



NIJAC

*Northern Ireland Judicial
Appointments Commission*

ANNUAL REPORT
AND ACCOUNTS
2010-2011



SUPPORTING THE BEST APPLICANTS AND SUPPORTING DIVERSITY



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AND ACCOUNTS

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Northern Ireland Judicial Appointments Commission

**Annual Report and Accounts
for the year ended 31 March 2011**

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

on

5 September 2011

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OUR GOAL AND VALUES

OUR GOAL IS:

To provide the community, so far as it is reasonably practicable to do so, with a judiciary that reflects the Northern Ireland community. The Northern Ireland Judicial Appointments Commission, “the Commission”, aims to do this by:

- taking steps to ensure that a diverse group of eligible applicants put themselves forward for each judicial post it advertises; and
- selecting the best applicants through a fair, rigorous and transparent appointment process that is grounded in merit.

OUR VALUES ARE:

- **independence:** we are independent of Government. We make our decisions on whom to appoint, and recommend for appointment, and in our work to achieve a reflective judiciary free from any outside influence;
- **merit:** we will appoint and recommend for appointment applicants solely on the basis of merit;
- **diversity:** we will implement a programme of action designed to support our aim to achieve, as far as reasonably practicable, a judiciary that is reflective of our society;
- **fairness:** we will be fair in our decision making;
- **transparency:** we will be open about our policies, procedures and activities;
- **accountability:** we will explain our activities and where appropriate the reasons for our decisions; and
- **partnership:** we will work closely with interested parties to share learning and to inform our work.

CHAIRMAN'S FOREWORD

This is our sixth report on the work of the Commission, which covers a very demanding period of appointments and oversaw devolution of justice, which brought substantial changes for us.

During the reporting period 1 April 2010 - 31 March 2011, the Commission made 16 recommendations for judicial appointment (Courts 7; Tribunals 9) and 19 reappointment recommendations.

We held assessment and selection centres and implemented wider assessment methodologies for all competitions through our use of private and group short listing assessments, in-tray exercises, role plays, unseen case-studies and presentations.

The new short listing assessment method, which was piloted in the Deputy District Judge competition, offered people a choice of private or group assessment at three separate locations throughout Northern Ireland for those who registered interest in the vacancy. This new approach was very successful in widening the pool of applicants.

Following a review and piloting of consultation arrangements, changes are being implemented this year. Automatic Consultees are being replaced by nominated consultees and the desirable requirement for a consultee to hold judicial office will be removed.

On devolution of justice on 12 April 2010 we were given new responsibilities, we became an appointing body with greater influence over the judicial complement and the determination of some terms and conditions.

We reviewed and updated all our publications to reflect these changes. The Guide to Judicial Careers was updated in April 2011 and now includes an overview of our statutory responsibilities and new judicial profiles.

I look forward to building on our good work to date and continuing our ongoing consultation with all interested parties. This will ensure that we continue to get the best applicants, from as diverse an applicant pool as possible, applying for judicial office.

Sir Declan Morgan, Lord Chief Justice of Northern Ireland and Chairman of the Northern Ireland Judicial Appointments Commission.

DIRECTOR'S REPORT

History and Background

The Commission is a Non Departmental Public Body (NDPB) and was established on 15 June 2005 under the Justice (Northern Ireland) Acts 2002 and 2004.

The Commission was established to enhance an independent process for the appointment of judicial officer holders to courts and tribunals.

It selects and appoints, and recommends for appointment, applicants, thereby removing this function from Government Ministers and the political process.

Following the devolution of justice on 12 April 2010, under the Northern Ireland Act 2009 we were given new responsibilities, including becoming an appointing body, with influence over the judicial complement, and determination over certain terms and conditions in agreement with sponsoring departments who hold the budgets for judicial offices.

On devolution we changed sponsorship department to the Office of the First Minister and Deputy First Minister (OFMDFM) who are now responsible for the appointment and re-appointment of our Commissioners.

Purpose

The Commission is committed to appointing the best possible judicial office holders for Northern Ireland through fair, open and transparent selection and appointment processes.

We recognise and value diversity and seek to promote equality while ensuring that merit remains the principle for selecting and recommending applicants for appointment. We work to encourage all eligible applicants – regardless of gender, ethnic background, marital status, sexual orientation, political opinion, geographical location, religion, disability, age and whether or not they have dependants – to consider applying for judicial office. The Commission also undertakes to ensure that those who apply will undergo a selection process that assesses their abilities and personal qualities fairly and openly. In this way, the Commission is confident that the best individuals will be appointed.

Vision

The Commission's vision is:

***Selecting the best applicants
and promoting diversity.***

Composition of the Commission

The Commission consists of a Chairman (the Lord Chief Justice of Northern Ireland) and twelve other members appointed by the Lord Chancellor.

Under the Northern Ireland Act 2009 the appointment and re-appointment of Commissioners became the responsibility of the OFMDFM.

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

Mrs Sinéad Burns, Lay Magistrate;

The Right Honourable Lord Justice Coghlin, Lord Justice of Appeal;

Mr Peter Cush, Barrister at Law, Legal Member (appointment expired 14 June 2011);

Mr Donal Flanagan OBE, Lay Member;

Mr John G Gordon, Solicitor, Legal Member (appointment expired 14 June 2011);

District Judge (Magistrates' Courts) Amanda Henderson;

Mrs Ruth Laird, Lay Member;

Her Honour Judge Loughran, County Court Judge;

Mr James McNulty, QC, Legal Member (appointed 15 June 2011)

Professor John Morison, Lay Member;

Dr Raymond Mullan OBE, Lay Member;

Mr Alastair Rankin, Solicitor, Legal Member (appointed 15 June 2011)

Professor Nichola Rooney, Lay Member; and

The Honourable Mr Justice Weatherup, High Court Judge.

At the end of their first term, judicial members are re-appointed for a period of 5 years, the lay members are re-appointed for 4 years and the legal members for a period of 3 years.

Mr James McNulty replaced Mr Peter Cush and Mr Alastair Rankin replaced Mr John Gordon, as legal members, at the end of their term on 14 June 2011. Mr McNulty and Mr Rankin took up post on the 15 June 2011.

All members are non-executive and independent.

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

Commission Members' Interests

None of the Commission members held interests or directorships during the year which would conflict with their responsibilities as members of the Commission.

Responsibilities

Our statutory responsibilities are to:

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

Governance

Chief Executive

Edward Gorringe is the Chief Executive and Accounting Officer.

During Mr Gorringe's special leave from June to October 2010 Mr Timothy Horgan, Head of Corporate Planning, Resources and Governance, was appointed as Acting Temporary Accounting Officer.

Salary and pension entitlements

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

Governance Structure

The governance structure can be found on page 43, with the particular roles of the Committees set out in pages 45 to 47.

Equal Opportunities and Diversity

During the reporting year, 13 members of staff in the Commission were on secondment.

Since 12 April 2010, staff were seconded from the Department of Justice, the new Northern Ireland Department of which the Northern Ireland Courts and Tribunals Service (NICTS) is an Agency. Five members of staff are direct recruits of the Commission. The directly recruited staff include the Chief Executive, two at Grade 7 level and two at Deputy Principal level.

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

Generally Civil Service Policies (contained in the Civil Service Staff Handbook) have been adopted by the Commission and apply both to staff on secondment and those directly recruited.

Some policies have been amended to facilitate the Commission's particular structure, as necessary.

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

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

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

Employment of Disabled Persons

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

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

Employee Involvement

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

Payment of Suppliers

The Commission is committed to the prompt payment of suppliers. From 1 April 2010 to 26 November 2010 the Commission did not itself pay suppliers directly but processed invoices through the NICTS.

The Confederation of British Industry's Prompt Payment Code for achieving good payment performance in commercial transactions requires payment within 30 days of the receipt of the goods or services or on presentation of a valid invoice or similar demand, whichever is later (unless otherwise stated in the contract). During the year 97.73% (2009-10: 91.70%) of invoices were paid within this standard.

Since January 2009, the Commission's aim has been to pay all valid invoices within ten days of receipt. During 2010-11, 68.25% (2009-10: 40.32%) of invoices were paid within the target. In November 2010, the Commission brought the payment of suppliers in-house, vastly decreasing the time taken to pay suppliers.

Accounting Responsibilities

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

Auditors

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. He is the head of the Northern Ireland Audit Office and he and his staff are wholly independent of the Commission.

The audit of the financial statements for 2010-11 resulted in an audit fee of £12,885 (2009-10: £13,700). The C&AG did not provide any non-audit services during the year. I, as Accounting Officer, have taken appropriate steps to make myself aware of relevant audit information and to establish that the C&AG is aware of that information. To my knowledge, there is no relevant audit information of which the C&AG is unaware.

MANAGEMENT COMMENTARY

Operating Review

Appointments

In this reporting year, the Commission managed and delivered a substantive programme of appointments and re-appointments to judicial office.

16 recommendations for appointments and 19 recommendations for re-appointments were made.

The Appointments and Re-Appointments Strategy led by Policy Committee is ongoing in its development and implementation. The strategy is underpinned by evidence based research, ongoing evaluation and the public consultation exercise conducted on the Commission's assessment and selection policies and procedures.

This year has seen a concentration on two key strategic work streams. The Commission focused on developing best practice in a wider use of assessment methodologies such as the piloting of assessment and selection centres, private and group short listing assessments, new methods such as in-tray exercises, role-plays, unseen case-studies and presentations.

The outcome of this extensive work stream has led to the implementation of assessment and selection centres and wider assessment methodologies employed for all judicial offices.

The second focus has been on completing the work of the Consultation Sub-Group and implementing its findings across all tiers of judicial office with the aim of widening the pool of applicants and assisting in meeting our statutory responsibilities.

Two complaints were made to the Judicial Appointments Ombudsman. (Details of the complaints are included at the end of Chapter 1.)

Diversity

Following the devolution of justice on 12 April 2010 we were given new responsibilities including becoming an appointing body, influence over the judicial complement and the determination of certain elements of some terms and conditions.

To assist in the succession planning and recruitment forecasting process we have agreed to formally meet bi-annually with the Department of Justice and have responsibility for a database on the serving judiciary and on judicial appointments.

In addition, throughout the period we have continued to develop our communication and outreach, engaging with the legal, medical and valuation professions, law students and wider civic society.

Post devolution, we carried out a review of all our publications, and updated the Guide to Judicial Careers. This now includes an overview of our new statutory responsibilities and five new judicial profiles which highlight the work of some Tribunals. The 5th Edition of the Guide was published in April 2011.

Recruitment campaigns were planned and effective, using some of our newly-established advertising avenues which are of little or nominal cost. Additionally, we explored new advertising networks targeting GPs and Consultants to promote medical judicial offices.

Evaluations of recruitment competitions continue to inform us that the changes which we have made are welcomed. Generally, applicants are happier with the service the NIJAC provides but there are still some improvements to be made.

We have continued to task the Northern Ireland Statistical Research Agency (NISRA) with the analysis of our equity monitoring data on applications and appointments.

Given the NISRA and Queen's University of Belfast research findings, we remain satisfied that progress is still being made to eliminate barriers to securing judicial office, correcting myths and misconceptions. However, recognising that not all the solutions reside with NIJAC, we continued to work in partnership with our key stakeholders i.e. the Office of the Lord Chief Justice, the Northern Ireland Courts and Tribunals Service, the Bar Council and the Law Society.

Financial Review

As an NDPB, the Commission is subject to the relevant Government and accounting guidelines. The Commission was financed in 2010-11 by grant-in-aid through the OFMDFM and does not normally obtain additional funding from any other source.

Deficit transferred to taxpayers' equity for the year totalled £1,434,267 (2009-10: £1,583,775). The main areas of expenditure were staff costs £807,647 (2009-10: £797,269) which accounted for 56% (2009-10: 50%) of the total expenditure, accommodation costs of £168,754 (2009-10: £163,852) accounting for 12% (2009-10: 10%) of the total expenditure, and services provided by the NICTS under separate service level agreements £113,729 (2009-10: £204,599) accounting for 8% (2009-10: 13%) of the total expenditure. No receipts were received during the year (2009-10: £7,269).

The total grant drawn down from the OFMDFM in respect of 2010-11 was £1,283,684 (2009-10: £1,600,000), which was the total budget allocation for the year. A grant amount of £148,895 was received on 28 March 2011 relating to the 2011-12 budget allocation from the OFMDFM, making the total grant payments received during 2010-11 to £1,432,579.

Capital expenditure during the year amounted to £45,398 (2009-10: £5,320). At the year end, the assets owned by the Commission had a net book value of £43,208 (2008-09: £7,922). In addition to these assets, the Commission also makes use of various assets that belong to the NICTS. An annual charge is made by the NICTS for the use of these assets.

The Future

Appointments and Re-Appointments Strategy

The Commission is faced with a challenging year ahead. The Appointments and Re-Appointments Strategy, rooted in evidence based research from the Public Consultation and Review of Appointments Policies and Procedures, NIJAC research and ongoing evaluation, will lead our operational activities and strategic development.

We are committed to continuous improvement by adopting best practice approaches to assessment and selection based solely on the merit principle.

While this year has seen the research and piloting of assessment and selection centres in the County Court judge and the Vice President of the Industrial Tribunals and Fair Employment Tribunal competitions, the Commission is now extending this approach to other offices where this method and the increased funding is appropriate.

The Strategic Review of the Competency Framework for legal roles has led to the implementation of the Judicial Selection Framework. It is intended to extend this work to lay and medical judicial offices over the forthcoming years. This key aim is to encourage and attract a wider pool of the best applicants to compete for judicial office.

The recommended improvements from the Consultation Sub Group will be implemented this year in all tiers of office. All of these activities will enable the Commission to continually improve its Appointments and Re-Appointments Strategy and business function efficiently in pursuit of its statutory duty. It will be important to evaluate the outcomes carefully to examine improvements in line with our statutory duty.

Staffing

The Commission's full complement in 2010-11 was 19 staff covering 18 posts, which includes 5 directly recruited senior staff and 14 staff seconded from the NICTS, as an Agency of the Department of Justice. One post is covered by 2 job sharers on secondment. The Commission is committed to staff development and continues to identify and address development needs through the performance management system.

On 12 April 2010, upon the devolution of justice, all seconded staff became, for the first time, Northern Ireland Civil Servants. Full migration into the devolved environment, including final settling of staff's terms and conditions, pensions and adoption of all policies and procedures will take time to fully embed (indeed negotiations that impact on the Commission's staff terms and conditions continue with Trade Unions). The detailed Communication Strategy, introduced in early 2009 in preparation for devolution, will continue until all new arrangements are settled.

Days lost due to absence

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

In 2010-11 the percentage of working days lost was 4.26% (2009-10: 4.7%) or an average of 10 days (2009-10: 11) per annum per employee. During the year, two members of staff were on long term sick leave; both have returned to full employment.

Diversity and Communication

On the devolution of justice, NIJAC became an appointing body; selecting and appointing to non-Crown offices (mainly fee-paid posts in various courts and tribunals throughout Northern Ireland). We continue to select and make recommendations for Crown appointments to Her Majesty The Queen through the Lord Chancellor, up to and including, High Court Judge. In addition, the unification of the Tribunals Service in Northern Ireland has led to further appointments falling to us.

Given our additional responsibilities, including joint responsibility with the Department of Justice for the judicial complement and succession planning, we are seeking to further improve our communication processes.

Work is underway to provide a new more user-friendly website. The new website will allow users to access information more quickly and will include additional content, for example podcast interviews where judicial office holders will speak about their work and give encouragement to potential applicants.

We have also commenced work on providing an online recruitment service for applicants.

During the period, as well as consolidating our work with the legal networks, we developed new networks with the medical profession which we are aiming to build upon and expand further, through partnership working and outreach.

Devolution

Under the Northern Ireland Act 2009, the Commission took on new roles and responsibilities for judicial complement, resignations, progressing crown appointments and quality assuring terms and conditions for appointment.

The Commission will be required to manage the transition arrangements of those new judicial offices, listed in Schedule 1, particularly for re-appointments, in partnership with the sponsoring departments.

We also have, for the first time, a role in the removal of judicial office holders and in the appointment of the Lord Chief Justice and Lords Justices of Appeal.

Our sponsorship department is now OFMDFM. This has fundamentally changed how we procure many of our corporate and support services.

This new environment will take some time to fully embed and the Commission will continue to review the changes to ensure it operates effectively and efficiently, demonstrates value for money and is able to meet its corporate objectives while providing a high quality service.

Succession Planning

To assist with succession planning, it was agreed to stagger the period of all new appointments and re-appointments of Commissioners. Judicial members are to be appointed for five years; lay members are to be appointed for four years and legal members are to be appointed for three years.

Sustainable Development

The Commission continues to demonstrate its active support to the objectives of the UK Sustainable Development Strategy, which is founded on five overarching principles which seek to address environmental, social and economic issues.

The UK Sustainable Development Strategy can be found at www.defra.gov.uk/sustainable/government/publications/uk-strategy/index.htm.

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

The Commission's aims are:

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

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

Information Management

The Commission aims to ensure that all information is safeguarded and kept securely.

The Commission has agreed an Information Strategy, setting out our vision for managing our information more efficiently and intelligently.

One aspect of this is ensuring that the Commission manages information risk by following the requirements of our suite of Information Assurance policies. We have reviewed compliance with these policies to ensure that the importance of information security is embedded within the Commission.

During the year a favourable internal audit review of our Information Assurance policies and procedures provided strong assurance in this area.

Personal Data Related Incidents

There were no recorded loss of data incidents during the 2010-11 financial year.

Strategic Objectives

Appointments Process

- to select and appoint, and recommend for appointment, applicants to listed judicial office by identifying the best applicant on merit.

Diversity and Communications

- to engage in a programme of action to secure, so far as it is reasonably practicable to do so, a judiciary in Northern Ireland that is as reflective of our society as can be achieved consistent with the requirement of appointment on merit; and
- to communicate helpful information advice and guidance to targeted audiences to raise awareness and stimulate interest; encourage applications from under-represented groups; improve understanding of the application process and what judicial office entails; demonstrate openness and transparency and that appointments are made solely on the basis of merit.

Accountability

- to make effective and efficient use of resources in order to achieve objectives.

PROGRAMME OF BUSINESS

CHAPTER 1 - Appointments and Re-Appointments Strategy and Operational Activity

Corporate Objective – Appointments

- to conduct a programme of appointments and re-appointments for judicial office;

The Commission was responsible for managing and delivering an extensive programme of 9 recommendations for Tribunal appointments, 7 recommendations for Court Appointments and 19 re-appointments for Courts and Tribunal offices. This work covers appointments to salaried and fee paid offices for lay, medical and legal offices up to and including a High Court judge.

Table 1 provides an overview of the breakdown of operational activity for the 16 vacancies across 7 judicial offices for which recommendations were made during the year.

Appointments Table 1

| | Appointments Recommended | Info Packs issued | Applications received | Interviews / Selection Centres | Recommended |
|--------------|--------------------------|-------------------|-----------------------|--------------------------------|-------------|
| TOTAL | 16 | 638 | 265 | 88 | 16 |

Re-appointments work covers 556 fee paid offices across Courts and Tribunals. Figures regarding re-appointments are contained within Appendix 2.

We considered, in each case, the Lord Chancellor's policy in respect of renewal, which gives fee-paid office holders and deputy office holders security of tenure

through automatic re-appointment, subject to the individual office holder's agreement, the upper age limit not being exceeded, the individual satisfying the conditions for re-appointment and there being no grounds for non renewal.

The grounds for non renewal are limited to:

- misbehaviour;
- incapacity;
- persistent failure to comply with existing requirements;
- failure to comply with training requirements;
- sustained failure to observe the standards reasonably expected from a holder of such office;
- a reduction in numbers because of changes in operational requirements; or
- part of a structural change to enable recruitment of new part-time judicial office holders.

Corporate Objective

- to conduct the appointments process and select and recommend or appoint candidates by identifying the best applicant on merit;

Appointments and Re-Appointments Strategy

Judicial Selection Framework

The Commission has embedded the new Judicial Selection Framework for all legal vacancies up to and including High Court judge during this reporting year. Information about the Judicial Selection Framework is available on our website with accompanying guidance for applicants. The Judicial Selection Framework sets out the knowledge and competencies required for judicial office.

Early informal feedback has indicated the Judicial Selection Framework is working well. Ongoing evaluation will inform any further refinements to the framework.

Assessment and Selection Methodologies

The Commissioners believe that the merit principle is central to ensuring that judicial appointment is fair.

Our processes and selection decisions must operate in a fair, open, transparent, consistent and non-biased manner in the pursuit of selecting the best applicants for judicial office.

They must be based on recruitment methods which assess people against role-related criteria that help applicants to demonstrate that they are suitable for judicial office.

The assessment and selection process for judicial appointment is described in Appendix 1.

Our last Annual Report addressed feedback from the strategic review of assessment and selection methods.

This stemmed from the Public Review and Consultation of Policies and Procedures, evidence based research and evaluation the Commission conducted in relation to judicial selection.

Following a range of pilot studies which looked at assessment techniques such as role-play, case-studies, unseen presentations and in-tray exercises, the Commission developed and started using Assessment and Selection Centres.

Assessment and Selection Centres are being increasingly used as a proven method of selecting the best job applicants on merit.

Evidence gathered by the Commission demonstrated that the most effective Assessment and Selection Centre would be one tailored for each judicial appointment i.e. a Centre which was focussed on a job analysis for each job role with reference to the knowledge, skills and competences identified in our Judicial Selection Framework and person specification.

This approach will help draw out the particular knowledge and competencies that need assessed for the role.

We are pleased to report that feedback received from people who have used our Assessment and Selection Centres has indicated that this new method is seen as “challenging but fair”.

Shortlisting assessments were also used in this reporting year for the Deputy District Judge competition.

The Commission designed a new approach to shortlisting as a result of ongoing feedback, evaluation and research which was carried out into the disincentives and perceived barriers for people applying for judicial office.

The design team consisted of a County Court judge, a Lay Commissioner and a District Judge (Magistrates’ Courts) who were supported by an Occupational Psychologist and Human Resources professionals.

In line with best practice all materials used were piloted confidentially prior to use.

The shortlisting assessment was offered on a private and group basis in locations in Belfast, Omagh and Coleraine.

Previously, the Commission offered “group only” assessments.

People were asked to register their interest in the vacancy at the initial stage and consultee input was not sought until a shortlisted pool of the best applicants were selected.

One benefit was that applicants who were not successful in getting through to the Assessment Centre, learnt about the assessment and selection process in a “hands-on” and confidential way.

Furthermore, because of attention to detail the Commission made in protecting the identity and confidentiality of applicants, those who did attend the Assessment and Selection Centres did not have to worry about the legal community becoming aware of their attendance at the Centre, therefore protecting their business and professional reputations.

Short listed applicants had a further individual Assessment and Selection process, including an in-tray exercise and interview comprising of scenario based and competency based questions.

Following the completion of this stage of the process, the Commission then approached their three Consultees which meant they were not unnecessarily used early in the process

The outcome of the competition demonstrated a dramatic widening of the pool of applicants in this competition.

Results showed an 87% increase in the numbers of barristers and a 162% increase in the number of solicitors who applied as compared with the previous competition.

The applicant pool feedback was that this new approach provided opportunities not only to maintain confidentiality whilst competing in the competition but also meant early engagement of consultees on a number of occasions was reduced making this approach more effective and efficient for all.

Review of Consultee Arrangements

The last reporting year saw a strategic review of Consultation arrangements for judicial office. Its foundation was twofold, firstly, to ensure selection on merit resulting in the recommendation and/or appointment of the best available applicant and, secondly, to put in place stronger arrangements ascertaining feedback from Consultees who know the work of the applicants for these important positions of judicial office.

The outcomes of the review are being implemented in this reporting period up to the level of County Court. The High Court is still under review and the outcome of the Consultee arrangements will be available in the next reporting period.

The review's recommendations included the replacement of Automatic Consultees for judicial office at County Court with the three Nominated Consultees. This change will allow greater focus and enable more informed Consultees to provide more robust and accurate commentary on an applicant's abilities and experience.

The requirements for Fee Paid Legal Offices have also seen significant change. These will help remove barriers to access for applicants who are less visible in the Court or Tribunal setting. Nomination of a Consultee holding judicial office is no longer a desirable requirement for these entry level positions. Two legally qualified Consultees who can best speak to the applicant's work are sought with a third who may be occupational or non-occupational.

Consultees are requested later in the process for Lay and Medical Judicial Offices and Deputy Offices where a shortlisting assessment is used. These changes further protect applicants' confidentiality in the recruitment process. Applicant feedback regarding the changes has been positive.

Policy Development

Guidance on the Judicial Selection Framework and the use of wider assessment methods has been developed and is available in the competition documentation, at www.nijac.gov.uk/appointments/vacancies.htm, during the competition advertising period, on a competition specific basis.

New Guidance for Consultees was developed and is contained in the competition documentation available at www.nijac.gov.uk/appointments/vacancies.htm, during the competition advertising period.

Paperwork and documentation associated with the application process has been significantly reduced. There is always a balance between information that is needed to process an application fairly and adequate provision of guidance to applicants.

New policies and procedures in the areas of Confidentiality, Complaints, Character and Suitability, Pre-Employment Screening and a review of Equal Opportunities Policies were completed in the reporting period.

Complaints

During the period of this report, two complaints were made to the Northern Ireland Judicial Appointments Ombudsman. While one aspect of the first complaint was upheld the Ombudsman considered that it did not amount to maladministration and that it did not require specific remedy. The second complaint was not upheld.

CHAPTER 2 - Diversity and Communications

Corporate Objective – Diversity

It is our statutory obligation to engage in a programme of action to secure, so far as it is reasonably practicable to do so, a judiciary in Northern Ireland that is reflective of the society it serves, consistent with the requirement of appointment on merit.

NIJAC continues to work to create a reflective judiciary by ensuring that those who are appointed to judicial office are attracted from the widest possible pool of eligible applicants.

During the reporting period, the Diversity and Communications Team has, and continues to:

- promote and stimulate interest in judicial service and take measures to ensure that opportunities are understood and appeal to a broad spectrum of eligible people;
- encourage applications for judicial office from people from a wide range of backgrounds;
- promote diversity through fair and open processes for selection to judicial office, which are based solely on merit, and consider and address potential adverse impact issues in advance of competitions;
- evaluate each appointment competition to take learning and make improvements, including how to increase the diversity of the applicant pool;
- conduct a programme of consultation with interested parties and analyse their responses to inform the programme of action;
- conduct appropriate and timely research to inform and support the programme of action;
- identify factors that may discourage applications and seek to eliminate them; and
- publish in the annual report anonymous information about the diversity of those selected by the Commission as suitable for appointment.

The Judicial Shadowing Scheme

NIJAC, in partnership with the Lord Chief Justice's Office, Law Society, Bar Council and the Northern Ireland Courts Service, first launched the judicial shadowing scheme in October 2009.

The scheme is designed to give participants, during their placement, a unique insight into judicial office by shadowing a judicial officer. The scheme is open to lawyers, doctors and land valuers and as at 31 March 2011, there had been 41 applications for the scheme - 28 solicitors, 3 barristers and 10 from non lawyers. Of these applicants, 23 have been women and 18 men.

In addition to this, over 2000 Judicial Shadowing Scheme leaflets have been distributed throughout Northern Ireland. The scheme is actively promoted by professional bodies such as the Law Society, Bar Council, Royal Institute of Chartered Surveyors, the Irish Auctioneers and Valuers Association and the British Medical Association.

Further information on the Judicial Shadowing Scheme can be accessed at: www.nijac.gov.uk.

Equity monitoring

NIJAC is responsible for collecting and collating anonymously applicants' equity monitoring data. It is collated for use in complying with NIJAC's statutory requirement for inclusion in the Annual Report. This is subject to the requirement that no person is identified or information is included that allows identification of an individual to occur.

The equity data assists NIJAC in the development of its Programme of Action, including the Outreach Plan for each recruitment competition. We compare data over time which assists in monitoring any change in the profile of applicants and appointments.

Research

This year's focus has, once again, been on the barriers to applying for medical judicial office. Through our research we have been able to establish new medical advertising and outreach networks to promote judicial opportunities to GPs and Consultants.

In addition, the NISRA and QUB research continues to inform NIJAC's programme of work. This research led to the launch of the first ever Judicial Shadowing Scheme (open to lawyers, doctors and land valuation professionals) in Northern Ireland and the publication of NIJAC's Guide to Judicial Careers.

We focus upon what NIJAC can change or closely influence e.g. the introduction of wider assessment methods and better communications and outreach. This has included presentations to the legal, medical and valuation professions and law study bodies thereby raising awareness of opportunities, the appointments process, and dispelling myths and misconceptions about the work of the judiciary.

We continue to carry out research and benchmark against other relevant national and international organisations including: The Judicial Appointments Commission (England & Wales), the Judicial Appointments Board (Scotland) and the National Judicial Institute of Canada.

Attracting the widest possible pool

This year NIJAC made 16 recommendations for judicial appointment (Courts 7; Tribunals 9) and 19 for re-appointment. See Appendix 2 for detailed diversity statistics in relation to applicants and applicant pools.

Attracting the widest possible pool of eligible applicants typically involves advertising in the three main local newspapers (Belfast Telegraph, Irish News and News Letter). We also use a variety of other media such as professional publications, electronic/email networks and websites.

Some examples are:

Legal Roles

In addition to the local press, we advertised via the electronic distribution lists of the Law Society, Bar Council and NI Courts and Tribunal Service. Websites, including our own, Legal Island's, the Law Society and the Bar Council's and NICTS have been used to good benefit.

Specialist Roles

Depending upon the required speciality, publications e.g. British Medical Journal and appropriate organisations i.e. the Royal College of Psychiatrists, the Royal Institute of Chartered Surveyors, the Irish Auctioneers and Valuers Institute and the British Medical Association promote the judicial office under recruitment.

Lay Roles

We will continue to advertise lay vacancies in the press and online through our newly-established networks such as Northern Ireland Community and Voluntary Association (www.nicva.org.uk), Northern Ireland Local Government Association (www.nilga.org.uk), Rural Community Network (www.ruralcommunitynetwork.org), Disability Action (www.disabilityaction.org), the Northern Ireland Council for Ethnic Minorities (www.nicem.org.uk) and Job Centre Plus.

In addition, we have advertised various judicial offices online on behalf of the Judicial Appointments Commission (England and Wales) for which NI lawyers were eligible.

Ongoing evaluation

NIJAC is committed to keeping its programme of action under review, modifying as necessary.

We are informed by research, the rich information on judicial diversity which is provided by equity monitoring data, the evaluation of each competition, Commissioners' and applicants' feedback, plus that received from attendees at outreach events. Through research and scoping exercises, committee discussions, analysis of application rates, and detailed monthly analysis of web traffic, we have been able to identify, and go some way to overcome, the barriers to securing a reflective judiciary in Northern Ireland.

Outreach

Engagement with the legal profession and the public generally is critically important to ensuring NIJAC fulfils its statutory duties.

NIJAC's approach to outreach is multifaceted, deploying differing methods, and assists in addressing many of the research findings. These findings include a lack of knowledge about judicial office and the work of the Commission, the application and appointments process, and the day-to-day work of the judicial office holders.

This engagement enables NIJAC to be informed directly by the legal profession and others. It gives people the opportunity to gain insight and influence issues which impact upon NIJAC's remit.

During the reporting period, the Diversity and Communications Team has hosted over 16 separate outreach events throughout Northern Ireland. Events have been held for, and with, the legal and medical professions. This has included 5 in partnership with the Law Society and one with the local division of the Women's Medical Federation, as well as hosting Scotland's Judicial Appointments Board.

In addition, aiming to instil an aspiration to judicial office, 7 dedicated events have also been held for QUB and the University of Ulster law students both at undergraduate and graduate level.

In summary, approximately 1200 people have been engaged with.

Consultation with the legal profession

We have regularly met with the Bar Council, Law Society and Solicitors' Associations on a range of topics, including assessment and selection methods, the use of consultees, the application process and the judicial shadowing scheme.

Website

NIJAC's website is now the primary source of information e.g. forthcoming judicial opportunities, news items, and recent appointments as evidenced by visitor statistics.

Publications and Press

The Guide to Judicial Careers was first published in March 2009 and since its publication 3,500 copies have been distributed at outreach events and to professional bodies and Schools of Law throughout Northern Ireland, GB and Republic of Ireland.

Post devolution, we have carried out a review of all our publications to reflect our new statutory duties. The Guide has been revised and the 5th edition is due for publication in April 2011.

We have produced articles for The Writ and for the Northern Ireland Medical Review to highlight the Judicial Shadowing Scheme, and to promote judicial opportunities to both legal and medical professionals. Also, we regularly published news items on our website.

The Way Forward

- We will continue to agree with the Department of Justice determinations as to the maximum number of persons who may hold a listed judicial office at any one time.
- We will continue to assist in succession planning by maintaining the database of judicial appointments, which captures retirement and re-appointment dates.

- We will continue to develop further our Programme of Action to legal, land and medical professionals plus wider civic society.
- We will continue to improve our communication processes and access to information by introducing, later this year, a new website and an online recruitment service for applicants.
- We will continue to benchmark against research into best practice in other jurisdictions to ensure NIJAC remains informed of any developments.
- We will continue to work in close partnership with all our key stakeholders, especially the Office of the Lord Chief Justice, NI Courts and Tribunals Service, Tribunal Reform Division and OFMdFM as our new statutory duties, post devolution, become embedded.

CHAPTER 3 - Planning our Business

Corporate Objective – Accountability

To make effective and efficient use of our resources in order to achieve objectives.

During the period, the Commission operated within a strict financial budgeting regime and met its identified objectives within budget.

Under our Annual Audit Plan, our internal auditors ASM conducted formal reviews of Income and Financial Management, IT Security and Information Assurance and Purchasing and Procurement.

The Income and Financial Management Review assessed the following controls of the systems operating in respect of income and financial management:

- a) to ensure that there are adequate processes in place in respect of drawdowns and that grant-in-aid is not drawn down in advance of need;
- b) to ensure that NIJAC's banking arrangements are suitably structured and are in accordance with the requirements of relevant HM Treasury guidance;
- c) to ensure that NIJAC's bank account is reconciled in a timely and accurate manner;
- d) to ensure that there are adequate access controls in place in respect of NIJAC's bank account and Sage system;
- e) to ensure that roles and responsibilities are clearly established with regard to setting, reviewing, monitoring, managing and amending NIJAC's budget;

- f) to ensure that financial management information is relevant, reliable, accurate and complete and provided on a timely basis to the Chief Executive, the Business Committee, the Commission and the OFMDFM; and
- g) to ensure that an adequate management audit trail exists.

The IT Security and Information Security Review assessed the following controls in the systems operating in respect of IT security and information assurance:

- a) to ensure that a Service Level Agreement is in place with IT Assist and that it is adequately reviewed;
- b) to ensure that adequate IT security and information assurance policies and procedures are in place;
- c) to ensure that physical controls and access controls are in place to safeguard the confidentiality, integrity and availability of NIJAC data;
- d) to ensure that data is backed-up regularly;
- e) to ensure that statutory requirements in relation to licensing, copyright and data protection are followed;
- f) to ensure that best practice guidance such as ISO/IEC 27001 Specification for an Information Security Management System and ISO/IEC 27002 Code of Practice for Information Security Management is followed;
- g) to ensure that a business continuity plan is in place, has been tested and is subject to adequate monitoring and review; and
- h) to ensure that an adequate management audit trail exists.

The Purchasing and Procurement Review assessed the following controls in the systems operating in respect of purchasing and procurement:

- a) to ensure that NIJAC has in place policies and procedures which are fully compliant with best practice and guidance from DFP's Central Procurement Directorate ("CPD");
- b) to ensure that purchases and procurement exercises are undertaken in accordance with NIJAC's policies and procedures and best practice guidance and that value for money is seen to be achieved by NIJAC;
- c) to ensure that there is adequate segregation of duties between the ordering, receipting and payment of purchases;
- d) to ensure that payments are complete, accurate, timely, bona fide, paid only once and appropriately authorised;
- e) to ensure that there are adequate processes in place in respect of BACS payments;
- f) to ensure that all significant procurement decisions, including single tender actions, are reported to NIJAC's Business Committee; and
- g) to ensure that an adequate management audit trail exists.

The reviews found that the existing risk management, control and governance systems in place for each of the three areas reviewed were basically sound and provide satisfactory assurance regarding the effective and efficient achievement of NIJAC's objectives.

Following devolution NIJAC spent considerable time this year resourcing the corporate and support services we require. Working with CPD, to ensure correct procedures were followed and value for money was achieved, our ICT, telephony, finance function, internal audit, travel, accommodation, procurement, legal advice, printing, advertising, property management and security services were all re-procured and are now provided by different service providers.

Staffing

The Commission was provided, by the OFMDFM, with funding for a staff structure of 19, covering 18 posts (one post is covered by two job shearers). Five senior staff are directly recruited by the Commission and the remaining 14 are NICS employees on secondment from the NICTS as an agency of the DOJ.

Procurement Policy

Since our change of sponsorship department, the Commission no longer procures goods and services through the sponsorship department but deals directly with the Central Procurement Directorate of the Department of Finance and Personnel. This has speeded up and improved our access to services. Our procurement policy has been updated to reflect our new arrangements and delegated limits, and a Local Operating Agreement between ourselves and CPD is in place.

Liaison meetings

The Commission has formal meetings with OFMDFM every two months. Key business issues are addressed in this forum. Finance, expenditure against forecasts, achievement of our objectives, risk and corporate governance are all standing agenda items. In this way any concerns can be identified, highlighted and addressed at an early stage. Ad hoc meetings are arranged at the request of either party, as necessary.

CHAPTER 4 - Internal Working Arrangements

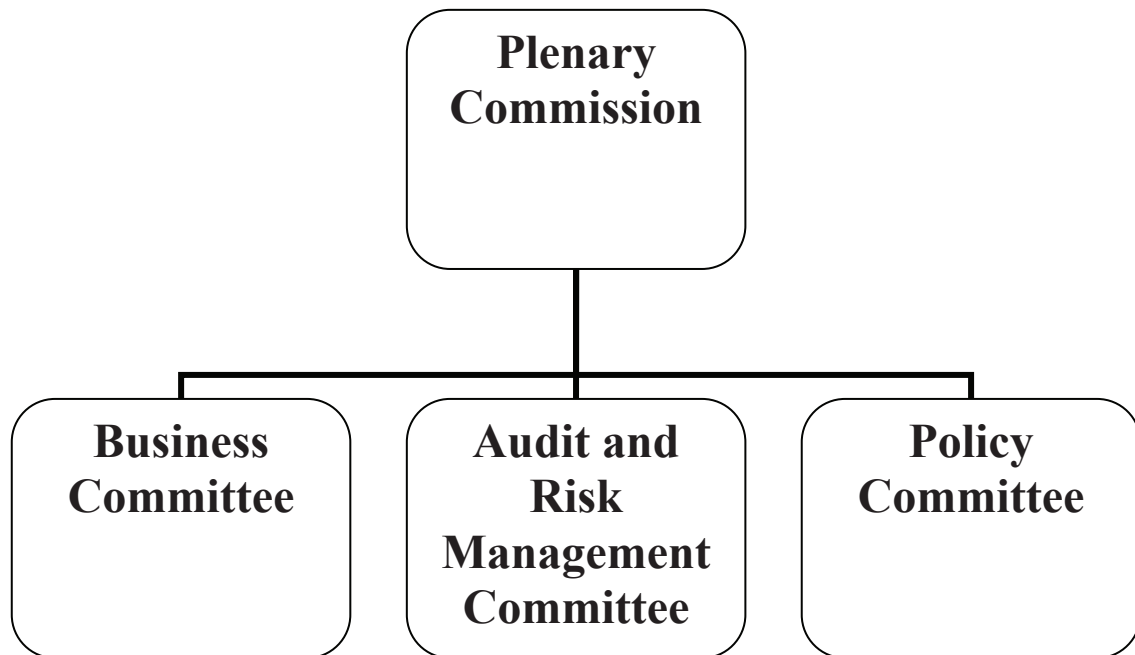
Structure of Committees

The Commission has three committees: the Audit and Risk Management Committee, the Business Committee and the Policy Committee. During the year, a sub group was established to consider re-appointments and terms and conditions of appointment. The outcomes of the sub group's work will be presented in this reporting period.

Meetings of the Commission

The plenary session of the Commission normally meets every two months, although exceptional meetings are convened as required. The Chairman of the Commission and the Chief Executive determine the programme of meetings and business each year, both for the Plenary Commission and its Committees. Approved minutes of Plenary Commission meetings are published on the Commission's website.

Committee Structure April 2010 – March 2011



Membership of Committees April 2010 - March 2011

Membership of the standing Committees from April 2010 until March 2011 was as follows:

Audit and Risk Management Committee;

Membership

Professor John Morison, Lay Member (Chairman)

Mrs Sinéad Burns, Lay Member

Mr Peter Cush, Barrister at Law

Mrs Ruth Laird, Lay Member

Her Honour Judge Loughran, County Court Judge

Business Committee;

Membership

Mr John G Gordon, Solicitor (Chairman)

Mr Donal Flanagan OBE, Lay Member

District Judge (Magistrates' Courts) Amanda Henderson

Dr Raymond Mullan OBE, Lay Member

Professor Nichola Rooney, Lay Member

The Honourable Mr Justice Weatherup, High Court Judge

Policy Committee;

Membership

The Right Honourable Lord Justice Coghlin, Lord Justice of Appeal (Chairman)

Mrs Sinéad Burns, Lay Member

Mr Peter Cush, Barrister at Law

Mr Donal Flanagan OBE, Lay Member

Mr John G Gordon, Solicitor

District Judge (Magistrates' Courts) Amanda Henderson

Mrs Ruth Laird, Lay Member

Her Honour Judge Loughran, County Court Judge

Professor John Morison, Lay Member

Professor Nichola Rooney, Lay Member

The Honourable Mr Justice Weatherup, High Court Judge

Remit of Committees

The Audit and Risk Management Committee will advise the Commission on:

- the strategic process for risk (monitored through our risk register), control and governance and the Statement on Internal Control;
- the accounting policies, the accounts, the process of reviewing accounts prior to submission for audit, levels of error identified, and the management's letter of representation to the external auditors;
- the planned activity and results of both the External and Internal Audit;
- adequacy of management response to issues identified by audit activity, including External Audit's Report to those Charged with Governance;
- assurances relating to the corporate governance requirements of the organisation;
- where appropriate, proposals for tendering Internal Audit services or for purchase of non-audit services from contractors who provide audit services;
- assurances relating to the conduct of business in accordance with the Financial Memorandum and Management Statement; and
- assurances relating to the Register of Interest for the Commission members, the Gifts and Hospitality Register, the Code of Practice for Members, the Code of Conduct for Staff, the Freedom of Information Scheme and Data Protection obligations of the Commission and the communication protocol for the Commission and its Committees.

The Business Committee shall:

- ensure there is in place for publication a strategic plan, annual business plan, annual report and statement of accounts;
- approve the programme of meetings of the Commission;
- approve membership of panels for appointment competitions, in consultation with the Chairman of the Commission;
- approve programmes of work and priorities;

- approve what selection competitions should be commenced and in what order and delegate operational management of selection competitions and approval of competition paperwork to selection committees;
- approve the programme of action for each competition;
- approve the programme for any official visits;
- take action on urgent issues when consideration by the full Commission is not practical;
- monitor the internal policies of the Commission;
- oversee/monitor performance against corporate business plan;
- oversee/monitor the control of expenditure within the Commission;
- develop and ensure delivery of the programme of appointments and reappointments including delivery of a programme of action to support each appointment competition;
- promote the work and role of the Commission with regard to communications, public relations and information; and
- provide material as appropriate for inclusion in the annual report and all Committee reports as required.

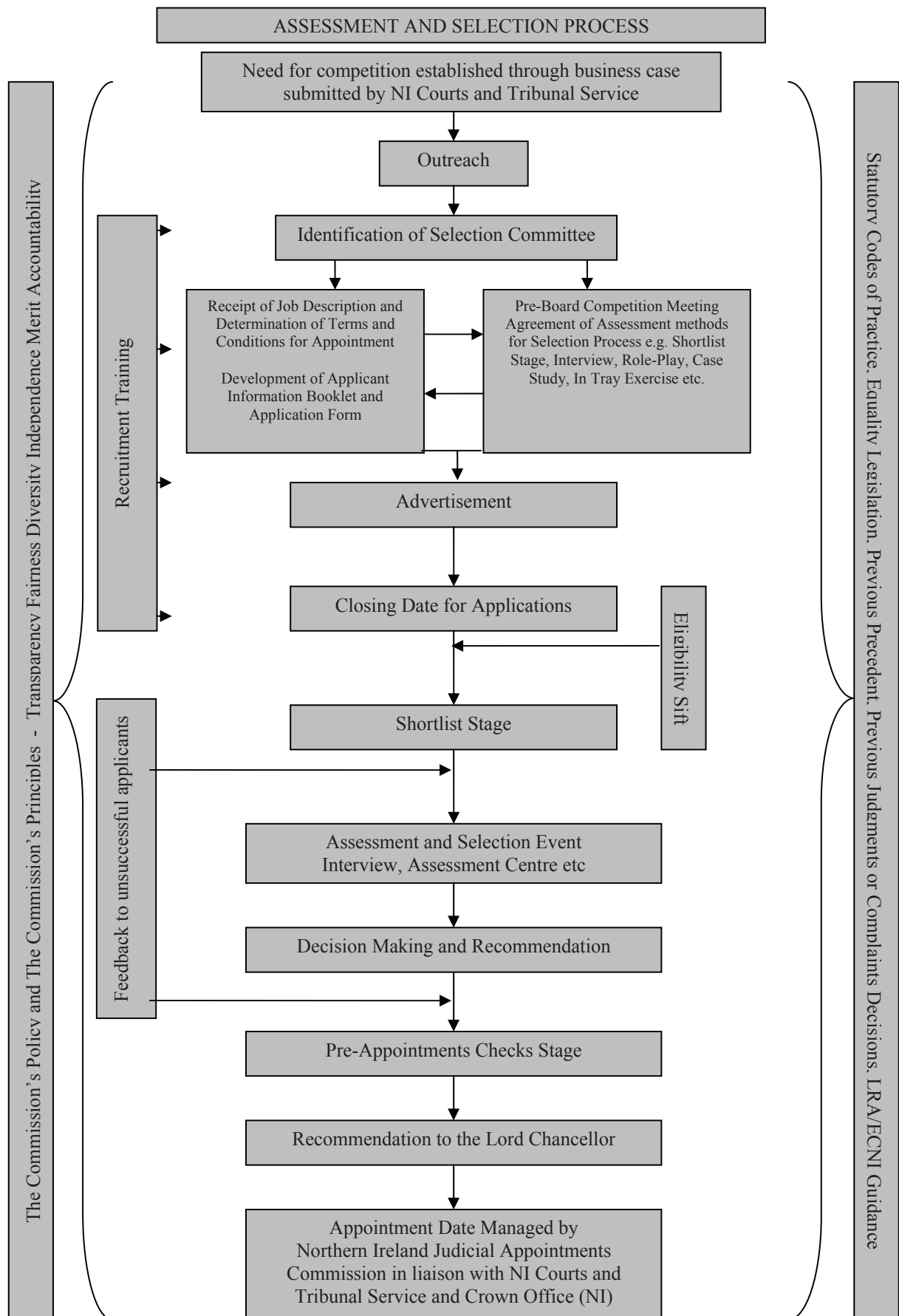
The Policy Committee shall:

- develop a strategy and programme of work to ensure delivery of the strategic and annual objectives in respect of appointments policy and diversity;
- ensure appointments policy, practice and procedure is evaluated and kept under review and improvements proposed and made;
- develop and maintain a database of information in respect of the reflectiveness of the Northern Ireland judiciary;
- ensure equity monitoring information is available for consideration by the Commission;
- set up and implement an equality scheme when designated by the Equality Commission for Northern Ireland; and
- provide material as appropriate for inclusion in the annual report and all Committee reports as required.

The Audit and Risk Management Committee

The Commission has an Audit and Risk Management Committee (ARMC) to support it in its responsibilities for issues of risk, control and governance and associated assurance. The Committee has five members and meets three times per year. Additional meetings may be convened to discuss particular issues at the request of the Accounting Officer, the Chairman of the ARMC or the Chairman and a member of the Audit and Risk Management Committee. The meetings are normally attended by a representative from the Commission's Internal Audit function and members of External Audit. The Committee may also ask any other officials of the organisation to attend to assist it with its discussions in any particular matter. The ARMC is an advisory body with no executive powers. However, it is authorised by the Commission to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its enquiries. Requests for work and reports received from Internal Audit will be channelled through the Accounting Officer. The ARMC is authorised to obtain independent professional advice if it considers it necessary.

APPENDIX 1 – Assessment and Selection Process for Judicial Appointment



APPENDIX 2 - Diversity Statistics

1. Appointments; 2. Reappointments; 3. Applicant pools.

The statistical information contained in this appendix on the diversity of those who have applied and those who have been recommended as suitable for appointment, is provided in accordance with the Commissions statutory obligations under Justice (Northern Ireland) Act 2002 (c.26) Schedule 2.1

1. Recommendations for appointment during the Period 2010-11

During the reporting period the Commission made 16 recommendations for appointment (Courts 7; Tribunals 9) – 2 County Court Judges, 5 Deputy District Judges (Magistrates’ Courts), 1 Vice-President of the Industrial Tribunals and Fair Employment Tribunal, 1 Legal Chairman of the Care Tribunal, 1 President of the Charity Tribunal, 2 Legal Members of the Charity Tribunal and 4 Ordinary Members of the Charity Tribunal.

| Gender | Male | Female | Total |
|--------|------|--------|-------|
| | 11 | 5 | 16 |
| % | 69% | 31% | 100% |

| Community Background | Protestant | Roman Catholic | Neither |
|----------------------|------------|----------------|---------|
| | 8 | 7 | 1 |
| % | 50% | 44% | 6% |

| Age on Appointment | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|--------------------|--------------|-------|-------|-------|-------|-------|---------|
| | 1 | 2 | 1 | 3 | 6 | 1 | 2 |
| % | 6% | 13% | 6% | 19% | 37% | 6% | 13% |

¹ Please note that the percentage figures quoted are approximate.

| Ethnic Origin | White | Other |
|----------------------|-------|-------|
| | 16 | 0 |
| % | 100% | 0% |

| Disability | No Disability Declared | Disability Declared |
|-------------------|------------------------|---------------------|
| | 16 | 0 |
| % | 100% | 0% |

| Personal Geographic Location | | |
|-------------------------------------|---|-----|
| Belfast | 7 | 43% |
| Co Antrim | 2 | 13% |
| Co Armagh | 0 | 0% |
| Co Down | 5 | 31% |
| Co Fermanagh | 0 | 0% |
| Co Londonderry | 2 | 13% |
| Co Tyrone | 0 | 0% |
| Other | 0 | 0% |
| Not indicated | 0 | 0% |

| Business Geographical Location | | |
|---------------------------------------|----|-----|
| Belfast | 12 | 75% |
| Co Antrim | 0 | 0% |
| Co Armagh | 0 | 0% |
| Co Down | 2 | 13% |
| Co Fermanagh | 0 | 0% |
| Co Londonderry | 1 | 6% |
| Co Tyrone | 0 | 0% |
| Province wide | 0 | 0% |
| Other | 0 | 0% |
| Not indicated | 1 | 6% |

2. Recommendations for reappointment during the Period 2010-11

During the reporting period the Commission made 19 recommendations for reappointment (Courts 3; Tribunals 16) to the Lord Chancellor – 2 Deputy County Court Judges, 1 Lay Magistrate, 6 Appeal Tribunals Fee Paid Medical Consultant Members, 8 Appeal Tribunals Fee Paid Medical Generalist Members, 1 Mental Health Review Tribunal Legal Member and 1 Pensions Appeal Tribunals Legal Member.

| Gender | Male | Female | Total |
|--------|------|--------|-------|
| | 7 | 12 | 19 |
| % | 37% | 63% | 100% |

| Community Background | Protestant | Roman Catholic | Neither |
|----------------------|------------|----------------|---------|
| | 12 | 5 | 2 |
| % | 63% | 26% | 11% |

| Age on Reappointment | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|----------------------|--------------|-------|-------|-------|-------|-------|---------|
| | 0 | 0 | 2 | 3 | 3 | 2 | 9 |
| % | 0% | 0% | 11% | 15% | 15% | 11% | 48% |

| Ethnic Origin | White | Other |
|---------------|-------|-------|
| | 17 | 2 |
| % | 89% | 11% |

| Disability | No Disability Declared | Disability Declared |
|------------|------------------------|---------------------|
| | 18 | 1 |
| % | 95% | 5% |

| Personal Geographic Location | | |
|-------------------------------------|---|-----|
| Belfast | 6 | 31% |
| Co Antrim | 3 | 16% |
| Co Armagh | 2 | 11% |
| Co Down | 3 | 16% |
| Co Fermanagh | 3 | 16% |
| Co Londonderry | 0 | 0% |
| Co Tyrone | 1 | 5% |
| Other | 1 | 5% |
| Not indicated | 0 | 0% |

| Business Geographical Location | | |
|---------------------------------------|---|-----|
| Belfast | 9 | 47% |
| Co Antrim | 1 | 5% |
| Co Armagh | 3 | 16% |
| Co Down | 2 | 11% |
| Co Fermanagh | 3 | 16% |
| Co Londonderry | 0 | 0% |
| Co Tyrone | 1 | 5% |
| Province wide | 0 | 0% |
| Other | 0 | 0% |
| Not indicated | 0 | 0% |

3. Applicant pools during the Period 2010-11

Applicant Pools 2010-11

Courts

During the reporting period the Commission received 148 applications for the following competitions - 2 County Court Judges (25 applications received) and 5 Deputy District Judges (Magistrates' Courts) (123 applications received).

| Gender | Male | Female | Total |
|--------|------|--------|-------|
| | 98 | 50 | 148 |
| % | 66% | 34% | 100% |

| Community Background | Protestant | Roman Catholic | Neither |
|----------------------|------------|----------------|---------|
| | 64 | 80 | 4 |
| % | 43% | 54% | 3% |

| Age | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|-----|--------------|-------|-------|-------|-------|-------|---------|
| | 22 | 23 | 39 | 23 | 27 | 12 | 2 |
| % | 15% | 16% | 26% | 16% | 18% | 8% | 1% |

| Ethnic Origin | White | Other |
|---------------|-------|-------|
| | 147 | 1 |
| % | 99% | 1% |

| Disability | No Disability Declared | Disability Declared |
|------------|------------------------|---------------------|
| | 142 | 6 |
| % | 96% | 4% |

| Personal Geographic Location | | |
|-------------------------------------|----|-----|
| Belfast | 62 | 42% |
| Co Antrim | 15 | 10% |
| Co Armagh | 7 | 5% |
| Co Down | 48 | 33% |
| Co Fermanagh | 8 | 5% |
| Co Londonderry | 0 | 0% |
| Co Tyrone | 5 | 3% |
| Other | 3 | 2% |
| Not indicated | 0 | 0% |

| Business Geographical Location | | |
|---------------------------------------|-----|-----|
| Belfast | 102 | 68% |
| Co Antrim | 9 | 6% |
| Co Armagh | 3 | 2% |
| Co Down | 12 | 8% |
| Co Fermanagh | 1 | 1% |
| Co Londonderry | 7 | 5% |
| Co Tyrone | 6 | 4% |
| Province wide | 0 | 0% |
| Other | 1 | 1% |
| Not indicated | 7 | 5% |

Applicant Pools 2010-11

Tribunals

During the reporting period the Commission received 117 applications for the following competitions - 1 Vice-President of the Industrial Tribunals and Fair Employment Tribunal (4 applications received), 1 Legal Chairman of the Care Tribunal (22 applications received), 1 President of the Charity Tribunal (13 applications received), 2 Legal Members of the Charity Tribunal (32 applications received) and 4 Ordinary Members of the Charity Tribunal (46 applications received).

| Gender | Male | Female | Total |
|---------------|------|--------|-------|
| | 71 | 46 | 117 |
| % | 61% | 39% | 100% |

| Community Background | Protestant | Roman Catholic | Neither |
|-----------------------------|------------|----------------|---------|
| | 46 | 66 | 5 |
| % | 39% | 57% | 4% |

| Age | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | Over 60 |
|------------|--------------|-------|-------|-------|-------|-------|---------|
| | 11 | 19 | 16 | 15 | 30 | 18 | 8 |
| % | 9% | 16% | 14% | 13% | 26% | 15% | 7% |

| Ethnic Origin | White | Other | Disability | No Disability Declared | Disability Declared |
|----------------------|-------|-------|-------------------|------------------------|---------------------|
| | 114 | 3 | | 113 | 4 |
| % | 97% | 3% | % | 97% | 3% |

| Personal Geographic Location | | |
|-------------------------------------|----|-----|
| Belfast | 58 | 50% |
| Co Antrim | 15 | 13% |
| Co Armagh | 4 | 3% |
| Co Down | 25 | 21% |
| Co Fermanagh | 6 | 5% |
| Co Londonderry | 1 | 1% |
| Co Tyrone | 5 | 4% |
| Other | 3 | 3% |
| Not indicated | 0 | 0% |

| Business Geographical Location | | |
|---------------------------------------|----|-----|
| Belfast | 66 | 57% |
| Co Antrim | 8 | 7% |
| Co Armagh | 4 | 3% |
| Co Down | 8 | 7% |
| Co Fermanagh | 0 | 0% |
| Co Londonderry | 5 | 4% |
| Co Tyrone | 4 | 3% |
| Province wide | 0 | 0% |
| Other | 3 | 3% |
| Not indicated | 19 | 16% |

Applicant Pools 2010-11

Combined

During the reporting period the Commission received 265 applications for the following competitions - 2 County Court Judges (25 applications received), 5 Deputy District Judges (Magistrates' Courts) (123 applications received), 1 Vice-President of the Industrial Tribunals and Fair Employment Tribunal (4 applications received), 1 Legal Chairman of the Care Tribunal (22 applications received), 1 President of the Charity Tribunal (13 applications received), 2 Legal Members of the Charity Tribunal (32 applications received) and 4 Ordinary Members of the Charity Tribunal (46 applications received).

| Gender | Male | Female | Total |
|---------------|------|--------|-------|
| | 169 | 96 | 265 |
| % | 64% | 36% | 100% |

| Community Background | Protestant | Roman Catholic | Neither |
|-----------------------------|------------|----------------|---------|
| | 110 | 146 | 9 |
| % | 42% | 55% | 3% |

| Age | 35 and under | 36-40 | 41-45 | 46-50 | 51-55 | 56-60 | 61+ |
|------------|--------------|-------|-------|-------|-------|-------|-----|
| | 33 | 42 | 55 | 38 | 57 | 30 | 10 |
| % | 12% | 16% | 21% | 14% | 22% | 11% | 4% |

| Ethnic Origin | White | Other |
|----------------------|-------|-------|
| | 261 | 4 |
| % | 98% | 2% |

| Disability | No Disability Declared | Disability Declared |
|-------------------|------------------------|---------------------|
| | 255 | 10 |
| % | 96% | 4% |

| Personal Geographic Location | | |
|-------------------------------------|-----|-----|
| Belfast | 120 | 45% |
| Co Antrim | 30 | 11% |
| Co Armagh | 11 | 4% |
| Co Down | 73 | 28% |
| Co Fermanagh | 14 | 5% |
| Co Londonderry | 1 | 1% |
| Co Tyrone | 10 | 4% |
| Other | 6 | 2% |
| Not indicated | 0 | 0% |

| Business Geographical Location | | |
|---------------------------------------|-----|-----|
| Belfast | 168 | 63% |
| Co Antrim | 17 | 6% |
| Co Armagh | 7 | 3% |
| Co Down | 20 | 7% |
| Co Fermanagh | 1 | 1% |
| Co Londonderry | 12 | 4% |
| Co Tyrone | 10 | 4% |
| Province wide | 0 | 0% |
| Other | 4 | 2% |
| Not indicated | 26 | 10% |

APPENDIX 3 - Achievement of Corporate Objectives through Business Planning

The Commission monitors achievement of corporate objectives through its annual business plan and monitoring reports to the Business Committee and Plenary Commission. In order to do so, the Commission decided that objectives should reflect activity against appointments process, diversity, accountability and external communications.

The following sets out the achievement of objectives during 2010-11.

The Objectives in the 2010-11 Business Plan

The four perspectives of appointments process, diversity, accountability and external communications are set out below with a statement of progress at year end against each.

Appointments Process

To conduct the appointments process and select candidates on merit for appointment, and recommendation for appointment, in respect of all listed judicial offices up to and including High Court judge.

1. To make recommendations to the Lord Chancellor for appointments and re-appointments to any judicial offices listed in Schedule 1 of the 2002 Act where the appointment is made by the Queen and make appointments and re-appointments to any other judicial office listed in Schedule 1 to the 2002 Act.

Achieved.

2. To continually develop and implement an Appointments strategy following the strategic review and consultation of appointments policies and procedures.

Achieved and ongoing. (One outcome regarding “a benchmarking exercise with the Police National Improvement Agency” was deferred to 2011-12.)

3. To implement a learning and development programme for Commissioners and staff to continuously improve the recruitment, assessment and selection function.

Achieved.

Diversity

To engage in programmes of action to secure, so far as it is reasonably practicable to do so, a judiciary in Northern Ireland that is as reflective of our society as can be achieved consistent with the requirement of appointment on merit.

4. To carry out equity monitoring of appointment competitions and produce reports of the findings.

Achieved.

5. To carry out an annual equity monitoring exercise and to produce a report summarising the position regarding applications for judicial appointments during the year, and the position regarding judicial office holders, compared with the applicant pool.

Achieved.

6. Having now completed the NISRA/QUB research, continue implementation of the Research Review and associated action plan.

Achieved.

7. Having shared the desk based research into non-legal posts with the Tribunal Service progress the agreed way ahead.

Achieved.

8. Build upon last year's success with outreach to civic society.

Achieved.

Accountability

To make effective and efficient use of our resources in order to achieve our objectives

9. To continue to work with the OFMDFM to ensure a smooth transition under devolution, agree SLAs and framework documents with interested parties, settle secondment arrangements for staff to ensure that the Commission can operate effectively and meet its objectives.

Achieved.

10. To ensure that the Commission demonstrates the highest levels of information assurance.

Achieved.

11. To publish the Annual Report and Accounts 2009-10.

Achieved.

12. By March 2011 to secure from the sponsorship department the required level of resources to deliver the Commissions 2011-12 objectives.

Achieved.

13. To maintain internal financial and stewardship controls within the Commission, which meet government guidelines.

Achieved.

14. To demonstrate strong corporate governance at all times.

Achieved.

External Communications

To communicate helpful information, advice and guidance to targeted audiences to stimulate interest and raise awareness; encourage applications from under-represented groups; improve understanding of the application process and what judicial office entails; demonstrate openness and transparency and that appointments are made solely on the basis of merit.

15. To continue to implement the communication/diversity strategy to include continued website development, including online applications, circulation of articles and publications.

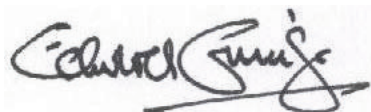
Achieved and ongoing. (An e-recruit package has been procured but will not be implemented until 2011-12, following extensive security testing.)

16. To maintain a publication scheme as approved by the Information Commissioner's Office and respond to all Freedom of Information Act and Data Protection Act queries within the set guidelines.

Achieved.

87.5% of targets were achieved

12.5% were achieved and ongoing



Edward Gorringe

Accounting Officer

15 August 2011

REMUNERATION REPORT

Remuneration Policy

The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a freeze on senior pay in respect of 2010-11 and 2011-12 pay awards, in line with the Executive's decision in Budget 2011-15 to mirror the UK Coalition Government's commitment to impose pay restraint.

The Northern Ireland Permanent Secretary Remuneration Committee helps determine pay on entry and the annual review of NICS Permanent Secretaries pay in line with the annual pay strategy as approved by the Minister of Finance and Personnel. The freeze on pay in 2010/11 and 2011/12 also applies to Permanent Secretaries.

The pay system in place for senior civil servants in the Northern Ireland Civil Service is currently under review.

The remuneration of the Commission members appointed and/or reappointed pre devolution on 12 April 2010 has been determined by the Lord Chancellor. The remuneration of the Commission members appointed and/or reappointed post 12 April 2010 will be determined by the Office of the First Minister and deputy First Minister. Judicial members, with the exception of the Lay Magistrate, do not receive a fee. Other members, including the lay magistrate, receive a daily rate of £294. A half-day fee of £147 is payable for 4 hours or less. With the agreement of the Sponsor Department, the Commission has developed a fees policy which, in addition to the above rates, introduced an hourly rate of £36.75 pro rata for specific work undertaken by Commission members which does not attract the full or half day fee. Commission members are reimbursed for incidental expenses incurred in the course of Commission business.

Commission members have no entitlement to bonuses or performance related payments.

Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

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

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

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Commission members and the most senior official of the Commission (the Chief Executive).

Remuneration (audited)

Chief Executive

The position of Chief Executive throughout 2010-11 was held by Edward Gorringe, a direct employee of the Commission.

The remuneration payable to the Chief Executive was as follows:

| Name | 2010-11 | | | 2009-10 | | |
|-----------------|---------|----------------|---------------------------------|---------|----------------|---------------------------------|
| | Salary | Bonus Payments | Benefits in Kind (nearest £100) | Salary | Bonus Payments | Benefits in Kind (nearest £100) |
| Edward Gorringe | 35-40 | - | - | 60-65 | 0-5 | - |

Mr Gorringe was on unpaid special leave from June to October 2010.

Commission members

The remuneration payable to the Commission members was as follows:

| Name | 2010-11 | | 2009-10 | |
|---|------------------------|--|------------------------|--|
| | Salary £000 | Benefits in Kind (nearest £100) | Salary £000 | Benefits in Kind (nearest £100) |
| The Right Honourable Sir Declan Morgan (Chair) (commenced 3 July 2010) | | - | - | - |
| The Right Honourable Sir Brian Kerr (former Chair) (stood down 26 June 2010) | | - | - | - |
| Mrs Sinéad Burns | 5-10 | - | 5-10 | - |
| The Right Honourable Lord Justice Coghlin | - | - | - | - |
| Mr Peter Cush | 0-5 | - | 0-5 | - |
| Mr Donal Flanagan OBE | 0-5 | - | 0-5 | - |
| Mr John Gordon | 0-5 | - | 5-10 | - |
| District Judge (Magistrates' Courts) Amanda Henderson | - | - | - | - |
| Mrs Ruth Laird | 0-5 | - | 10-15 | - |
| Her Honour Judge Loughran | - | - | - | - |
| Professor John Morison | 0-5 | - | 0-5 | - |
| Dr Raymond Mullan OBE | 0-5 | - | 0-5 | - |
| Professor Nichola Rooney | 0-5 | - | 5-10 | - |
| The Honourable Mr Justice Weatherup | - | - | - | - |

Salary

'Salary' includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

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

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2010-11 relate to performance in 2010-11 and the comparative bonuses reported for 2009-10 relate to the performance in 2009-10.

Pension Benefits (audited)

Commission Members

No pension contributions are made by the Commission in respect of the Commission members.

Chief Executive

| Name and title | Accrued Pension at age 65 at 31 March 2011 and related lump sum | Real increase/ (decrease) in pension and related lump sum at age 65 | CETV at 31 March 2011 | CETV at 31 March 2010* | Real increase/ (decrease) in CETV | Employer contribution to partnership pension account Nearest £100 |
|----------------------------------|--|--|------------------------------|-------------------------------|--|--|
| | £000 | £000 | £000 | £000 | £000 | |
| Mr E Gorringe Chief Executive | 0-5 plus 0 lump sum | 0-2.5 plus 0 lump sum | 13 | 0 | 11 | — |

*The actuarial factors used to calculate CETVs were changed in 2010/11. The CETVs at 31/3/10 and 31/3/11 have both been calculated using the new factors, for consistency. The CETV at 31/3/10 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

Northern Ireland Civil Service (NICS) Pension arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium, and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is an 'earned pension' arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. Earned pension benefits are increased annually in line with increases in the CPI. For 2011, public service pensions will be increased by 3.1% with effect from 11 April.

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. Further details about the CSP arrangements can be found at the website www.civilservice-pensions.gov.uk.

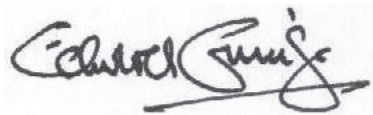
Cash Equivalent Transfer Values

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

The actuarial factors that are used in the CETV calculation were changed during 2010, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to uprate Civil Service pensions. This means that the CETV in this year's report for 31/03/10 will not be the same as the corresponding figure shown in last year's report.

Real Increase in CETV

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

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

Edward Gorringe

Accounting Officer

15 August 2011

STATEMENT OF THE NORTHERN IRELAND JUDICIAL APPOINTMENTS COMMISSION'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under paragraph 7 of Schedule 2 to the Justice (Northern Ireland) Act 2002 as amended, the Northern Ireland Judicial Appointments Commission is required to prepare a statement of accounts in respect of each financial year in such a form and on the basis determined by the Office of the First Minister and deputy First Minister (OFMDFM), with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission at the year end and of the income and expenditure and cash flows for the financial year.

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

- observe the Accounts Direction issued by OFMDFM 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 *Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis, unless it is inappropriate to presume that the Commission will continue in operation.

The Accounting Officer of the NI Court Service designated the Chief Executive as the Accounting Officer for the Commission. The Chief Executive's relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances and for keeping proper records, are set out in the Non-Departmental Public Bodies Accounting Officers' Memorandum issued by HM Treasury and published in *Managing Public Money*. From 12 April 2010, following the devolution of justice, the Accounting Officer of the OFMDFM designated the Chief Executive as the Accounting Officer for the Commission.

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

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

When policing and justice functions in Northern Ireland were devolved to the Northern Ireland Assembly on 12 April 2010, the Department of Justice was established as a new Northern Ireland Department by the Department of Justice Act (Northern Ireland) 2010. From this date, the NI Court Service became an executive agency of the Department of Justice and is now known as the NI Courts and Tribunals Service. The NI Judicial Appointments Commission is now an NDPB under the OFMDFM.

The purpose of the system of internal control

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 and embedded in the Commission for the year ended 31 March 2011 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

Capacity to handle risk

Risk management constitutes a standing item on management meeting agendas and senior managers are required to formally sign off Stewardship Statements for me on a quarterly basis; the corporate risk register is also reviewed and updated on a quarterly basis.

The Audit and Risk Management Committee is comprised of five Commissioners who do not have an executive role in the management of the organisation. The terms of reference of the Committee are based on HM Treasury's Audit Committee Handbook and have been agreed by the full Committee.

Internal audit services during 2010-11 were provided by ASM, which operates to the Government Internal Audit Standards, under the terms of an agreed contract following a public procurement exercise. Findings from the work of ASM, risks identified through the organisation's Risk Management System and feedback from our external auditors are considered by both the Audit and Risk Management Committee and executive management to ensure that there is ongoing review and revision of the control framework of the organisation.

Risk Management is also considered by me through the review of the Corporate Risk Register and Corporate Plan monitoring process. This includes a regular review of attendant risks thus ensuring that risk management has been incorporated fully into the corporate planning and decision-making processes of the Commission.

The risk and control framework

Risks are considered in tandem with objectives at all levels in the organisation and formally reported in the Corporate Risk Register. Risks are assessed in terms of their probability of occurrence and impact on the achievement of objectives, and scored and reported on accordingly. Responsibility for the management of each risk is assigned and recorded, along with controls in place to mitigate the risk, monitoring arrangements in place and any action taken or planned in order to enhance the level of control. Risks are formally reviewed on a quarterly basis and documentation updated. The updated risk registers record any movement in terms of impact and probability of occurrence.

The Audit and Risk Management Committee is responsible for the maintenance and development of the risk management and review processes through, for example, ensuring compliance with the structured quarterly review points and formal stewardship reporting in order to ensure continued alignment with planning and monitoring at corporate and operational level. In challenging risks identified by executive management, the Committee ensures that there is ongoing consideration of the impact of both external and internal initiatives on the planned work of the Commission.

Information Risk

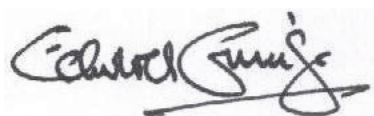
The Information Risk Policy supplements our corporate approach to risk management and encourages staff and managers to consider information as assets, supported by the compilation of Information Asset Registers. Therefore, information assets are subject to the risk management processes outlined above. Additionally, the Commission continues to work towards accreditation to ISO 27001, the information security standard. We continue to monitor and review our approach to information risk management.

Audit and Risk Management Committees

The activity of the Audit and Risk Management Committee is defined in its terms of reference, under which the Committee meets three times annually, with a set guideline of items to consider at each meeting. In addition to the members of the Committee, the Chief Executive and representatives of both internal and external audit are in attendance at each meeting. ASM activity in the year included the delivery of an agreed audit plan which was based upon discussion with the Chief Executive and the provision of staff and Commissioner advice on risk and control frameworks. The audit plan was ratified by the Audit and Risk Management Committee.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The Audit and Risk Management Committee oversees the audit activity on behalf of the full Commission and updates the Commission on control, risk and governance issues following each meeting. At the end of the reporting period, stewardship statements are completed by Business Managers providing assurance in respect of the management of risk and the achievement of objectives at business unit level. ASM provides risk, control and governance advice and carries out a planned schedule of work, including the provision of an independent opinion by the Director of ASM, as Head of Internal Audit, on the adequacy and effectiveness of the Commission's system of risk management, control and governance. He has provided overall satisfactory assurance for the 2010-11 year. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Commission who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Report to those charged with Governance following the audit of the 2009-10 accounts. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit and Risk Management Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place. There are no significant control issues.



Edward Gorringe
Accounting Officer
15 August 2011

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

I certify that I have audited the financial statements of the Northern Ireland Judicial Appointments Commission for the year ended 31 March 2011 under the Justice (Northern Ireland) Act 2002 as amended. These comprise the Statement of Comprehensive Net Expenditure Account, 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 Northern Ireland Judicial Appointments Commission, Accounting Officer and auditor

As explained more fully in the Statement of the Northern Ireland Judicial Appointments Commission's and Accounting Officer's Responsibilities, the Northern Ireland Judicial Appointments Commission and 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 the financial statements in accordance with the Justice (Northern Ireland) Act 2002 as amended. 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 Judicial Appointments Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Judicial Appointments 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.

In addition, 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 the Assembly 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 the Assembly 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 the Northern Ireland Judicial Appointments Commission's affairs as at 31 March 2011 and of its net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Justice (Northern Ireland) Act 2002 as amended and the Office of the First Minister and Deputy First Minister's 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 the Justice (Northern Ireland) Act 2002 as amended and directions issued under by the Office of the First Minister and Deputy First Minister; and
- the information given in the Chairman's Foreword, the Director's Report, the Management Commentary, the Programme of Business and the unaudited part of the Remuneration Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.



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

22 August 2011

**NORTHERN IRELAND JUDICIAL
APPOINTMENTS COMMISSION**

ACCOUNTS

2010-11

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2011

| | | Year ended 31/03/11 £ | Year ended 31/03/10 Restated £ |
|---|-------|-----------------------------|---|
| | Note | | |
| Expenditure | | | |
| Staff costs | 3 | 807,647 | 797,269 |
| Depreciation and amortisation | 5 & 6 | 9,559 | 2,507 |
| Other operating costs | 4 | 617,061 | 791,268 |
| Total Expenditure | | 1,434,267 | 1,591,044 |
| | | | |
| Income | 2 | - | (7,269) |
| | | | |
| Net Expenditure transferred to Taxpayers' equity | | 1,434,267 | 1,583,775 |

All operations are continuing.

Figures for 2009-10 have been restated in line with Department of Finance and Personnel advice on the removal of the cost of capital charge.

Other Comprehensive Expenditure

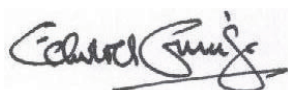
| | | Year ended 31/03/11 £ | Year ended 31/03/10 £ |
|---|------|-----------------------------|-----------------------------|
| | Note | | |
| Net gain/(loss) on revaluation of Intangibles | 6 | 553 | (595) |
| Total Comprehensive Expenditure | | 1,434,820 | 1,583,180 |

The notes on pages 89 to 107 form part of the accounts

Statement of Financial Position

as at 31 March 2011

| | Note | 31 March 2011 | | 31 March 2010 | |
|--|------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Non-current assets: | | | | | |
| Property, plant and equipment | 5 | 20,487 | | 2,958 | |
| Intangible assets | 6 | <u>22,721</u> | | <u>4,964</u> | |
| Total non-current assets | | | 43,208 | | 7,922 |
| Current assets: | | | | | |
| Trade and other receivables | 7 | 12,881 | | 252,477 | |
| Cash and cash equivalents | 8 | <u>191,936</u> | | <u>-</u> | |
| Total current assets | | | 204,817 | | 252,477 |
| Total assets | | | 248,025 | | 260,399 |
| Current liabilities | | | | | |
| Trade and other payables | 9 | <u>(206,328)</u> | | <u>(216,461)</u> | |
| Total current liabilities | | | (206,328) | | (216,461) |
| Non-current assets plus net current assets less current liabilities | | | 41,697 | | 43,938 |
| Assets less liabilities | | | 41,697 | | 43,938 |
| Taxpayers' equity | | | | | |
| General fund | | | 41,655 | | 43,343 |
| Revaluation reserve | | | <u>42</u> | | <u>595</u> |
| | | | 41,697 | | 43,938 |



Edward Gorringe
Accounting Officer
15 August 2011

The notes on pages 89 to 107 form part of the accounts

Statement of Cash Flows

for the year ended 31 March 2011

| | | Year ended 31/03/11 | Year ended 31/03/10 Restated |
|---|------|---------------------------|------------------------------------|
| | | £ | £ |
| | Note | | |
| Cash flows from operating activities | | | |
| Net Expenditure | | (1,434,267) | (1,583,775) |
| Adjustments for non-cash transactions | | 9,559 | 2,507 |
| (Increase)/decrease in trade and other receivables | 7 | 239,596 | (36,879) |
| Increase/(decrease) in trade and other payables | 9 | <u>(10,133)</u> | <u>23,467</u> |
| Net cash outflow from operating activities | | <u>(1,195,245)</u> | <u>(1,594,680)</u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 5 | (23,993) | (1,477) |
| Purchase of intangible assets | 6 | <u>(21,405)</u> | <u>(3,843)</u> |
| Net cash outflow from investing activities | | <u>(45,398)</u> | <u>(5,320)</u> |
| Cash flows from financing activities | | | |
| Grants from parent department | | <u>1,432,579</u> | <u>1,600,000</u> |
| Net financing | | <u>1,432,579</u> | <u>1,600,000</u> |
| Net increase/(decrease) in cash and cash equivalents in the period | | | |
| | | <u>191,936</u> | <u>-</u> |
| Cash and cash equivalents at the beginning of the period | | | |
| | 8 | <u>-</u> | <u>-</u> |
| Cash and cash equivalents at the end of the period | | | |
| | 8 | <u>191,936</u> | <u>-</u> |

Figures for 2009-10 have been restated in line with Department of Finance and Personnel advice on the removal of the cost of capital charge.

The notes on pages 89 to 107 form part of the account

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

| | General Fund £ | Revaluation Reserve £ | Total Reserves £ |
|---|----------------------|-----------------------------|------------------------|
| Balance as at 1 April 2009 | 27,118 | - | 27,118 |
| Grant from parent | 1,600,000 | - | 1,600,000 |
| Transfers between reserves | | | |
| Comprehensive Expenditure for the year | <u>(1,583,775)</u> | <u>595</u> | <u>(1,583,180)</u> |
| Movements of Reserves | <u>16,225</u> | <u>595</u> | <u>16,820</u> |
| Balance as at 31 March 2010 | 43,343 | 595 | 43,938 |
| Changes in taxpayers' equity for 2010-11 | | | |
| Grant from parent | 1,432,579 | - | 1,432,579 |
| Transfers between reserves | | | |
| Comprehensive Expenditure for the year | <u>(1,434,267)</u> | <u>(553)</u> | <u>(1,434,820)</u> |
| Movements in Reserves | <u>(1,688)</u> | <u>(553)</u> | <u>(2,241)</u> |
| Balance at 31 March 2011 | 41,655 | 42 | 41,697 |

The notes on pages 89 to 107 form part of the accounts

Notes to the Financial Statements

1.0 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2010-11 *Financial Reporting Manual (FReM)* issued by the Department of Finance and Personnel. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items considered material to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of intangible assets.

1.2 Property, Plant and Equipment

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

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

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

All property, plant and equipment is reviewed annually for impairment and is carried at fair value. All non-property operational assets are deemed to be short-life or low value assets and are therefore valued on the basis of depreciated replacement cost as an approximation of fair value.

Property, plant and equipment were not revalued during the year as there were no material differences between historical cost amounts and the revalued amounts.

1.3 Intangible assets

Expenditure on intangible assets which includes software, software licences, and the associated costs of implementation is capitalised where the cost is £1,000 or more. Intangible assets are reviewed annually for impairment and are carried at fair value.

Intangible assets have been stated at their value to the business by reference to Office of National Statistics (ONS) indices. The indices were obtained from ONS MM17 Price Index Numbers for Current Cost Accounting as at March 2011. Assets are not indexed in the year of acquisition.

1.4 Depreciation and Amortisation

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

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

Useful lives are normally in the following ranges:

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

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

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

1.5 Inventories

Consumable inventories are not considered material and are charged to the Statement of Comprehensive Net Expenditure in the year of purchase.

1.6 Income

Income consists of amounts charged to external bodies for the provision of certain recruitment competitions. Grant in aid funding received from the OFMDFM is treated as a movement in the General Fund.

1.7 Operating leases

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease. Future payments, disclosed at Note 11, are not discounted.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (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 elements of the schemes, the Commission recognises the contributions payable for the year.

1.9 Value Added Tax

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

1.10 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. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury (currently 2.2%). No provisions were necessary for 2010-11.

1.11 Contingent Liabilities

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts.

1.12 Financial Instruments

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

A financial instrument is recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when, and only when, either the contractual rights to the cash flows from that asset expire, or the entity transfers the asset such that the transfer qualified for derecognition. A financial liability is derecognised when, and only when, it is extinguished.

The Commission does not hold any complex financial instruments. The majority of financial instruments relate to contracts for non-financial items in line with the Commission's expected purchase and usage requirements; the Commission is therefore exposed to little credit, liquidity or market risk.

The Commission has financial instruments in the form of trade receivables and payables, and cash and cash equivalents.

In accordance with IAS 39 *Financial Instruments: Recognition and Measurement*, trade receivables, cash and other receivables are classified as 'loans and receivables'. Loans and receivables are non-derivative non-current assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

The Commission assesses at each statement of financial position date whether there is any objective evidence that a financial asset or group of financial assets classified as loans and receivables is impaired.

The amount of the loss is calculated as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making collective assessment of impairment, financial assets are grouped into portfolios on the basis of similar risk characteristics. Future cash flows from these portfolios are estimated on the basis of the contractual cash flows and historical loss experience for assets with similar risk characteristics.

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the Statement of Comprehensive Net Expenditure to the extent that a provision was not previously recognised.

The Commission also has financial instruments in the form of trade payables that are classified in accordance with IAS 39 as “other financial liabilities”. These are initially measured at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

1.13 Employee Benefits

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

1.14 Estimate techniques used and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Commission's 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.

- *Depreciation of property, plant and equipment, and amortisation of intangible assets.*

Depreciation and amortisation 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 estimate useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are shown in Note 1.4.

1.15 The removal of the cost of capital charge

In line with Department of Finance and Personnel advice, Prior Period Adjustments (PPAs) arising from the removal of the cost of capital charge is not included in Spring Supplementary Estimates for 2010-11, other than as a note, on the basis that the PPA numbers could have been misleading. The impact of these accounting policy changes on Net expenditure in respect of 2009-10 are shown below.

The removal of the cost of capital charge has the following effect on Net expenditure in 2009-10.

| | 2009-10 £ |
|---------------------------------------|----------------------------|
| Net Expenditure | 1,585,018 |
| Removal of the cost of capital charge | (1,243) |
| Adjusted Net Expenditure | 1,583,775 |

2. Income

| | Year ended 31/03/11 £ | Year ended 31/03/10 £ |
|----------------------|-----------------------------|-----------------------------|
| Miscellaneous Income | - | 7,269 |
| Total Income | - | 7,269 |

3. Staff numbers and related costs

Staff costs comprise:

| | Year ended 31/03/11 Total £ | Permanently employed staff £ | Inward seconded staff * £ | Agency staff £ | Commission members £ | Year ended 31/03/10 Total £ |
|-----------------------|--------------------------------------|---------------------------------------|------------------------------------|----------------------|----------------------------|--------------------------------------|
| Direct Staff | | | | | | |
| Wages and salaries | 654,582 | 215,216 | 407,553 | 2,585 | 29,228 | 649,792 |
| Social security costs | 43,233 | 18,312 | 23,541 | - | 1,380 | 45,678 |
| Other pension costs | 109,832 | 46,808 | 63,024 | - | | 101,799 |
| Total costs | 807,647 | 280,336 | 494,118 | 2,585 | 30,608 | 797,269 |

* Inward seconded staff wages and salaries cost includes £76,200 (2009-10: £60,090) relating to VAT.

The Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS (NI)] is an unfunded multi-employer defined benefit scheme but the Northern Ireland Judicial Appointments Commission is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out at 31 March 2007 and details of this valuation are available in the PCSPS (NI) resource accounts.

For 2010-11, employers' contributions of £46,808 were payable to the PCSPS (NI) (2009-10: £46,517 payable to the PCSPS) in relation to directly appointed staff, at one of four rates in the range 18% to 25% (2009-10: 16.7% – 24.3%) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. From 2010-11, the rates will be in the range 18% to 25%. The contribution rates are set to meet the cost of the benefits accruing during 2010-11 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. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of 0.8% of pensionable pay are payable to the PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. During 2010-11, no employees of the Commission opted for a partnership pension account.

Average number of persons employed

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

| | Year ended 31/03/11 Number | | | Year ended 31/03/10 Number |
|--|----------------------------------|--------------------|-------------------|----------------------------------|
| | Total | Permanent staff | Seconded staff | Total |
| Chief Executive | 1 | 1 | - | 1 |
| Corporate Planning Resources and Governance Team | 5 | - | 5 | 5 |
| Appointment and Policy Team | 7 | 2 | 5 | 6 |
| Diversity and Communications Team | 4 | 2 | 2 | 4 |
| Total | 17 | 5 | 12 | 16 |

4. Other Operating Costs

| | Year ended 31/03/11 £ | Year ended 31/03/10 £ Restated |
|--|-----------------------------|---|
| Accommodation costs | 168,754 | 163,852 |
| Services provided by NI Courts and Tribunals Service | 113,729 | 204,599 |
| IT services | 89,699 | 123,365 |
| Security costs | 44,632 | 46,546 |
| Managed services | 30,642 | (1,421) |
| Maintenance | 28,902 | 20,085 |
| Printing, design and stationery | 26,957 | 24,807 |
| Other costs | 25,004 | 34,189 |
| Competition adverts | 18,872 | 71,658 |
| Other services | 15,478 | 11,403 |
| Heat and light | 14,038 | 14,104 |
| Other competition costs | 13,920 | 29,562 |
| Auditors' remuneration | 12,885 | 13,700 |
| Staff training | 11,317 | 25,362 |
| Consultancy services | 2,232 | 9,457 |
| Total | 617,061 | 791,268 |

Figures for 2009-10 have been restated in line with Department of Finance and Personnel advice on the removal of the cost of capital charge.

5. Property, plant and equipment

| | Plant and Equipment £ | Furniture and Fittings £ | Information Technology £ | Total £ |
|--|--------------------------|-----------------------------|-----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 April 2010 | 546 | 3,768 | 1,567 | 5,881 |
| Additions | 7,844 | - | 16,149 | 23,993 |
| Disposals | - | - | - | - |
| At 31 March 2011 | 8,390 | 3,768 | 17,716 | 29,874 |
| Depreciation | | | | |
| At 1 April 2010 | 292 | 1,064 | 1,567 | 2,923 |
| Charged in year | 763 | 377 | 5,324 | 6,464 |
| Disposals | - | - | - | - |
| At 31 March 2011 | 1,055 | 1,441 | 6,891 | 9,387 |
| Net book value at 31 March 2011 | 7,335 | 2,327 | 10,825 | 20,487 |
| Net book value at 31 March 2010 | 254 | 2,704 | - | 2,958 |
| Asset financing: | | | | |
| Owned | 7,335 | 2,327 | 10,825 | 20,487 |
| Finance Leased | - | - | - | - |
| Net book value at 31 March 2011 | 7,335 | 2,327 | 10,825 | 20,487 |

| | Plant and Equipment £ | Furniture and Fittings £ | Information Technology £ | Total £ |
|--|--------------------------|-----------------------------|-----------------------------|--------------|
| Cost or valuation | | | | |
| At 1 April 2009 | 546 | 2,291 | 1,567 | 4,404 |
| Additions | - | 1,477 | - | 1,477 |
| Disposals | - | - | - | - |
| At 31 March 2010 | 546 | 3,768 | 1,567 | 5,881 |
| Depreciation | | | | |
| At 1 April 2009 | 183 | 725 | 1,392 | 2,300 |
| Charged in year | 109 | 339 | 175 | 623 |
| Disposals | - | - | - | - |
| At 31 March 2010 | 292 | 1,064 | 1,567 | 2,923 |
| Net book value at 31 March 2010 | 254 | 2,704 | - | 2,958 |
| Net book value at 31 March 2009 | 363 | 1,566 | 175 | 2,104 |
| Asset financing: | | | | |
| Owned | 254 | 2,704 | - | 2,958 |
| Finance Leased | - | - | - | - |
| Net book value at 31 March 2010 | 254 | 2,704 | - | 2,958 |

6. Intangible assets

Intangible assets comprise of software and associated implementation costs.

| | Total £ |
|--|---------------|
| Cost or valuation | |
| At 1 April 2010 | 7,574 |
| Additions | 21,405 |
| Disposals | - |
| Revaluations | (843) |
| At 31 March 2011 | 28,136 |
| Amortisation | |
| At 1 April 2010 | 2,610 |
| Charged in year | 3,095 |
| Disposals | - |
| Revaluations | (290) |
| At 31 March 2011 | 5,415 |
| Net book value at 31 March 2011 | 22,721 |
| Net book value at 31 March 2010 | 4,964 |

| | Total £ |
|--|--------------------|
| Cost or valuation | |
| At 1 April 2009 | 2,992 |
| Additions | 3,843 |
| Disposals | - |
| Revaluations | 739 |
| At 31 March 2010 | 7,574 |
| Amortisation | |
| At 1 April 2009 | 582 |
| Charged in year | 1,884 |
| Disposals | - |
| Revaluations | 144 |
| At 31 March 2010 | 2,610 |
| Net book value at 31 March 2010 | 4,964 |
| Net book value at 31 March 2009 | 2,410 |

7 Trade receivables and other current assets

7(a) Analysis by type

| | 31/03/11 £ | 31/03/10 £ |
|---|---------------|----------------|
| Amounts falling due within one year: | | |
| Amount due from NI Courts and Tribunals Service | - | 230,317 |
| Prepayments and accrued income | 12,881 | 18,813 |
| Other receivables | - | 3,347 |
| Total | 12,881 | 252,477 |

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

7(b) Intra-Government Receivable Balances

| | Amounts falling due within one year | |
|---|-------------------------------------|----------------|
| | 31/03/11 £ | 31/03/10 £ |
| Balances with other central government bodies | 10,177 | 250,929 |
| Balances with local authorities | - | - |
| Balances with NHS Trusts | - | - |
| Balances with public corporations and trading funds | - | - |
| Sub-total: intra-government balances | 10,177 | 250,929 |
| Balances with bodies external to government | 2,704 | 1,548 |
| Total receivables at 31 March | 12,881 | 252,477 |

8. Cash and cash equivalents

| | 31/03/11 £ | 31/03/10 £ |
|--|----------------|---------------|
| Balance at 1 April | - | - |
| Net change in cash and cash equivalent balances | 191,936 | - |
| Balance at 31 March | 191,936 | - |
| The following balances at 31 March were held at: | | |
| Commercial banks and cash in hand | 191,936 | - |
| Balance at 31 March | 191,936 | - |

The Grant in Aid drawn down by the Commission prior to 12 April 2010 was held by the NI Court Service, who made all payments required on behalf of the Commission. The balance held by the NI Courts and Tribunals Service on behalf of the Commission at 31 March 2010 is included within Trade receivables and other current assets (see Note 7).

9. Trade payables and other current liabilities

9(a) Analysis by type

| | 31/03/11 £ | 31/03/10 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade payables | 90,034 | - |
| Accruals and deferred income | 116,294 | 216,461 |
| Total | 206,328 | 216,461 |

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

9(b) Intra-Government Payable Balances

| | Amounts falling due within one year | |
|---|-------------------------------------|----------------|
| | 31/03/11 £ | 31/03/10 £ |
| Balances with other central government bodies | 182,860 | 198,395 |
| Balances with local authorities | 66 | - |
| Balances with NHS Trusts | - | - |
| Balances with public corporations and trading funds | - | - |
| Sub-total: intra-government balances | 182,926 | 198,395 |
| Balances with bodies external to government | 23,402 | 18,066 |
| Total payables at 31 March | 206,328 | 216,461 |

10. Capital commitments

There are no contracted capital commitments at 31 March 2011 for which no provision has been made.

11. Commitments under leases

11.1 Operating leases

The Commission makes use of premises and equipment where the operating lease is held by the NI Courts and Tribunals Service (NICTS), and the Office of the First Minister and deputy First Minister (OFMDFM) respectively. The Commission reimburses the NICTS for the leasing costs as they are incurred, and is invoiced directly by the lessor for the lease of the equipment held by OFMDFM; the Commission does not have any future commitments in respect of these leases. The Commission holds only one operating lease in its own name.

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

| | 31/03/11 | 31/03/10 |
|---|----------|----------|
| | £ | £ |
| Obligations under operating leases comprise: | | |
| Office Equipment | | |
| Not later than one year | 499 | 489 |
| Later than one year and not later than five years | - | 489 |
| Later than five years | - | - |
| | 499 | 978 |

11.2 Finance leases

The Commission had no finance leases operating during the year.

12. Other financial commitments

There are no contracted non-capital commitments at 31 March 2011 for which no provision has been made.

13. Financial instruments

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

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

Classification of financial instruments

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

Risk Management

Financial risks include credit risk, liquidity risk and market risks (interest rate and currency).

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Commission is not exposed to significant credit risk and manages its exposure through its procurement policy. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables and other current assets carried in the Statement of Financial Position.

Liquidity risk

The Commission was financed by grant in aid from the Office of the First Minister and Deputy First Minister. The Commission is not, therefore, exposed to significant liquidity risks.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Commission drew down grant in aid from the Office of the First Minister and Deputy First Minister in sterling. The majority of payments made and received by the Commission are in sterling. Foreign currency income and expenditure is negligible. The Commission is not therefore exposed to currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Commission's financial assets and liabilities are non-interest bearing. The Commission is therefore not exposed to any interest rate risk.

Fair values

Fair value is not significantly different from book value since, in the calculation of book value, the expected cash flows would have been discounted by the HM Treasury discount rate of 2.2 per cent in real terms if found to be material. No balances have been discounted for 2010-11.

14. Contingent liabilities

As at 31 March 2011, the Commission did not have any contingent liabilities, which require to be disclosed under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

15. Losses and special payments

During the year, there were no losses or special payments that required disclosure.

16. Related-party transactions

The Commission is a non-departmental public body sponsored until 12 April 2010 by the NI Courts and Tribunals Service (NICTS). The Commission has had various material transactions with the NICTS during the year.

Under devolution, on 12 April 2010, the sponsorship functions of the Commission transferred to Office of the First Minister and deputy First Minister (OFMDFM); since this date the Commission have had material transactions in the form of Grant in Aid with OFMDFM. The NICTS and OFMDFM are regarded as a related party.

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

17. Prior year adjustments

In line with Department of Finance and Personnel advice, Prior Period Adjustments (PPAs) arising from the removal of the cost of capital charge is not included in Spring Supplementary Estimates for 2010-11, other than as a note, on the basis that the PPA numbers could have been misleading. The impact of these accounting policy changes on Net expenditure in respect of 2009-10 are shown in note 1.16.

18. Events after the reporting period

There were no material events post Statement of Financial Position for the year ended 31 March 2011. The annual report and accounts were authorised to be issued on the date of certification by the C&AG.

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