern Ireland Human Rights Commission's affairs as at 31 March 2013 and of its net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Northern Ireland Act 1998 and Secretary of State directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Northern Ireland Act 1998; and
- the information given in the Chief Commissioner's Foreword and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; 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 HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.

**Amyas C E Morse**

**Comptroller and Auditor General**

**National Audit Office  
157–197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP**

Date: 12 July 2013



# Financial Statements for the Year Ended 31 March 2013

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2012

	Notes	2013 £	2012 £
<b>Expenditure</b>			
Staff costs	3	845,815	1,059,903
Other Operating costs	4	635,408	539,637
Depreciation	4	49,457	65,829
Net (upward)/downward revaluation (credited)/charged to General Reserve	4	(1,073)	(2,110)
<b>Total expenditure</b>		<b>1,529,607</b>	<b>1,663,259</b>
<b>Income</b>			
Other income	5	(108,501)	–
<b>Total income</b>		<b>(108,501)</b>	–
<b>Net expenditure</b>		<b>1,421,106</b>	<b>1,663,259</b>
Interest payable		0	43
<b>Net expenditure after interest</b>		<b>1,421,106</b>	<b>1,663,302</b>
<b>Total Comprehensive Expenditure for the year ended 31 March</b>		<b>1,421,106</b>	<b>1,663,302</b>

All amounts above relate to continuing activities.

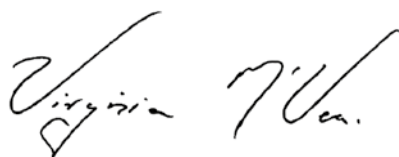
The notes on pages 44 to 58 form part of the financial statements.

## Statement of Financial Position as at 31 March 2013

	Notes	31 March 2013		31 March 2012	
		£	£	£	£
<b>Non-current assets:</b>					
Property, plant and equipment	6		78,298		122,719
Intangible	7		4,516		0
<b>Total non-current assets</b>			<b>82,814</b>		<b>122,719</b>
<b>Current assets:</b>					
Trade and other receivables	9	35,584		18,823	
Cash and cash equivalents	10	364,883		492,921	
<b>Total current assets</b>			<b>400,467</b>		<b>511,744</b>
<b>Total assets</b>			<b>483,281</b>		<b>634,463</b>
<b>Current liabilities:</b>					
Trade and other payables	11		(305,980)		(313,287)
Provisions – other	12		0		(126,668)
Provisions – legal	12		(61,346)		(90,991)
<b>Total current liabilities</b>			<b>(367,326)</b>		<b>(530,946)</b>
<b>Total assets less current liabilities</b>			<b>115,955</b>		<b>103,517</b>
<b>Non-current liabilities:</b>					
Other payables	11		0		–
Provisions – legal	12		(39,784)		(146,840)
<b>Assets less liabilities</b>			<b>76,171</b>		<b>(43,323)</b>
<b>Taxpayers Equity</b>					
General reserve			76,171		(43,323)
			<b>76,171</b>		<b>(43,323)</b>

The notes on pages 44 to 58 form part of the financial statements.

The financial statements on pages 40 to 58 were approved by the Commission on 28 June 2013.



**Virginia McVea**  
Accounting Officer

Date: 8 July 2013

Statement of Cash Flows for the Year Ended 31 March 2013

	Notes	2013	2012
		£	£
<b>Cash flows from operating activities</b>			
Net Expenditure after interest		(1,421,106)	(1,663,302)
Decrease/(increase) in trade and other receivables	9	(16,762)	19,875
Increase/(decrease) in trade payables	11	(7,307)	135,129
Depreciation and Amortisation	4	49,457	65,829
Net (upward)/downward property revaluation	4	(1,073)	(2,110)
Use of provisions	12	(263,369)	97,829
<b>Net cash outflow from operating activities</b>		<b>(1,660,160)</b>	<b>(1,346,750)</b>
<b>Cash flows from investment activities</b>			
Purchase of property, plant and equipment		(1,873)	(3,901)
Purchase of intangible assets		(6,605)	–
<b>Net cash outflow from investing activities</b>		<b>(8,478)</b>	<b>(3,901)</b>
<b>Cash inflow from financing activities</b>			
Funding from Parent Department		1,540,600	1,561,000
<b>Net cash outflow from financing activities</b>		<b>1,540,600</b>	<b>1,561,000</b>
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>	10	<b>(128,038)</b>	<b>210,349</b>
<b>Cash and cash equivalents at the beginning of the period</b>	10	<b>492,921</b>	<b>282,572</b>
<b>Cash and cash equivalents at the end of the period</b>	10	<b>364,883</b>	<b>492,921</b>

The notes on pages 44 to 58 form part of the financial statements.

## Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2013

	General Reserve £	Total Reserves £
<b>Changes in taxpayers' equity for 2011–12</b>		
<b>Balance at 31 March 2011</b>	58,979	58,979
<b>Decrease/(Increase) in provision</b>		
<b>Balance at 1 April 2011</b>	58,979	58,979
	<b>58,979</b>	<b>58,979</b>
Comprehensive Expenditure for the year	(1,663,302)	(1,663,302)
Revaluation of Leasehold improvements	–	–
<b>Grants from NIO</b>	<b>1,561,000</b>	<b>1,561,000</b>
<b>Balance at 31 March 2012</b>	<b>(43,323)</b>	<b>(43,323)</b>
<b>Changes in taxpayers' equity for 2011–12</b>		
Comprehensive Expenditure for the year	(1,421,106)	(1,421,106)
Revaluation of Leasehold improvements	–	–
<b>Grants from NIO</b>	<b>1,540,600</b>	<b>1,540,600</b>
<b>Balance at 31 March 2013</b>	<b>76,171</b>	<b>76,171</b>

The notes on pages 44 to 58 form part of the financial statements.

# Notes to the Financial Statements for the Year Ended 31 March 2013

## 1a. Statement of accounting policies 1.2 Critical accounting estimates and key judgements

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) for 2011–12, issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS), as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Northern Ireland Human Rights Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Northern Ireland Human Rights Commission for the year ending 31 March 2013 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the historical cost convention, modified to account for the revaluation of property, plant and equipment.

The accounts comply with the accounting standards issued or adopted by the Accounting Standards Board, FReM and accounting and disclosure requirements issued by HM Treasury, insofar as those requirements are appropriate.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires the Commission to exercise judgement in the process of applying the accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

#### (i) Depreciation of property, plant and equipment

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.7.

#### (ii) Impairment of property, plant and equipment

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

(iii) Provisions

The Commission provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation.

**1.3 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2013**

The Commission has reviewed the standards, interpretations and amendments to published standards that became effective during 2012–13 and which are relevant to its operations. The Commission considers that the adoption of these standards has not had a significant impact on its results or financial position.

**1.4 Accounting standards, interpretations and amendments to published standards not yet effective**

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Commission's accounting periods beginning on or after 1 April 2012, or later periods, but which the Commission has not adopted early. The Commission does not anticipate that the adoption of these standards will have a material impact on the Commission's accounts in the period of initial application.

**1.5 Income**

Other income is received from contributions to joint research and other projects, including grant

income from other sources, and is credited to the Statement of Comprehensive Net Expenditure as Operating Income.

**1.6 Grant-in-aid**

Grant in aid is credited directly to the General Reserve as it is regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest in the Commission.

**1.7 Property, plant and equipment and depreciation**

Property plant and equipment comprises leasehold improvements to Temple Court, fixtures and fittings and information technology equipment at fair value.

Items of property, plant and equipment are capitalised if they are intended for use on a continuous basis and their individual original purchase cost is £1,000 or more. Items with an individual cost of less than £1,000 but, when taken together, represent a significant investment will be grouped.

Leasehold improvement expenditure has been capitalised and is restated at current cost using professional valuations. Valuations are carried out annually using indices compiled by the Office for National Statistics, and every third year by professional external valuers employed by the Land and Property Services (Valuations) in accordance with the Appraisal and Valuation Manual prepared and published by the Royal Institution of Chartered Surveyors, as at 31 March. The last valuation was carried out in October 2010.

Any surplus/loss on revaluation is treated as follows:

- Unrealised surplus arising from revaluation of property, plant and equipment is credited to the Revaluation Reserve unless it reverses a revaluation decrease of the same asset previously charged to the Statement of Comprehensive Net Expenditure;
- Losses arising from the revaluation of property, plant and equipment are debited to the Revaluation Reserve to the extent that gains were recorded previously, and otherwise to the Statement of Comprehensive Net Expenditure.

All property, plant and equipment are reviewed annually as part of an inventory check against the Commission's asset register.

All other property, plant and equipment is valued on the basis of historical cost less depreciation as an approximation of fair value due to short life or low value of the individual assets.

Depreciation is provided on a straight line basis at rates calculated to write-off the cost less estimated residual value of each asset over its expected useful life. The estimated useful lives for depreciation purposes are:

Leasehold improvements:  
10 years (or the life of the lease, whichever is least)

Computer equipment: 3 years

Fixtures, fittings and equipment:  
5 years

## 1.8 Intangible assets

Purchased computer software licences are capitalised as intangible assets where expenditure of £1,000 or more is incurred and are depreciated on a straight line basis over three years.

## 1.9 Operating leases

Rentals payable under operating leases are charged against the Statement of Comprehensive Net Expenditure on a straight line basis over the lease term.

## 1.10 Finance leases

The Commission do not currently have any finance leases.

## 1.11 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) which are described in Note 3. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Commission 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 PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Commission recognises the contributions payable for the year.

Separate arrangements are in place for the Chief Commissioner's pension scheme, which is not part of PCSPS, in that 13% pension contributions are made to the University Superannuation Scheme.

### 1.12 Value Added Tax

The Commission is ineligible to reclaim input VAT on expenditure. Therefore, all expenditure is inclusive of VAT.

### 1.13 Legal casework expenditure

Section 70 of the Northern Ireland Act 1998 enables the Commission to support legal cases in relation to the protection of human rights. Some of these cases can span several years.

In some cases, costs are recoverable from the respondent if the applicant is successful. Given this, while the Commission decides to support cases, contingent on the outcome, payments are not normally made until judgment is passed, and the judge decides on a cost order (ie whether the 'losing' side should pay all costs or each side should bear their own costs). Given that a criterion for Commission support is whether a case has a 'reasonable chance of success', it does not expect to incur costs in many cases. However, cases can be lost. In these cases, it is possible that the applicant could be asked to pay the respondent's costs. Where this happens, the Commission may pay these costs on behalf of the applicant. Any such potential liabilities are noted in the financial statements as contingent liabilities or provisions.

### 1.14 Provisions

The Commission provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation.

### 1.15 Staff Costs

Under IAS19 Employee Benefits legislation, all staff costs must be recorded as an expense as soon as the Commission is obligated to pay them. This includes the cost of any untaken leave as at the year-end.

## 2. Analysis of net expenditure by segment

In line with the provisions of IFRS 8, Operating Segments, the Commission does not analyse its net expenditure by operating segment as it has concluded that it has no separately identifiable operating segments. This conclusion is based on the Commission's current system/ format of internal management reporting to the Board, who consider financial performance at whole organisation level.



### 3. Staff numbers and related costs

	2012–13 total £	Commissioners £	Permanently employed staff £	Others £	2011–12 total £
Wages and salaries	680,894	147,000	465,072	68,822	900,146
Social security costs	54,515	12,025	40,962	1,528	57,337
Other pension costs	110,406	10,013	96,605	3,788	102,420
<b>Total staff costs</b>	<b>845,815</b>	<b>169,038</b>	<b>602,639</b>	<b>74,138</b>	<b>1,059,903</b>

Details of the pension contributions of £10,013 payable in respect of Commissioners (2011–12: £9,973) are described in the Remuneration Report.

The Commission’s staff are covered by the Principal Civil Service Pension Scheme (PCSPS). PCSPS is an unfunded multi-employer defined benefit scheme but the Commission is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice.gov.uk/my-civil-service/pensions](http://www.civilservice.gov.uk/my-civil-service/pensions)).

For 2012–13, employers’ contributions of £100,496 were payable to PCSPS (2011–12: £92,010) at one of four rates in the range 16.7 per cent to 21.8 per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2012–13 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 £224 were paid to one or more of the panel of three appointed stakeholder pension providers (2011–12: £347). Employer contributions are age-related and range from 3 per cent to 12.5 per cent of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £12, 0.8 per cent of pensionable pay, were payable to PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees (2011–12: £18).

Contributions due to the partnership pension providers at the reporting date were £nil (2011–12: £72).

One staff member retired early on ill-health grounds during 2012–13.

### Average number of persons employed

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

	2012–13 total	Commissioners	Permanently employed staff	Others	2011–12 total
Directly employed	19.0	2.0	15.0	2.0	20.0
Other	2.0	0.0	0.0	2.0	2.0
<b>Total</b>	<b>21.0</b>	<b>2.0</b>	<b>15.0</b>	<b>4.0</b>	<b>22.0</b>

### Reporting of Civil Service and other compensation schemes – exit packages

There were no exit packages in 2012–13.

There were two compulsory redundancy payments made in 2011–12, one of £35–40k and one of £30–35k; and two compensation in lieu of notice payments of £5–10k.

Redundancy and compensation in lieu of notice payments of £80k which were paid in April 2012 were accrued and provided for in 2011–12.

#### 4. Other expenditure

	2013	2012
	£	£
Accountancy fees	1,032	1,000
Advertising, publicity and publications	44,458	28,450
Auditor's (NAO) remuneration	12,000	10,000
Atlantic Philanthropies Education Project	86,303	0
Bill of Rights	0	(142)
Building maintenance and expenses	27,614	20,688
Conferences and seminars	20,495	1,157
Consultancy	0	3,194
Education	0	376
Insurance	8,004	8,578
Internal audit	4,408	8,659
Investigations	60,601	20,844
IT	47,275	27,161
Legal casework (non-recoverable)	42,842	18,076
Light and heat	22,833	23,193
Other expenses	848	892
Printing, postage and stationery	12,867	15,453
Professional fees	32,816	150,793
Rates	45,593	49,459
Rentals under operating leases	101,468	103,941
Rental for car park	1,995	2,676
Staff training and recruitment	14,604	13,829
Telephone	9,170	10,476
Travel, subsistence and hospitality	38,182	20,884
	<b>635,408</b>	<b>539,637</b>
<b>Non-Cash Items:</b>		
Depreciation and Amortisation	49,457	65,829
Net (upward) revaluation on property	(1,073)	(2,110)
	<b>683,792</b>	<b>603,356</b>

## 5. Income

The Commission spent £88,177 (£86,303 other expenditure and £1,874 asset) of the £110,000 deferred income received from The Atlantic Philanthropies for a programme of work on Education (2011–12 £nil). The balance of £21,823 has been deferred and will be used in the programme of work in 2013–14.

The Commission also received income of £20,324 as part of a service level agreement with the Northern Ireland Ombudsman office.

## 6. Property, plant and equipment

<b>2012–13</b>	<b>Leasehold Improvements</b>	<b>Information technology</b>	<b>Furniture &amp; fittings</b>	<b>Education Project IT</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 April 2012	179,095	146,539	197,093	0	522,727
Additions	0	0	0	1,874	1,874
Disposals	0	0	0	0	0
Revaluation	1,608	0	0	0	1,608
At 31 March 2013	180,703	146,539	197,093	1,874	526,209
<b>Depreciation</b>					
At 1 April 2012	77,913	135,602	186,493	0	400,008
Charged in year	30,774	7,447	8,766	381	47,368
Disposals	0	0	0	0	0
Revaluation	535	0	0	0	535
At 31 March 2013	109,222	143,049	195,259	381	447,911
Net book value at 31 March 2013	71,481	3,490	1,834	1,493	78,298
Net book value at 31 March 2012	101,182	10,937	10,600	0	122,719
Asset financing:					
Owned	71,481	3,490	1,834	1,493	78,298
Finance leased	0	0	0	0	0
Net book value at 31 March 2013	71,481	3,490	1,834	1,493	78,298

<b>2011-12</b>	<b>Leasehold Improvements</b>	<b>Information technology</b>	<b>Furniture &amp; fittings</b>	<b>Education Project IT</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 April 2011	176,280	145,570	200,238	0	522,088
Additions	0	3,901	0	0	3,901
Disposals	0	(2,932)	(3,145)	0	(6,077)
Revaluation	2,815	0	0	0	2,815
At 31 March 2012	179,095	146,539	197,093	0	522,727
<b>Depreciation</b>					
At 1 April 2011	35,255	127,863	176,433	0	339,551
Charged in year	41,953	10,671	13,205	0	65,829
Disposals	0	(2,932)	(3,145)	0	(6,077)
Revaluation	705	0	0	0	705
<b>At 31 March 2012</b>	77,913	135,602	186,493	0	400,008
Net book value at 31 March 2012	101,182	10,937	10,600	0	122,719
Net book value at 31 March 2011	141,025	17,707	23,805	0	182,537
Asset financing:					
Owned	101,182	10,937	10,019	0	122,138
Finance leased	0	0	581	0	581
Net book value at 31 March 2012	101,182	10,937	10,600	0	122,719

## 7. Intangible Assets

	2012–13	2011–12
	£	£
<b>Cost or valuation</b>		
At 1 April	0	0
Additions	6,605	0
Disposals	0	0
Revaluation	0	0
At 31 March 2013	6,605	0
<b>Amortisation</b>		
At 1 April	0	0
Charged in year	2,089	0
Disposals	0	0
Revaluation	0	0
At 31 March 2012	2,089	0
Net book value at 31 March 2013	4,516	0

## 8. Financial instruments

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

The Commission has no powers to borrow or invest surplus funds and has limited year end flexibility. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Commission in undertaking activities.

### Liquidity risk

The Commission is financed by grant-in-aid from the Northern Ireland Office and is accountable to Parliament through the Secretary of State for Northern Ireland and is not therefore exposed to significant liquidity risk.

## Interest rate risk

All financial assets and financial liabilities of the Commission carry nil rates of interest and therefore the Commission is not exposed to significant interest rate risk.

## Currency risk

The Commission does not trade in foreign currency and therefore has no exposure to foreign currency risk.

## Fair values

The book value and fair value of the Commission's financial assets and financial liabilities as at 31 March 2013 are set out below:

### Primary financial instruments:

Financial assets	2012/13	2011/12
	Book value/ Fair value	Book value/ Fair value
	£	£
Cash and cash equivalents	364,883	492,921

## 9. Trade receivables and other current assets

	2012-13	2011-12
	£	£
Amounts falling due within one year:		
Trade Receivables	16,253	0
Prepayments and accrued income	19,331	18,823
	<b>35,584</b>	<b>18,823</b>

## 10. Cash and cash equivalents

	2012-13	2011-12
	£	£
<b>Balance at 1 April</b>	492,921	282,572
Net change in cash and cash equivalent balances	(128,038)	210,349
<b>Balance at 31 March</b>	<b>364,883</b>	<b>492,921</b>
The following balances at 31 March were held at:		
Commercial banks and cash in hand	364,883	492,921
<b>Balance at 31 March</b>	<b>364,883</b>	<b>492,921</b>

## 11 . Trade payables and other current liabilities

	2012–13	2011–12
	£	£
<b>Amounts falling due within one year:</b>		
Taxation and social security	20,671	15,110
Trade payables	14,641	35,750
Other payables	7,433	5,789
Accruals	241,412	146,062
Deferred income	21,823	110,000
Current part of finance leases	0	576
	<b>305,980</b>	<b>313,287</b>

## 12. Provisions for liabilities and charges

	2012–13	2012–13	2012–13	2011–12	2011–12	2011–12
	£	£	£	£	£	£
	Legal	Other	Total	Legal	Other	Total
<b>Balance at 1 April</b>	237,831	126,668	364,499	266,670	0	266,670
Provided in the year	33,240	0	33,240	0	126,668	126,668
Provisions utilised in the year	(169,941)	(126,668)	(296,609)	(28,839)	0	(28,839)
<b>Balance at 31 March</b>	<b>101,130</b>	<b>0</b>	<b>101,130</b>	<b>237,831</b>	<b>126,668</b>	<b>364,499</b>

The provision for legal casework costs is estimated and is based on the maximum anticipated costs, however it is possible these costs could be less.

The total provisions for the year are £101,130 of which £39,784 is non-current legal provisions and £61,346 is current legal provisions.



### 13. Commitments under leases

#### 13.1 Operating leases

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

	2012-13	2011-12
	£	£
<b>Buildings</b>		
Not later than one year	109,440	103,800
Later than one year and not later than five years	98,160	207,600
Later than five years	0	0
	<b>207,600</b>	<b>311,400</b>
<b>Other</b>		
Not later than one year	1,060	0
Later than one year and not later than five years	706	0
	<b>1,766</b>	<b>0</b>

#### 13.2 Finance leases

Total future minimum lease payments under finance leases, which all relate to photocopiers, are given in the table below for each of the following periods.

	2012-13	2011-12
	£	£
<b>Other</b>		
Not later than one year	0	576
Later than one year and not later than five years	0	0
Later than five years	0	0
	<b>0</b>	<b>577</b>
Less interest element	0	(1)
	<b>0</b>	<b>576</b>

## 14. Capital Commitments

The Northern Ireland Human Rights Commission does not have any capital commitments.

## 15. Related-party transactions

The Commission is a Non-Departmental Public Body sponsored by the Northern Ireland Office (NIO).

The NIO is regarded as a related party. During the year the Commission had various transactions with NIO, associated with the receipt of grant-in-aid.

In addition the Commission has had various transactions with other Government departments.

None of the Commissioners, Management Team or other related parties has undertaken any material transactions with the Commission during the year.

## 16. Intra-government balances

	2012–13	2011–12
	£	£
<b>Receivables</b>		
Balances with central government bodies	16,253	1,058
Balances with local authorities	0	0
<b>Total intra-government balances</b>	<b>16,253</b>	<b>1,058</b>
Balances with bodies external to government	19,331	17,765
<b>Total</b>	<b>35,584</b>	<b>18,823</b>
<b>Payables</b>		
Balances with central government bodies	86,617	79,960
Balances with local authorities	1,296	9,256
<b>Total intra-government balances</b>	<b>87,913</b>	<b>89,216</b>
Balances with bodies external to government	218,067	224,071
<b>Total</b>	<b>305,980</b>	<b>313,287</b>

All of the above intra-government balances are due within one year.

All balances falling due after more than one year are with bodies external to government.

## 17. Events after the reporting period

There have been no significant events since the end of the financial year which would affect the results for the year or assets and liabilities at the year-end.

The Annual Report and Accounts are authorised for issue on the same date as the Comptroller and Auditor General signed the audit certificate.



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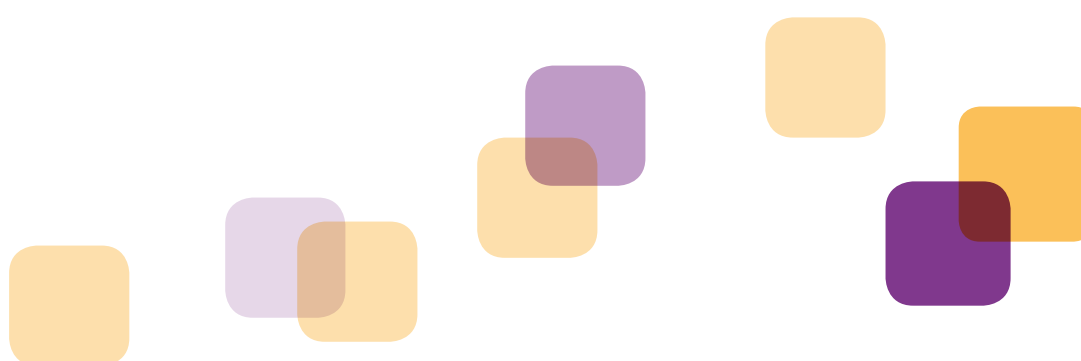
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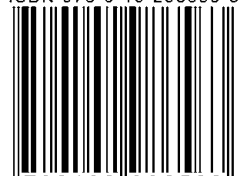
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