



Annual Report and Accounts

1st April 2016 – 31st March 2017

“Achieving Excellence through People”



The Local Government Staff Commission
for Northern Ireland



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CHAIRMAN'S FOREWORD

I have pleasure in introducing the Local Government Staff Commission's Annual Report and Accounts for 2016/17.

Due to the difficulties encountered at central government level it was not possible to have the necessary Dissolution Order in place to wind up the Commission as planned on 31 March 2017. As a result, the Department for Communities (DfC) decided to reconstitute the Commission membership with effect from 01 April 2017 (up to the final dissolution date). On this basis, the Commission has developed a Management and Dissolution Plan to enable it to continue to determine its statutory duties until it is dissolved.

During March 2017, several voluntary redundancies were made leaving a core staff of four permanent officers and one part-time employee. This will allow the Commission to continue with all necessary services as the non-statutory work of the Commission is gradually outsourced or passed to councils.

During 2016/17 we worked closely with DfC through its Local Government Staff Commission Dissolution Project Board to ensure that the Commission is wound up in an orderly and efficient manner. This work will continue until the final dissolution date. The Project Board is chaired by the Permanent Secretary, Leo O'Reilly and the Commission is represented by the Chief Executive, Adrian Kerr, the Deputy Chair, Bernie Kelly and myself.

Prior to dissolution, efforts were made to put in place a new shared Local Government HR central resource to continue the HR statutory work carried out by the Commission and avoid redundancies, but unfortunately this was not successful and it is with regret that the Commission's team of enthusiastic, skilled and professional staff has now been lost as an independent resource to local government.

During the past year, the service provided to local government by the Commission remained of the highest quality and staff morale was maintained as far as possible during a period of continuing uncertainty.

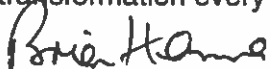
2016/17 was a busy year and assistance was provided to councils in the following areas:

- Preparing, consulting on and producing a Code of Procedures on Recruitment and Selection for adoption by councils following the Commission's final demise;
- Continuing to support the work of the Equality and Diversity Strategic Working Group;
- Continuing to support councils with the recruitment of senior officers;
- Facilitating the smooth transfer of the LGTG function to a facilitating council to ensure this important shared service continues to be delivered on behalf of participating councils;
- Providing a Conference in December 2016 on transformation to assist local government to meet the challenges of the future agenda and at which the Leadership Academy and the Coaching and Mentoring Network were launched.

I would like to take this opportunity to pay tribute to all the Commission Members and in particular, my deputy Bernie Kelly and the officer team headed by the Chief Executive Adrian Kerr and to thank them all for their professionalism and dedication to the service throughout this final challenging period of the Commission's existence.

During the year, the Commission appointed Stratagem NI to produce a historical piece on its work over the years to capture succinctly the various stages it went through from its inception to its dissolution focusing particularly on the last 25 years. I am sure that all those who have been involved with the Commission and its work will find it to be a useful summary of the Commission's contribution to local government in Northern Ireland over this period.

Finally, as someone who has been involved in local government in Northern Ireland for over fifty years, I wish all those who are now engaged in local democracy and service delivery during this new era of transformation every success for the future.



BRIAN HANNA
Chairman

CHIEF EXECUTIVE'S REPORT

Throughout 2016/17 the Commission concentrated on delivering the objectives that were set out in the Strategic Plan 2016-2017 and Business Plan 2016-2017. This defined our overall objectives and key areas for the year as detailed below:

Key Area 1 – Talent and Development

- To ensure that local government sustains flexible, 'fit for purpose' organisations which can respond to change and meet customer needs in an atmosphere of continuous improvement.
- To support the development of a flexible workforce, with enhanced knowledge and skills and to build capacity in the sector to deliver strong, dynamic local government.

Key Area 2 – Recruitment and Diversity

- To ensure that councils and the Northern Ireland Housing Executive (NIHE) have effective recruitment practices which treat all applicants fairly and equitably.
- To ensure fair and equitable treatment for all by promoting an environment free from all forms of unlawful discrimination and where diversity is valued.

Key Area 3 – People Strategies

- To develop and implement a People/OD Strategy for local government which will deliver on the workforce issues necessary to address the business priorities of the sector.
- To ensure that effective, productive and harmonious working environments and staff/management relationships are sustained within local government.

Key Area 4 – Corporate Governance

- To provide the highest level of public service standards in all areas of the Commission's operation.

PERFORMANCE

All staff take personal responsibility for ensuring that the objectives as detailed in the Corporate Plan are met in their day-to-day work and areas of responsibility are individually assessed. These objectives are challenging and regular monitoring takes place to ensure compliance and detailed reports are presented to the Commission twice-yearly.

KEY AREAS OF WORK IN SUMMARY

This section highlights some of the activities the Commission has undertaken in 2016/17. All our strategic objectives were matched with outputs and related to initiatives to ensure increased effectiveness. To provide a full understanding of the work of the Commission this section should be read in conjunction with the Operating Review (page 5) which provides greater detail of the results achieved in relation to the objectives as set out in the Business Plan.

Talent and Development

The Commission and the Local Government Training Group (LGTG) continued to provide a range of targeted support to councils in the period following transition, with increased activity in the areas of leadership development and performance culture, support for Reform Implementation, equality and diversity and elected member development including, for example:

- Sourcing and providing expert training on 'Outcomes Based Accountability' in July 2016 for 60 community planning, performance improvement and governance staff from across all councils. The training was delivered on a 'train the trainer' model to allow council staff to implement the process and train others in its use.
- Arranging and delivering training sessions in September and October for senior council officers on the General Power of Competence.
- Agreeing at the LGTG meeting in May to fund the establishment of a Coaching and Mentoring Network across the 11 councils. The Director of Recruitment & Diversity attended the SOLACE meeting in August to present the proposal and encourage buy-in and the training for coaches and mentors commenced in November.
- Supporting the implementation of the Performance Culture Toolkit in a number of councils by supporting projects aimed at service review and improvement, and developing an eLearning resource to assist councils to undertake Stage 4 of the Toolkit i.e. 'Evaluating the Impact and Capturing the Learning' which was piloted in councils and added to the Toolkit on the LMS at the end of August.
- Re-launching under a new training provider the 'Champions of Change – Embedding Diversity in the Councils of the Future' in December 2016.

The Commission's Chief Executive and Director had discussions throughout the year with the Chair of LGTG and SOLACE about the future governance of LGTG and how training services could be delivered jointly in the sector after the dissolution of the Commission in April 2017. To assist SOLACE with their deliberations on this matter the existing Service Level Agreement between LGTG and the Commission and the LGTG Governance, Accountability & Audit Arrangements documents were redrafted to reflect the Commission secretariat service to LGTG being delivered by a facilitating Council after the dissolution of the Commission.

In October, the LGTG Elected Member Development Steering Group took receipt of the report of a sector-wide Training Needs Analysis for Elected Members, which was funded by LGTG, to ensure learning and development provision is based on current needs. Plans to implement the recommendations in the Report are currently being considered.

Development of the Learning Management System (LMS) and eLearning provision continued during the year with several councils working on their own bespoke 'landing pages' and learning content, prior to launching the LMS locally. In June, training was provided for LMS administrators in each council to enable them to create and edit landing pages, layout courses, upload eLearning content, evaluations and certificates and create and run reports of eLearning activity. Training was delivered in September for council staff on creating course content and instructional design.

Recruitment and Diversity

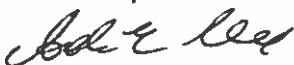
- The Commission provided assistance to councils, as required, with the recruitment process to fill senior posts in the new councils, and by sending Observers to appointment panels.
- The Commission continued to provide support to the 32-elected member and officer Diversity Champions from all 11 councils. During the year, three seminars were held to assist them to carry out their role in their councils including supporting people with disabilities, unconscious bias and aligning equality and diversity to the community planning model. The development programme designed specifically for Diversity Champions, 'Champions of Change – Embedding Diversity in the Councils of the Future' was re-launched in December 2016 with a new provider.
- Following discussions at the Equality and Diversity Group, the current Chair of the Group has agreed to continue as Chair and to provide the secretariat arrangements, following the dissolution of the Commission.
- The existing Code of Procedures on Recruitment and Selection, which is based on the involvement of the Commission throughout the recruitment process, will no longer be applicable when the Commission is dissolved. The Commission agreed that it would be useful to put in place a Code which they could recommend to councils prior to their dissolution, and which could be owned and managed by councils from the dissolution of the Commission. Following a consultation process, the Commission agreed a revised Code which was issued to councils for implementation from the day after dissolution.
- The Leadership Academy Working Group was re-established during the year, comprising representatives from the 4 pilot councils. Meetings were held with several providers, and the programmes for Line Managers and Emerging Leaders will be piloted over the next few months.

People Strategies

- There were continuing attempts to support the formation of new negotiating machinery, however, no proposals emerged from the discussions with stakeholders which were facilitated by the Labour Relations Agency. Continuing support and advice to councils was provided in respect of the outworkings of Joint Forum Agreements.
- Continued employee relations guidance and assistance was given to councils in relation to general HR practices and casework.
- There was ongoing support for outputs from the People and Organisation Development Strategic Framework for Local Government in Northern Ireland. This included the launch of The Leadership Academy and the Coaching & Mentoring Network at the conference in December 2016 as part of the transition to councils leading this work following the dissolution of the Staff Commission.
- In preparation for the dissolution of the Commission and to ensure an orderly transition, councils requested that a procurement exercise be undertaken to refresh the Call Off Framework for consultancy support used by the Commission, LGTG, councils and NI Housing Executive. The exercise was completed in December 2016 and the new Call Off Framework was issued to councils for use from January 2017.

Corporate Governance

- The Commission was due to wind up on 31 March 2017 however due to the collapse of the NI Assembly this has been delayed until The Local Government Staff Commission (Dissolution) Order (NI) 2017 can be passed.
- The Commission's Audit Committee met on four occasions and reviewed the Audit Reports, updated several policies and undertook a full review of the Risk Register.



DR ADRIAN E KERR MBE
Chief Executive

OPERATING, FINANCIAL AND MANAGEMENT REVIEW **for the year ended 31 March 2017**

Background Information

The Local Government Staff Commission for Northern Ireland (the Commission) is an executive non-departmental public body sponsored by the Department for Communities (DfC) and established under the Local Government Act (Northern Ireland) 1972: as amended by the Finance Act 2011. Its powers were further extended under the Housing Orders (NI) 1976 and 1981 and the (Miscellaneous Provisions) (NI) Order 1992.

The Commission's principal function is to:

'exercise general oversight of matters connected with the recruitment, training and terms and conditions of employment of officers of district councils and the Northern Ireland Housing Executive and of making recommendations to district councils and the Northern Ireland Housing Executive on such matters.'

Specific functions are:

- developing good practice in HR management (in conjunction with wider public sector partners);
- initiating HR policy development, evaluation and review;
- acting as a single point of entry to the local government sector for major consultation exercises on HR related issues;
- representing local government on HR related issues as necessary;
- providing and/or recommending independent expert consultancy support;
- hosting and planning events on HR related topics to inform policy developments and legislative change;
- providing access to expert employment-specific legal advice and providing employment law updates;
- facilitating capacity building initiatives and promoting co-operation in the Public Sector;
- constituting and facilitating local government-specific and cross-sectoral working groups;
- arranging conferences, seminars and other networking mechanisms;
- providing direct support to the work of the Local Government Training Group (LGTG) in the design and implementation of the open course programme.

To implement its statutory function to ensure effective training provisions in local government, the Commission works closely with the Local Government Training Group. This Group is responsible for the co-ordination and implementation of training activities for which there is an identified common need throughout the local government service. The Group is a body specified under the General Grant (Specified Bodies) Regulations (Northern Ireland) 1994. The Commission provides secretariat, professional and financial services to this Group, under a service level agreement.

The accounts of the Commission and the Local Government Training Group have been prepared under a direction given by the Department for Communities, with the approval of the Department of Finance, in accordance with paragraph 11 of schedule 3 of the Local Government Act (Northern Ireland) 1972 (as amended). Accordingly, the Commission's accounts have been prepared on an accruals basis and the Training Group on a receipts and payments basis.

Results for the Year

The financial results of the Commission's operation in 2016/17 are set out in detail on page 38 of this annual report and accounts. The surplus for the year for net expenditure after interest was £757k compared with a deficit of £76k for 2015/16.

Dissolution Costs

As a result of the proposed dissolution of the Commission, as at 31 March 2017 there was an estimated liability of £1,899,000 due to exit costs from the NILGOSC pension scheme and redundancy costs. £1,185,000 was included in the provision and £714,000 was included in pension liability (see Notes 12 and 15).

Pension Liabilities

The Commission participates in the Northern Ireland Local Government Superannuation Committee (NILGOSC) Scheme for its employees. This year the Commission obtained IAS 19 actuarial valuations and consequently the resulting net liability and IAS 19 disclosures have been highlighted in these financial statements (see Note 15).

Fixed Assets

Details of the movement of fixed assets are set out in Note 7 to these accounts.

Principal Risks and Uncertainties

- **Capacity to Handle Risk**

Procedures are implemented to identify risks associated with the implementation of the Commission's key objectives and a control strategy is put in place for each significant risk and ownership allocated to appropriate staff.

- **The Risk and Control Framework**

The risk management strategy is fully embedded into the work and future planning work of the Commission and all staff are trained in the management of risk and have an input into the regular ongoing reviews of the risk management process.

Risk management has been incorporated into the Commission's policy and decision making process and risk procedures are regularly reviewed and updated in line with experience and best practice.

Charitable Donations

There were no charitable donations made during 2016/17.

Payment to Suppliers

The Commission is committed to the prompt payment of suppliers for goods and services within 10 working days on receipt of invoice, in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days from the receipt of the goods or services by the Commission, or on presentation of a valid invoice or similar demand to the Commission, whichever is later. During the year, the Commission paid 476 invoices, of which 3 invoices were paid outside the 30-day target due to being in dispute during the required period.

Research and Development

The Commission is committed to an ongoing programme of research to develop and improve service provision. During the year, the Commission carried out research into performance improvement in the delivery of public services, reorganisation and change issues, and women's development within local government.

Business Review

The Commission prepares strategic and business plans for each area of responsibility and monitors performance against key performance targets. A full review of the Commission's activities is provided on pages 8 to 17 of this Annual Report. The current Management and Dissolution Plan is available on request from Commission offices and is available on the Commission's website (www.lgsc.org.uk).

Important Events Occurring After the Year End

There have been no significant events since the year end 31 March 2017 which would affect these accounts.

Members

Membership of the Commission is set out in Appendix 2 of the 2016/17 Annual Report. A Register of Members' Interests is held in Commission offices.

Equality Scheme

In pursuance of Section 75 of the Northern Ireland Act 1998, the Commission has prepared an equality scheme, which has been approved by the Equality Commission. This scheme details the Commission's commitment to, and proposals for, fulfilling the statutory obligations to promote equality of opportunity and good relations.

Employee Involvement

The Commission was committed to the involvement of employees in the decision-making process and to their development to ensure the highest standards in the delivery of all services. The Commission holds Investors in People accreditation and continued to integrate the general principles of this standard into its personnel policies and day-to-day operation.

Environmental, Social and Community Issues

The Commission operated in a political environment and was required to be adaptable to the changing central and local government structures. In developing policies and procedures special attention was paid to legislative changes in employment matters and the need to conform to the obligations placed on public bodies by Section 75 of the Northern Ireland Act 1998.

Disclosure of Audit Information

There is no relevant audit information of which the Commission's auditors are unaware.

The Accounting Officer has taken all reasonable steps to make himself aware of any relevant audit information and to establish that the Commission's auditors are aware of the information.

No fees have been raised, either this year or last year, in respect of non-audit work.

Signed:



DR ADRIAN E KERR
Chief Executive and Accounting Officer
12 September 2017



BRIAN HANNA
Chair, Local Government Staff Commission

**KEY PERFORMANCE AREA 1 – TALENT AND DEVELOPMENT
(DIRECTOR – LINDA LEAHY)**

TALENT STRATEGIC OBJECTIVE 2016-2017

To ensure that local government sustains flexible, 'fit for purpose' organisations, which can respond to change and meet customer needs in an atmosphere of continuous improvement

BUSINESS PLAN 2016-17				
ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p>Implement the agreed People & Organisation Development Strategic Framework and in particular:</p> <ul style="list-style-type: none"> • performance culture • learning organisation 	<p>Assist with the piloting and evaluation of models developed to date and further developments arising from the Conference held in October 2015.</p>	<p>Facilitate progress in line with the agreed action plans.</p> <p>Report to the LGSC and the LGTG on progress as appropriate.</p>	<p>Facilitate progress as detailed in Quarter 2.</p>	<p>Review annual progress and support development of a continuity plan for 2017-2018.</p>
<p>Maintain strategic partnering arrangements with SOLACE, LGCEG, PPMA, NILGA, trade unions, learning institutions and the professional groups within local government</p>	<p>Meet regularly with the various partners and stakeholder groups regarding development needs particularly for reform implementation, transformation and collaborative working.</p> <p>Develop, implement, review and update learning and development provision based on identified need.</p>	<p>Ensure that the needs of the partners and stakeholder groups are considered by the LGTG and the LGSC as appropriate.</p>	<p>Hold review meetings with the strategic partners for future business planning.</p> <p>Ensure adequate funding for any partnership working.</p>	<p>Review the outcomes of the strategic partners' meetings and recommend further initiatives for inclusion in business plans for the continuing provision of future collaborative HR/OD services.</p>
<p>Outcomes All targets have been met in line with this Strategic Objective.</p>				

**KEY PERFORMANCE AREA 1
TALENT & DEVELOPMENT (DIRECTOR – LINDA LEAHY)**

TALENT STRATEGIC OBJECTIVE 2016-2017

To ensure that local government sustains flexible, 'fit for purpose' organisations, which can respond to change and meet customer needs in an atmosphere of continuous improvement

BUSINESS PLAN 2016-17

ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Research and promote Organisation Development (OD) tools and techniques in local government, particularly to support local government reform implementation, transformation and collaborative working approaches	Assist councils to implement a range of business improvement capacity building initiatives and interventions aimed at supporting performance management systems and improving service delivery.	Support the implementation of the Performance Culture Toolkit to enable councils to: <ul style="list-style-type: none"> • review services • manage change associated with Reform implementation • promote good practice • engage staff in the improvement and change process. 	Monitor uptake and evaluate impact of initiatives and interventions and report to LGTG and LGSC as appropriate.	Evaluate and review progress and support development of a continuity plan for 2017-2018.
Assist councils with the staffing implications of organisation design, development and change, particularly in the context of local government reform and the pressures of the current economic climate.	Respond to requests for assistance and promote good practice, in accordance with employers' legal obligations.	Monitor and review the implementation of the LGRJF agreements.	Report to LGSC on the implementation of the agreements.	Evaluate and review progress and plan for 2017-2018.
Provide a secretariat service to PPMA NI	Assist PPMA to: <ul style="list-style-type: none"> • achieve its targets and objectives • prepare for Reform implementation • continue to deliver the capacity building programme for HR practitioners • advance the HR collaboration/ sharing of services agenda within local government. 	Implement required actions on an ongoing basis.	Facilitate progress as detailed in Quarter 2.	Review progress and plan for 2017-2018 as necessary.

Outcomes

All targets have been met in line with this Strategic Objective.

**KEY PERFORMANCE AREA 1
TALENT & DEVELOPMENT (DIRECTOR – LINDA LEAHY)**

DEVELOPMENT STRATEGIC OBJECTIVE 2016-2017

To support the development of a flexible workforce, with enhanced knowledge and skills and to build capacity in the sector to deliver strong, dynamic local government

BUSINESS PLAN 2016-17				
ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p>Develop and maintain the Local Government Training Group (LGTG) as the shared resource for learning and organisation development in district councils</p> <p>Provide ongoing support and secretariat services</p>	<p>Ensure that LGTG remains fully engaged in the development and implementation of the Reform and Transformation Capacity Building Programme.</p> <p>Assist the Practitioners' Group (PG) and the Elected Member Development Steering Group (EMDSG) to progress their Workplans.</p>	<p>Assist the PG to meet its targets and achieve its objectives.</p> <p>Ensure that the outcomes from the EMDSG are discussed with NILGA and the NAC and fed into the LGTG capacity building programme.</p> <p>Monitor progress and report to the LGTG and LGSC as appropriate.</p>	<p>Facilitate progress as detailed in Quarter 2.</p>	<p>Assist the PG and EMDSG to evaluate performance and report to the LGTG, LGSC, NILGA and the NAC as appropriate.</p>
<p>Ensure that the LGTG's strategies and plans support the implementation of the Strategic Framework, local government reform and transformation, and ensure that the learning and development opportunities provided by LGTG meet identified needs</p>	<p>Ensure that the call-off framework of providers for the Open Course Programme and other training provision is monitored and refreshed as necessary.</p>	<p>Quality assure the Open Course Programme to ensure that provision meets the needs of local government, quality is maintained and value for money is achieved.</p> <p>Report to LGTG and LGSC on progress.</p>	<p>Continue to monitor and evaluate the operation of the Open Course Programme.</p> <p>Report to LGTG and LGSC on progress.</p>	<p>Monitor and evaluate all LGTG provision.</p> <p>Review and Plan for 2017-2018.</p> <p>Plan for the implementation of outcomes as necessary.</p>
<p>Implement the central Learning Management System (LMS) for local government</p>	<p>Oversee the strategic development of the LMS and its implementation across and within councils.</p>	<p>Continue to develop content and support materials. Monitor and progress as necessary.</p>	<p>Monitor and progress as necessary.</p>	<p>Review annual progress and support development of a continuity plan for 2017-2018.</p>
<p>Outcomes All targets have been met in line with this Strategic Objective.</p>				

**KEY PERFORMANCE AREA 2
RECRUITMENT & DIVERSITY (DIRECTOR – LORNA PARSONS)**

RECRUITMENT STRATEGIC OBJECTIVE 2016-2017

To ensure that councils and the Northern Ireland Housing Executive (NIHE) have effective recruitment practices which treat all applicants fairly and equitably

BUSINESS PLAN 2016-2017				
ACTIONS 2016/2017	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Advise councils and the NIHE in relation to the implementation of the Code of Procedures on Recruitment and Selection, and on best practice in recruitment and selection	Assist councils to implement the revised Code of Procedures on Recruitment and Selection, and provide advice on best practice in recruitment and selection, as required.	Continue to assist councils to manage the 'Local Government Jobs NI' recruitment portal.	Continue work as detailed in Quarter 2.	Ensure continuity in the application of best practice recruitment procedures from 2017-2018 onwards.
Assist councils to recruit Chief Executives and other senior officers, as detailed in the Code of Procedures on Recruitment and Selection	Assist councils to implement the procedures for the recruitment of senior posts in the revised Code of Procedures on Recruitment and Selection.	Continue to provide assistance to councils to recruit senior posts in line with the agreed procedures.	Continue work as detailed in Quarter 2.	Ensure continuity in the application of best practice recruitment procedures from 2017-2018 onwards.
Provide Observers to attend selection panels for senior posts in councils and the NIHE	Continue to provide Observers to attend selection panels for senior posts.	Continue work as detailed in Quarter 1.	Continue work as detailed in Quarter 1.	Review Observer reports on selection panels and make recommendations to councils.
Advise on best practice in the use of assessment centres and how recruitment exercises can be made more objective and transparent	Review the use of Situational Judgement Tests in councils and consider other ways of working together on assessment testing.	Review the use of assessment centres for Chief Executive and senior posts.	Revisit the research on evaluation of assessment centre practice and implement the recommendations.	Ensure continuity in the application of best practice in assessment testing from 2017-2018 onwards.
Outcomes				
All targets have been met in line with this Strategic Objective.				

**KEY PERFORMANCE AREA 2
RECRUITMENT & DIVERSITY (DIRECTOR – LORNA PARSONS)**

RECRUITMENT STRATEGIC OBJECTIVE 2016-2017 (cont.)

To ensure that councils and the Northern Ireland Housing Executive (NIHE) have effective recruitment practices which treat all applicants fairly and equitably

BUSINESS PLAN 2016-2017				
ACTIONS 2016/2017	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Implement the Strategic Framework and in particular facilitate the Talent Management and Leadership Pillar	Assist with the development of a local government talent management model.	Facilitate progress in line with the agreed action plans. Report to the LGSC and the LGTG on progress as appropriate.	Ensure adequate funding is available to progress the implementation of the action plans.	Evaluate and review progress and prepare a continuity plan for 2017-2018.
Develop a local government coaching and mentoring network	Research existing resources within local government and scope best practice in coaching and mentoring.	Develop and lead a local government coaching and mentoring network.	Facilitate the extension of the coaching and mentoring network within local government and across the wider public sector.	Review the operation of the coaching and mentoring network and develop a continuity plan for 2017-2018.
<u>Outcomes</u> All targets have been met in line with this Strategic Objective.				

**KEY PERFORMANCE AREA 2
RECRUITMENT & DIVERSITY (DIRECTOR – LORNA PARSONS)**

EQUALITY & DIVERSITY STRATEGIC OBJECTIVE 2016-2017

To ensure fair and equitable treatment for all by promoting an environment free from all forms of unlawful discrimination and where diversity is valued

BUSINESS PLAN 2016-2017				
ACTIONS 2016/2017	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Advise and assist councils and the NIHE to implement their Section 75 duties and Disability Action Plans	Ensure that the Statutory Duty Network meets on a regular basis to address common issues and collaborate on sector wide initiatives.	Continue work as detailed in Quarter 1.	Provide Equality Officers with best practice models and case studies on equality and diversity issues.	Review the work of the Statutory Duty Network and develop a continuity plan for 2017-2018.
Advise and assist councils to implement best practice in equality and diversity	Assist councils to roll-out the e-learning programme on equality and diversity for council officers and elected members.	Encourage councils to apply for part-funding for equality and diversity events from the LGTG and LGSC.	Encourage councils to develop a bank of good practice case studies and disseminate across all councils.	Review progress and develop a continuity plan for 2017-2018.
Act as secretariat to the Equality and Diversity Group (EDG) and assist it in the implementation of its Strategic Plan	Hold regular meetings of the EDG to encourage networking and disseminate good practice. Facilitate the implementation of the EDG strategy and action plan.	Host an equality and diversity conference to showcase good practice. Report to the LGSC, EDG and LGTG on progress as appropriate.	Provide training and/or showcasing seminars on equality and good relations issues.	Review progress and develop a continuity plan for 2017-2018.
Support the Diversity Champions to enhance their role in addressing equality and diversity issues at local level	Launch the Champions of Change accredited programme.	Hold regular meetings of the Diversity Champions' Network to encourage networking and disseminate best practice.	Ensure that the LGTG continue to deliver on the development programme for Diversity Champions.	Review the work of the Diversity Champions' Network and develop a continuity plan for 2017-2018. Evaluate the accredited programme for Diversity Champions and develop a plan for future rollouts of the programme.
Outcomes All targets have been met in line with this Strategic Objective.				

**KEY PERFORMANCE AREA 3
PEOPLE STRATEGIES (DIRECTOR – DERMOT O’HARA)**

PEOPLE/OD STRATEGIC OBJECTIVE 2016-2017

To develop and implement a People/OD Strategy for local government which will deliver on the workforce issues necessary to address the business priorities of the sector

BUSINESS PLAN 2016-2017				
ACTIONS 2016/2017	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Lead the co-ordinated implementation of the People & OD Strategic Framework for local government	<p>Ensure the provision of professional advice, assistance and research to support councils working collaboratively in respect of:</p> <ul style="list-style-type: none"> • Performance Culture Toolkit • Talent Management Model • Pay, Grading and Reward • Implementing the Leadership Academy • Employee Engagement • Learning Organisation. 	<p>Provide professional advice, assistance and research support to councils and collaborative working groups.</p> <p>Provide interim reports for the Commission, SOLACE, PPMA, and councils.</p>	<p>Continue work as detailed in Quarter 2.</p>	<p>Review annual progress and develop the updated Strategic Framework for 2017-2018 to ensure continuity for stakeholders.</p>
Facilitate progress under the Strategic Framework in respect of:	<p>Facilitate progress by supporting councils either collectively or individually in respect of project work in relation to Employee Engagement and Pay, Grading and Reward.</p>	<p>Facilitate progress in line with action plans agreed with councils and working groups.</p>	<p>Facilitate progress in line with action plans agreed with councils and working groups.</p>	<p>Review annual progress and support development of draft plans for 2017-2018 to support the overall HR and OD programme.</p>
Update panels of providers for HR and OD support	<p>Review the range of specialist support with councils.</p>	<p>Invite and appraise tenders.</p>	<p>Prepare and publish lists of panels.</p>	<p>Review panels to identify any updates required for 2017-2018 to ensure continuity of provision</p>
<p>Outcomes All targets have been met in line with this Strategic Objective.</p>				

**KEY PERFORMANCE AREA 3
PEOPLE STRATEGIES (DIRECTOR – DERMOT O’HARA)**

EMPLOYEE RELATIONS STRATEGIC OBJECTIVE 2016-2017

To ensure that effective, productive and harmonious working environments and staff/management relationships are sustained within local government

BUSINESS PLAN 2016-17				
ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Provide an Independent Secretariat service to the Interim Negotiating Forum (INF)	Assist the INF and members as required to develop and implement the Workplan (including preparing background and policy papers; undertaking research or benchmarking).	Support INF work prior to its integration with new industrial relations machinery.	Continue work as detailed in Quarter 2.	Develop continuity plans to ensure seamless transition of service to new machinery.
Support the implementation of a new regional industrial relations framework	Assist in implementation of new framework as required following the outcome of the process of facilitated bargaining being managed by the Labour Relations Agency. Assist with developing and implementing the Workplan for a new framework, including preparing background and policy papers and undertaking research or benchmarking and providing secretariat services.	Assist with implementing the Workplan including preparing background and policy papers and undertaking research or benchmarking and providing secretariat services.	Continue work as detailed in Quarter 2.	Assist with developing the Workplan to ensure a seamless transition of HR services for 2017-2018.
Promote and encourage the use of Alternative Dispute Resolution (ADR) procedures as an alternative to formal mechanisms	Support councils as required to utilise ADR mechanisms at local level.	Provide support on request and encourage the use of ADR and assist councils as required.	Continue work as detailed in Quarter 2.	Develop continuity plan to ensure seamless transition of service for 2017-2018.
Assist district councils to progress complaints, grievances and disciplinary matters as requested	Provide professional advice and assistance regarding HR matters including providing independent oversight of the management of complaints, grievances and disciplinary matters, where it is not appropriate for these to be dealt with in-house.	Provide professional advice and assistance regarding HR matters including complaints, grievances and disciplinary matters.	Provide professional advice and assistance regarding HR matters including complaints, grievances and disciplinary matters.	Develop continuity plan to ensure seamless transition of service for 2017-2018.
Assist councils to develop actions and initiatives to reduce employee sickness absence and promote health and wellbeing	Support wellbeing initiatives, e.g., emotional intelligence and emotional resilience and the use of the Local Government Stress Management Toolkit.	Continue assistance as required.	Continue work as detailed in Quarter 2.	Develop continuity plan to ensure seamless transition of service for 2017-2018.

Outcomes

There was no agreement amongst stakeholders within the sector on progressing with new negotiating machinery. All other targets have been met in line with this Strategic Objective.

**KEY PERFORMANCE AREA 4
CORPORATE GOVERNANCE (CHIEF EXECUTIVE – ADRIAN KERR)**

GOVERNANCE STRATEGIC OBJECTIVE 2016-2017

To provide the highest level of public service standards in all areas of the Commission's operation

BUSINESS PLAN 2016-17				
ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p><u>Accountability</u></p> <p>Continue to implement a sound system of control to support the Commission's objectives in accordance with Government Accounting Northern Ireland</p>	<p>Arrange Audit Committee meeting.</p> <p>Finalise 2015-16 accounts and implement agreed systems for transfer of Commission assets and liabilities in March 2017.</p> <p>Continue to implement the Commission's Procurement Policy and Guidance and update as required.</p> <p>Update the Commission's Risk Register in line with the Business Plan and dissolution plan.</p>	<p>Facilitate Local Government Audit.</p> <p>Prepare and finalise 2015-16 Annual Report and Accounts.</p> <p>Review and update the Commission's Risk Register as required.</p>	<p>Publish 2015-16 Annual Report and Accounts.</p> <p>Arrange Audit Committee meeting.</p> <p>Facilitate Internal Audit.</p> <p>Review and update the Commission's Risk Register as required.</p>	<p>Implement all governance arrangements relating to the Commission's dissolution as agreed by the DfC - LGSC Dissolution Project Board.</p>
<p><u>People Development</u></p> <p>Operate a culture of open communication and participation, where staff feel valued and involved and where innovation is encouraged within a Performance Management Framework</p>	<p>Implement the findings of the Training Needs Audit based on the individual development plans.</p>	<p>Provide individual support necessary to implement business plan activities and dissolution requirements.</p>	<p>Ensure implementation of individual development plans.</p>	<p>Provide any necessary continuity plans.</p>
<p><u>Communication and Marketing</u></p> <p>Ensure the People & OD Strategic Pillar outcomes are communicated to councils and the NIHE</p>	<p>Continue to work with Pillar Working Groups at local and central level.</p>	<p>Issue an Information Bulletin to report progress in relation to progress on all Commission activities.</p>	<p>Review progress in relation to the 2016-2017 Business Plan objectives and communicate to stakeholders.</p>	<p>Provide any necessary continuity plans.</p>
<p><u>Outcomes</u> All targets have been met in line with this Strategic Objective.</p>				

**KEY PERFORMANCE AREA 4
CORPORATE GOVERNANCE (CHIEF EXECUTIVE – ADRIAN KERR)**

GOVERNANCE STRATEGIC OBJECTIVE 2016-2017

To provide the highest level of public service standards in all areas of the Commission's operation

BUSINESS PLAN 2016-17

ACTIONS 2016/17	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p><u>Equality</u></p> <p>Advance the Commission's equality agenda</p>	Provide training for Commission staff on the required equality duties.	Complete the Commission's Fair Employment Monitoring return and submit to the Equality Commission.	Prepare the annual report for submission to the Equality Commission.	Advise the Equality Commission on the LGSC's status as a public body for reporting purposes.
<p><u>Operational Support Services</u></p> <p>Provide continuous improvement in the provision of the Commission's Administrative Support and Financial Services</p>	<p>Adhere to the Dissolution Action Plan to ensure no undue burden is placed on the Commission.</p> <p>Review website to ensure it meets LGSC/LGTG requirements.</p> <p>Liaise with the Public Records Office NI to ensure that special circumstances are agreed to enable PRONI to take delivery of files younger than 20 years old.</p>	<p>Adhere to the Dissolution Action Plan to ensure no undue burden is placed on the Commission.</p> <p>Review website to ensure it meets LGSC/LGTG requirements.</p> <p>Review Assets and update Asset Register, as necessary.</p> <p>Prepare for NIAO Audit.</p> <p>Ensure Commission records are managed in line with the Disposal Schedule.</p>	<p>Adhere to the Dissolution Action Plan to ensure no undue burden is placed on the Commission.</p> <p>Review website to ensure it meets LGSC/LGTG requirements.</p> <p>Review Assets and update Asset Register, as necessary.</p> <p>Prepare for Internal Audit.</p> <p>Review financial procedures and update as appropriate.</p>	<p>Adhere to the Dissolution Action Plan to ensure no undue burden is placed on the Commission.</p> <p>Review website to ensure it meets LGSC/LGTG requirements.</p> <p>Review Assets and update Asset Register, as necessary.</p> <p>As a courtesy - notify service providers of dissolution.</p> <p>Ensure Commission records are managed in line with the Disposal Schedule.</p> <p>Prepare for handover to DFC Dissolution Group.</p>

Outcomes

Due to the continuation of the Commission beyond the planned dissolution date of 31 March 2017 actions as detailed in Operational Support Services are ongoing.

REMUNERATION REPORT

Chief Executive and Senior Officers' Remuneration

The Commission operates pay and conditions for Officers in accordance with the provisions adopted by the Northern Ireland Joint Council for Local Government Services. The NIJC is the negotiating body for all staff in councils in Northern Ireland (except Chief Executives). The pay and conditions of service for Chief Executives is determined in line with decisions of the negotiating body for Chief Executives in Local Government in Northern Ireland. There are no benefits in kind included in the emoluments figures.

Service Contracts

All appointments are made in line with the Commission's Code of Procedures on Recruitment and Selection which requires appointments to be made on merit and on the basis of fair and open competition. Twelve weeks' notice is required in relation to the termination of senior management employment contracts and one month's notice is required in relation to termination of all other employment contracts.

Pensions

The Staff Commission participates in the NILGOSC scheme for most of its employees. This is a fully funded defined benefit scheme and is a statutory scheme that provides benefits on a "final salary" basis for service to 31 March 2015 and on a "career average revalued earnings (CARE)" basis for service from 1 April 2015. Benefits accrue at a rate of 1/80th of pensionable salary for each year of service up to 31 March 2009; at a rate of 1/60th of pensionable pay from 1 April 2009 to 31 March 2015; and at a rate of 1/49th of total pay each year thereafter. In addition, a lump sum equivalent to 3/80ths of pensionable salary for each year of service up to 31 March 2009 is payable on retirement. Members pay contributions of between 5.5% to 10.5% of pensionable earnings. Pension payments increase in line with the Consumer Prices Index (CPI).

On death, pensions are payable to the surviving spouse, nominated co-habiting partner or civil partner. On death in service, the scheme pays a lump sum benefit of three times pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill-health. In this case pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

The Chairman is not a contributing member of the NILGOSC pension scheme.

Chairman and Commission Members

The Chairman and Commission Members' allowances, travel and subsistence are set by the Department for Communities as per the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012. The Chairman's annual remuneration is £14,398 and Commission Members may claim expenses of £118 per day for attending Commission meetings and events.

Service Contracts for Chairman and Commission Members

The appointments of the Chairman and Commission Members are made by the Minister for Communities. All appointments are designated for a four-year term by the Department for Communities in accordance with the Commissioner for Public Appointments for the Northern Ireland Code of Practice. The current Commission was appointed in December 2014 until 31 March 2017 and reconstituted from 01 April 2017 until the final dissolution date, due to difficulties encountered in the NI Assembly.

Chairman and Members' Emoluments

				2017	2016
			£'000	£'000	£'000
Mr Brian Hanna Chairman			14.4	15.3	
Members' Emoluments			10.4	13.3	

Senior Officers' Emoluments

Date of Contract	Scales 2017	2017	2017	2017	2016	2016	2016	2016	2016
	£'000	£'000 Bonus	(to nearest £100) Benefits In Kind	(to nearest £1,000) Pension	£'000 Total	£'000 Bonus	(to nearest £100) Benefits In Kind	(to nearest £1,000) Pension	£'000 Total
Adrian Kerr (Part-time) Chief Executive 01/09/91	Band 3 80 - 85 FTE 105 - 110	-	-	28	110 - 115 FTE 100 - 105	80 - 85	-	33	115 - 120
Linda Leahy Deputy to Chief Executive Director 31/05/95 (Left on 10/03/17)	65 - 70	-	-	132	195 - 200	60 - 65	-	90	150 - 155
Loma Parsons (Part-time) Director 01/04/92	PO9 30 - 35 FTE 50 - 55	-	-	11	40 - 45	30 - 35 FTE 50 - 55	-	32	60 - 65
Dermot O'Hara Director 01/02/11 (Left on 17/03/17)	PO9 50 - 55	-	-	16	65 - 70	50 - 55	-	17	65 - 70

Band of Highest Paid Total Remuneration £105k – £110k 2016/17 £100k - £105k

Median Total Remuneration £36,019 £34,746

Ratio 3.0 2.9

All of the above figures were subject to audit.

Senior Officers' Emoluments (subject to audit)

The Commission is required to disclose the relationship between the remuneration of the highest-paid officer and the median remuneration of the Commission's Workforce.

The banded full-time equivalent (FTE) remuneration of the highest-paid officer in the financial year 2016/17 was £105k - £110k and in the financial year 2015/16 was £100k - £105k. This was 3.0 times the median remuneration of the workforce in 2016/17, a small increase from 2015/16 (2.9). The calculation includes five employees who were made redundant before 31 March 2017 but were paid to 31 March 2017.

In both 2016/17 and 2015/16 no employee received remuneration in excess of the highest-paid officer.

Total remuneration includes annual salary (the Commission does not pay any benefits in kind or operate a staff bonus scheme). The calculation does not include severance payments, employer pension contributions or cash equivalent transfer value of pensions.

Staff Costs (subject to audit)

	2016/17 No's	2015/16 No's
(a) The average weekly number of employees (full time equivalent) was:	8.7	10.3
	2016/17 £000s	2015/16 £000s
(b) The costs incurred in respect of these employees were:		
Salaries and Wages	403	423
Social Security Costs	45	39
Pension Costs – NILGOSC	80	79
	528	541
Service Costs/(Gains)	112	114
Superannuation - re: charge to provision	(80)	(79)
TOTAL	560	576

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense once the employee earns the benefits, irrespective of whether they have been paid. This includes the cost of any untaken leave at the year end. The cost of untaken leave is determined using the Commission's annual leave records.

All staff are permanent employees of the Commission. There are four members of senior staff on pay scales as laid out in page 19, of which 2 are male and 2 are female. The overall breakdown of staff employed by the Commission for the year ended 31st March 2017 was 3 males and 8 female staff.

The average number of sick days for 2016/17 was 16 days per staff member (2015/16 – 5.1 days). The increase was due to the long-term illness of one member of staff.

Expenditure on agency staff in 2016/17 was £13,905 (2015/16 - £Nil) (FTE – 0.4). Expenditure on consultancy in 2016/17 was £7,000 (2015/16 - £8,930). This relates to accountancy services.

Reporting of Review of Public Administration compensation scheme – exit packages
 (subject to audit)

Exit packages cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£10,000 - £25,000	1	-	1
£25,000 - £50,000	1	-	1
£50,000 - £100,000	4	-	4
£150,000 - £200,000	2	-	2
£250,000 - £300,000	1	-	1
Total number of exit packages	9	-	9
Total cost	£947,184	-	£947,184

There were no exit packages paid or agreed in 2015/16.

Exit costs have been accounted for in full in the year that the departure was agreed.

Redundancy costs have been paid in accordance with the provisions of the Review of Public Administration Staff Severance Scheme and The Local Government Reorganisation (Compensation for Loss of Employment) Regulations (Northern Ireland) 2015. Where early retirements have been agreed, the additional costs have been met by the Commission and not by NILGOSC.

Pension Entitlement of Chief Executive and Directors (subject to audit)

	Real Increase in Pension and related lump sum at age 65	Total Accrued Pension at age 65 and related lump sum	CETV at 31/03/2016	CETV at 31/03/2017	Real Increase in CETV after adjustment
	£'000	£'000	£'000	£'000	£'000
Adrian Kerr Chief Executive	0.0 – 2.5 Plus lump sum 0.0 – 0.0	5 – 10 Plus lump sum 0 - 0	82	109	19
Linda Leahy Director	5.0 – 7.5 Plus lump sum 0.0 – 2.5	35 - 40 Plus lump sum 65 - 70	552	654	96
Lorna Parsons Director	0.0 – 2.5 Plus lump sum 0.0 – 0.0	10 – 15 Plus lump sum 25 - 30	201	216	11
Dermot O'Hara Director	0.0 – 2.5 Plus lump sum 0.0 – 0.0	5 – 10 Plus lump sum 0 - 0	64	80	11


Cash Equivalent Transfer Values (CETV)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by members at a particular point in time. 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 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 include any other pension details which an individual has transferred from another pension scheme and any additional benefit which have resulted from the purchasing of additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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.

Signed:



DR ADRIAN E KERR
Chief Executive and Accounting Officer
12 September 2017

LOOKING AHEAD

As previously stated, due to the difficulties encountered by the NI Assembly, it was not possible to have the necessary 'Local Government Staff Commission (Dissolution) Order (Northern Ireland) 2017' in place to wind up the Commission as planned.

Accordingly, the Department for Communities (DfC) reconstituted the Commission membership with effect from 01 April 2017 (up to the final dissolution date) and the Commission has developed a Management and Dissolution Plan to enable it to continue to determine its statutory duties and for staff to be made compulsory redundant on a phased basis as the non-statutory work of the Commission is gradually passed to councils.

The Management and Dissolution Actions relate to three main Key Performance Areas as follows:

KEY PERFORMANCE AREA 1 – ESSENTIAL STATUTORY FUNCTIONS

The delivery of the Commission's statutory functions during the management and dissolution period and the integration of designated functions within councils, including:

- Advisory Appointments Panels
- Code of Procedures on Recruitment & Selection
- Code of Conduct for Local Government Officers
- Negotiating Machinery

KEY PERFORMANCE AREA 2 – OVERSIGHT OF THE FUNCTIONS TRANSFERRED TO COUNCILS PRIOR TO 31 MARCH 2017

To maintain oversight of the functions already transferred to councils in line with the planned 31 March 2017 dissolution date, including:

- Training and development of officers of councils
- Advisory and support services
- Monitoring of Fair Employment Practices

This oversight ensures the proper discharge of the Commission's functions.

KEY PERFORMANCE AREA 3 – CORPORATE GOVERNANCE

To ensure continuing good governance, accountability and operational management of the Commission as a statutory body, including:

- Sound System of Control (audit, risk etc.)
- Finance and Administration
- Orderly Dissolution Arrangements

STATEMENT OF POLICY

Over recent years the Commission has adopted a more focused approach to business planning and implementation and has amended its policy statement to reflect this. The work of the Commission has become more output focused and the Commission's commitment to continuous improvement and raising standards in local government and the wider public service is demonstrated by its statement of purpose – *"Achieving Excellence through People"*.

The Commission recognises that it is part of a wider public service community and has formed partnering arrangements with the following organisations:

- Association for Public Service Excellence (APSE)
- Chartered Institute of Personnel and Development (CIPD)
- Equality Commission for Northern Ireland (ECNI)
- Labour Relations Agency (LRA)
- Northern Ireland Civil Service (NICS)
- Northern Ireland Joint Council for Local Government Services (NIJC)
- Northern Ireland Local Government Association (NILGA)
- Northern Ireland Statistics and Research Agency (NISRA)
- Local Government Management Association (LGMA – Southern Ireland)
- Public Appointments Service (PAS – Southern Ireland)
- Police Service of Northern Ireland (PSNI)
- Public Sector People Managers' Association (PPMA)
- Public Service Commission (PSC)
- Society of Local Authority Chief Executives (SOLACE)
- University of Brighton Business School

This partnership working has brought economies of scale to the development of new initiatives and provided for benchmarking arrangements.

In order to integrate an improvement culture in all aspects of the Commission's work overarching themes of Communication, Marketing Services and Measuring Success were developed and have underpinned the work of the Commission. These informed the operational areas of the Commission's work and ensured that key objectives were implemented in a consistent manner.

Improvement Plans were developed and reviewed regularly to increase service delivery.

The Commission has an Audit Committee which met regularly and approved the Commission's accounting procedures, risk management strategy, policy and risk register and received significant input from both the Commission's internal and external auditors.



DR ADRIAN E KERR
Chief Executive and Accounting Officer

STATEMENT OF PURPOSE

To be the strategic organisation for the development of human resource management and the promotion of excellence through people in the delivery of local government services in Northern Ireland.

STRATEGIC AREAS AND MANDATES

These mandates are derived from Local Government legislation and are quoted in full where appropriate.

Equality of Opportunity

"establishing a code of procedure for securing fair and equal consideration of applications to councils and to the Northern Ireland Housing Executive by persons seeking to be employed by them as officers, and fair and equal treatment of persons who are so employed."

[Local Government Act (Northern Ireland) 1972 as amended]

Monitoring "the fair employment practices of councils and their compliance with statutory requirements in relation to fair employment."

[Local Government (Miscellaneous Provisions) (NI) Order 1992]

Training and Development

"promoting or assisting the development of, or providing, facilities for the training of officers."

[Local Government Act (Northern Ireland) 1972]

Employee Relations

"promoting or assisting the establishment of, or establishing procedures for the negotiation between councils and officers of councils, or the Northern Ireland Housing Executive, or associations representing either of them of standard rates of remuneration, or other terms and conditions of employment, for officers of councils, and recommending the adoption by councils of rates, terms and conditions so negotiated."

[Local Government Act (Northern Ireland) 1972 as amended]

Advisory and Support Services

"assessing the probable future requirements of councils and of the Northern Ireland Housing Executive for the recruitment of officers."

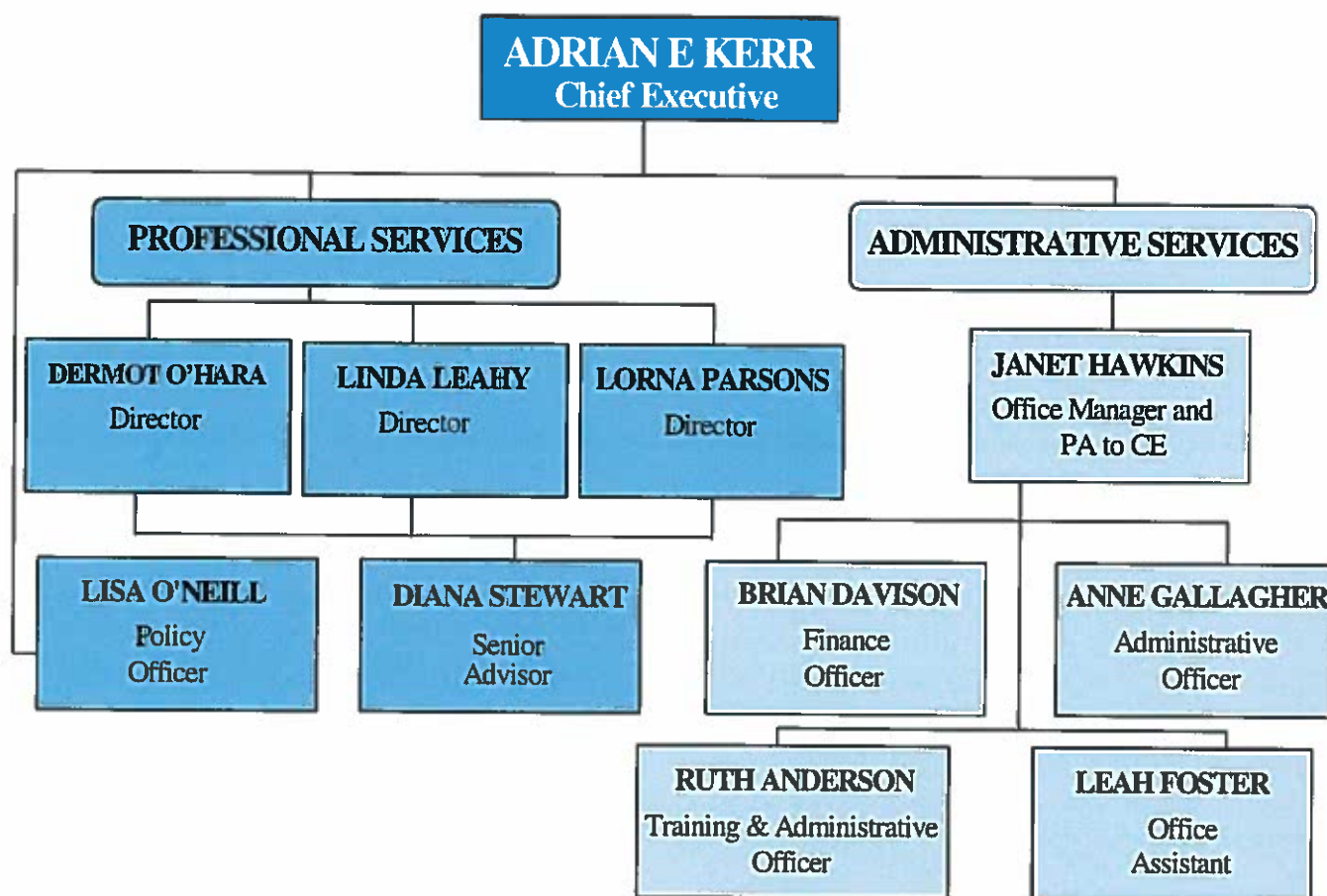
[Local Government Act (Northern Ireland) 1972 as amended]

Promoting Co-Operation

"promoting co-operation between councils, the Northern Ireland Housing Executive, public bodies, government departments and educational institutions in matters connected with the recruitment, training and terms and conditions of employment of officers, and promoting the temporary transfer of officers (with their consent) in pursuance of arrangements made between councils or between councils and any such bodies, departments or institutions."

[Local Government Act (Northern Ireland) 1972 as amended]

COMMISSION OFFICERS



The functions of the Staff Commission are managed by professional and administrative staff as follows:

DR ADRIAN E KERR
Chief Executive

Overall responsibility for the implementation of the Commission's Strategy and the Management of Resources.

LINDA LEAHY
Director
Talent & Development

Responsibilities include Learning and Development, Organisation Design and Development, Deputising in the absence of the Chief Executive and associated external liaison.

LORNA PARSONS
Director
Recruitment & Diversity

Responsibilities include developing Recruitment and Selection, Diversity and Chief Executive Recruitment and external liaison.

DERMOT O'HARA
Director
People Strategies

Responsibilities include Employee Relations and the People/OD Strategy.

LISA O'NEILL
Policy Officer

Responsible for assisting the Chief Executive with Policy Development and Research Projects.
Seconded to Lisburn & Castlereagh City Council (01/10/2016 – 03/02/2017)

DIANA STEWART
Senior Advisor

Responsible for providing support across the Professional Team and leading on Special Projects.
Seconded to Lisburn & Castlereagh City Council (01/07/2016 – 08/03/2017)

JANET HAWKINS
Office Manager and
Personal Assistant to
the Chief Executive

Responsible for all administrative and office services and secretariat support to the Chief Executive.

BRIAN DAVISON
Finance Officer
(until 30 June 2016)

Responsible for financial services and systems.

ANNE GALLAGHER
Administrative Officer

Responsible for administrative and secretariat support to the Directors.

RUTH ANDERSON
Training & Administrative Officer

Responsible for clerical support to the Director – Talent & Development and general office support.
Finance Officer (from 01 July 2016)

LEAH FOSTER
Office Assistant
(until 05 August 2016)

Responsible for direct customer contact and general administrative support.

THE LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND

**FINANCIAL STATEMENTS OF THE
LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND
AND THE
LOCAL GOVERNMENT TRAINING GROUP**

YEAR ENDED 31 MARCH 2017

THE LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND

Statement of Commission's and Chief Executive/Accounting Officer's Responsibilities

The Commission's Responsibility

Under Regulation 10 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, the Commission is required to approve the accounts.

The Chief Executive/Accounting Officer's Responsibilities

Under Section 40 and Schedule 3 of the Local Government Act (Northern Ireland) 1972, as amended by the Local Government (Northern Ireland) Order 2005 and the Finance Act 2011, the Department for Communities has directed the Local Government Staff Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its income and expenditure, recognised gains and losses, and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department for Communities, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Department for Communities has designated the Chief Executive as Accounting Officer of the Local Government Staff Commission and the Local Government Training Group. The responsibilities of the Accounting Officer, including responsibility for:

- the propriety and regularity of the public finances for which the Accounting Officer is answerable,
- keeping proper records, and
- safeguarding the Staff Commission's assets

are set out in the Accounting Officer's Memorandum published by the Department of Finance.

LOCAL GOVERNMENT STAFF COMMISSION


Certificate of the Accounting Officer and Commission Approval of the Statement of Accounts

Certificate of the Accounting Officer

I certify that:-

- (a) the Statement of Accounts for the year ended 31 March 2017 has been prepared in the form directed by the Department for Communities and under the accounting policies set out in note 1.
- (b) in my opinion the Statement of Accounts give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

Signed:



DR ADRIAN E KERR
Chief Executive and Accounting Officer
12 September 2017

Commission Approval of Statement of Accounts

These accounts were approved by the Commission on 12 September 2017.

Signed:



BRIAN HANNA
Chair, Local Government Staff Commission

LOCAL GOVERNMENT STAFF COMMISSION

Governance Statement for the Financial Year Ended 31 March 2017

Scope of Responsibility

As Accounting Officer, I have responsibility for ensuring that the Commission's business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, whilst safeguarding the public funds and the Commission's assets, for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The Commission has Internal and External Auditors as well as regular and robust reporting arrangements to both the Commission itself and the Audit Committee. There are sound and thorough accountability arrangements surrounding my role of Accounting Officer.

The Commission agrees with its sponsoring Department, the Department for Communities, a Strategic Plan which sets out objectives over a two-year period and a Business Plan which details the business objectives for the first year of the Strategic Plan, together with appropriate targets and performance measures. Results against targets and performance measures are considered monthly by the senior management team and reported to the Commission on a six-monthly basis.

The Dossier of Controls, Managing Public Money NI and relevant Dear Accounting Officer Letters set out the controls to be exercised over the different areas of activity, either by the Department directly or by the Commission.

The Accounting Officer must ensure that the Commission adheres to the conditions attached to the public funds provided to it.

The Governance Statement Review

The Commission's Audit Committee met four times during the 2016/17 financial year. Through Audit Reports from the Local Government Auditor and the Commission's Internal Auditor, the Committee were able to satisfy themselves that the Commission was working within the Commission's governance framework.

All Audit Committee minutes were discussed and agreed at the Commission's Board meetings.

The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the Commission is directed and controlled and its activities through which it accounts to, engages with and leads its stakeholders. It enables the Commission to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control in the Commission is a significant part of the governance framework and is designed to manage and reduce 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 on-going 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 governance framework has been in place at the Commission for the year ended 31 March 2017 and up to the date of approval of the Annual Report and Accounts, and accords with Department of Finance guidance.

The Governance Framework

The key elements of the systems and processes that comprise the Commission's governance arrangements include:

Identifying and Communicating the Commission's Vision of its Purpose and Intended Outcomes

The Corporate Plan has been developed to guide the Commission's work for the rolling 3-year period 2014-2017 and to illustrate the Business Plan for Year 3, 2016-17. It is based on key stakeholder requirements and takes account of the need to provide leadership within local government in relation to all human resource (HR) matters and those arising from the implementation of the local government reform programme.

The objectives, targets and performance measures set out in the three-year corporate plan and annual business plan are approved by the Minister. The Minister is accountable to the Assembly for the activities and performance of the Staff Commission. The Departmental Accounting Officer designates the Chief Executive of the Staff Commission as the Staff Commission's Accounting Officer.

The Commission's Board including Structure and Performance

The Commission's Board includes a chairman, vice-chair and ten members who have been appointed by the Department for Communities. The members usually meet each month or at least four times each year as detailed in the Commission's Standing Orders 2010 by which the members are bound.

Members of the Commission have a corporate responsibility for ensuring that the Commission complies with any statutory or administrative requirements for the use of public funds as detailed within the 'Code of Best Practice' June 2014 - *"Commission members must comply at all times with this Code of Conduct (or any agreed modification of it) and with rules relating to the use of public funds and must act in good faith and in the best interests of the Commission. They should not use information gained in the course of their public service for personal gain nor seek to use the opportunity of public service to promote their private interests."*

The Commission has operated an Audit Committee since February 2004. The terms of reference were revised in March 2011 to ensure they were consistent with best practice; however, given the annual expenditure and level of operation of the Commission it was agreed that the Audit Committee would have a minimum of two meetings per annum.

The Audit Committee provides an independent assurance on the adequacy of the risk management framework and associated control environment within the Commission. It provides an independent scrutiny of the Commission's financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. During the year, the Audit Committee reviewed the effectiveness of internal audit, audit plans and external audit annual audit letter and findings.

The Commission has fully complied with the Corporate Governance Code with no unexplained departures during the year.

Commission Member Attendance from 01 April 2016 – 31 March 2017

	Commission Meetings Attended – (10 held)	Audit Committee Meetings Attended – (4 held)
Brian Hanna	10	4
Lindsay Boal	8	N/A
Monica Burns	9	N/A
Deborah Colville	6	N/A
Paul Corrigan	10	N/A
William Francey	7	4
Bumper Graham	7	N/A
Robert Hutchinson	10	4
Bernie Kelly	8	N/A
Charlie Mack	7	N/A
Roisin McDonough	5	N/A
Hilary Singleton	10	4

Measuring the Quality of Services for Users, for ensuring they are delivered in accordance with the Commission's objectives and for ensuring that they represent the best use of resources

The Commission has four key performance areas Talent and Development; Recruitment and Diversity; People Strategies; and Corporate Governance.

Progress on meeting the actions detailed within the Key Performance Areas (KPA's) is addressed monthly by the Management Team and reported every six months to Commission Members by the officers with responsibility for development and implementation of each KPA.

The Annual Report is produced and distributed to stakeholders and includes information on the performance of the Commission in relation to the Corporate Plan.

The Commission received a re-accreditation for the 'Investors in People' award in June 2014, this helped to improve internal performance and continual improvement.

The Commission is provided with detailed papers for every meeting, which include all relevant background information necessary to fully inform Commission Members on each agenda item. Some examples of the types of information provided to the Committee on a routine basis include:

- Financial Accounts
- Updates from Working Groups
- Update from the Local Government Training Group
- Audit Committee Minutes
- Corporate Plan progress reports

All Commission Members are provided with key corporate documents and have a working knowledge of these. Since 2014, the Commission has had electronic access to its meeting papers and has confirmed its satisfaction with this approach.

Risk Assessment

The Commission has a risk management policy which sets out the organisation's attitude to risk, defines the structure for the management and ownership of risk and for the management of situations should control failure lead to the realisation of risk. It also specifies the way in which risk issues are to be considered at each management level of business planning; details how new activities will be assessed for risk; and defines the way in which the risk register and risk evaluation criteria will be regularly reviewed.

The Risk and Control Framework

The Commission's strategic and business planning system provides the framework for the consideration of risks and risk appetite. Annual reviews of objectives and assessment of risks are undertaken as part of that process. Risk is evaluated taking account of the likelihood of realisation of the risk and the impact of realisation of the risk. Risk priorities during 2016/17 included the dissolution of the Commission following the RPA decision, retention of reputation and staff, continuing recognition of quality service and improvement agenda.

Internal Controls

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 on-going process designed to identify and prioritise the risks to the achievement of the Commission's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Commission for the year ended 31 March 2017 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury guidance.

Internal Audit

The Commission has an outsourced Internal Audit function with HSC Business Services Organisation (BSO). The Internal Audit Plan has been developed, in line with the Government Internal Audit Standards, to ensure that Internal Audit can efficiently and effectively provide the Commission with an objective evaluation of, and opinion on, the effectiveness of risk management, control and governance. Overall Internal Audit provided a satisfactory level of assurance for the system of internal controls within the Commission for 2016/17.

External Audit

The Northern Ireland Audit Office has provided a level of assurance through the provision of the annual external audit, the Annual Audit Letter and the Independent Auditor's Report.

Significant Governance Issues

- The decision of the Minister which, following consultation, on the future of the Commission, to wind the Commission up in March 2017 was subsequently endorsed by the Executive Committee in June 2014. A project plan was put in place by the Department for Communities to ensure a timely and mannerly wind up. Risks have been identified and a sub group established to oversee the wind down in line with the risk register. In January 2017, the NI Assembly was dissolved and the LGSC Dissolution legislation was not passed therefore the Commission has been extended beyond 31 March 2017 for an as yet undefined period of time.
- The relationship with the Local Government Training Group is governed by a Service Level Agreement, this was terminated on 31 March 2017 in line with the Commission's dissolution plan and transferred to Lisburn & Castlereagh City Council as the "facilitating council".

Signed:  _____

 _____

DR ADRIAN E KERR
Chief Executive and Accounting Officer
12 September 2017

BRIAN HANNA
Chair, Local Government Staff Commission

LOCAL GOVERNMENT STAFF COMMISSION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND

I have audited the financial statements of Local Government Staff Commission for the year ended 31 March 2017 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cashflows, Statement of Changes in Taxpayers' Equity and the related notes, including the Receipts and Payments Account for the Local Government Training Group. 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.

This report is made solely to the Members of the Commission in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Commission's and Chief Executive's/Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year. My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice. 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 Local Government Staff Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Local Government Staff 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

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 the financial statements

In my opinion:

- the financial statements give a true and fair view, of the financial position of the Local Government Staff Commission as at 31 March 2017 and its income and expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities directions issued thereunder.
- the financial statements properly presents the receipts and payments of Local Government Training Group for the year then ended.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Department for Communities directions made under the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015; and
- the information given in the Annual 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:
 - the Annual Governance Statement:
 - does not comply with proper practices specified by the Department for Communities;
 - is misleading or inconsistent with other information I am aware of from my audit; or
 - adequate accounting records have not been kept; or
 - the statement of accounts 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
- I issue a report in the public interest under Article 9 of the Local Government (Northern Ireland) Order 2005; or
- I designate under Article 12 of the Local Government (Northern Ireland) Order 2005 any recommendation made to the Council; or
- I exercise the other special powers of the auditor under Article 19 to 21 of the Local Government (Northern Ireland) Order 2005.

Certificate

I certify that I have completed the audit of accounts of the Local Government Staff Commission in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.



Louise Mason
Local Government Auditor
Northern Ireland Audit Office
106 University Street
Belfast

20 September 2017

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF COMPREHENSIVE NET EXPENDITURE
for the year ended 31 March 2017

	Notes	2016/17 £000s	2015/16 £000s
Income from district councils and N.I. Housing Executive		709	709
Statutory income to defray provision	3	424	1,671
Other operating income	4	110	24
Net Return on Assets	15	(10)	(12)
Total operating income		1,233	2,392
Staff costs	5	560	576
Purchase of goods and services	6	185	195
Depreciation and impairment charges	7	22	24
Provision expense	12	(292)	1,671
Other operating expenditure		-	-
Total operating expenditure		475	2,466
Net operating expenditure		(758)	74
Finance income		-	-
Finance expenses		1	2
Net expenditure for the year ended 31 March 2017		(757)	76
Other comprehensive net expenditure			
Items which will not be reclassified to the operating costs:			
- Net (gain)/loss on revaluation of property, plant and equipment	7	(159)	(20)
- Net (gain)/loss on revaluation of intangible assets		-	-
- Actuarial (gain)/loss on pension scheme liabilities	15(h)	345	(151)
Items which may be reclassified to net operating costs:			
- Net (gain)/loss on revaluation of investments		-	-
Comprehensive net expenditure for the year		(571)	(95)

The amounts set out above arise wholly from continuing operations.

The notes on pages 43 to 59 form part of these accounts.

**LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF FINANCIAL POSITION
as at 31 March 2017**

	Notes	31 Mar 17 £000s	31 Mar 16 £000s
Non- current assets:			
Property, plant & equipment	7	7	420
Intangible assets		-	-
Financial assets		-	-
Total non-current assets		7	420
Current assets			
Assets classified as held for sale	8	550	-
Inventories		-	-
Trade & other receivables	9	1,906	1,682
Other current assets		-	-
Financial assets		-	-
Cash & cash equivalents	10	286	217
Total current assets		2,742	1,899
Total Assets		2,749	2,319
Current liabilities			
Trade and other payables	11	(133)	(84)
Provisions	12	(1,185)	(1,671)
Other liabilities		-	-
Total current liabilities		(1,318)	(1,755)
Total assets less current liabilities		1,431	564
Non-current liabilities			
Other payables	13	-	(91)
Financial liabilities	15	(714)	(327)
Total non-current liabilities		(714)	(418)
Total assets less total liabilities		717	146
Taxpayers' equity and other reserves			
General Fund		538	126
Revaluation Reserve		179	20
Total equity		717	146

The financial statements were approved by the Commission on 12 September 2017 and signed on its behalf by:



ADRIAN E KERR
Chief Executive and Accounting Officer
12 September 2017

BRIAN HANNA
Chair, Local Government Staff Commission

The notes on pages 43 to 59 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF CASH FLOWS
for the year ended 31 March 2017

	Notes	2016/17 £000s	2015/16 £000s
Cash flows from operating activities			
Net operating cost		757	(76)
Adjustments for non-cash transactions	7	22	24
Interest Payables		1	2
(Increase)/Decrease in trade and other receivables	9	(224)	(1,665)
Increase/(Decrease) in trade and other payables	11	71	38
Increase/(Decrease) in provisions	12	(486)	1,671
Return on Net Assets in Pension Fund	15	10	12
Current Service Cost	15	112	114
Net cash outflow from operating activities		263	120
Cash flows from investing activities			
Purchase of property, plant and equipment	7	-	-
Employer's Superannuation		(80)	(79)
Interest		(1)	(2)
Proceeds of disposal of property, plant and equipment		-	-
Proceeds of disposal of intangibles		-	-
Net cash outflows from investing activities		(81)	(81)
Cash flows from financing activities			
Grants from sponsoring department		-	-
Net financing from the National Insurance Fund		-	-
Net financing from the Contingencies Fund & National Loans Fund		-	-
Capital elements of payments in respect of finance leases and on balance sheet (SoFP) PFI Contracts	14	(113)	(22)
Net financing		(113)	(22)
Net increase/(decrease) in cash and cash equivalents in the period		69	17
Cash and cash equivalents at the beginning of the period		217	200
Cash and cash equivalents at the end of the period	10	286	217

The notes on pages 43 to 59 form part of these accounts.

**LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
for the year ended 31 March 2017**

	General Fund	Revaluation Reserve	Total Reserves
	£000s	£000s	£000s
Balance at 31 March 2015	51	-	51
Retained surplus/(deficit)	(76)	-	(76)
Revaluation of non-current assets (see Note 7)	-	20	20
Actuarial gain/(loss) on pension (see Note 15)	151	-	151
Transfer between reserves	-	-	-
Balance at 31 March 2016	126	20	146
Retained surplus/(deficit)	757	-	757
Revaluation of non-current assets (see Note 7)	-	159	159
Actuarial gain/(loss) on pension (see Note 15)	(345)	-	(345)
Transfer between reserves	-	-	-
Balance at 31 March 2017	538	179	717

The notes on pages 43 to 59 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of Accounting Policies

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the historical cost convention, modified by the revaluation of certain fixed assets, and with paragraph 11 of Schedule 3 of the Local Government Act (Northern Ireland) 1972, as amended by the Local Government (Northern Ireland) Order 2005 and the Finance Act 2011.

Without limiting the information given, the financial statements comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986 and the requirements of the edition of the Government Financial Reporting Manual (FrM) which is in force for the financial year for which the accounts are being prepared, insofar as those requirements are appropriate. The accounting policies contained in the FrM apply International Financial Reporting Standards as adapted or interpreted for the public sector context.

DISSOLUTION OF THE COMMISSION

Following the decision of the Minister to wind the Commission up in March 2017 a project plan has been put in place by the Department for Communities to ensure a timely and mannerly wind up. Risks have been identified and a sub group established to oversee the wind up in line with the risk register. The Department for Communities have agreed to acquire the assets of the Commission and assume responsibility for all liabilities on dissolution. Draft legislation is current being prepared in this respect.

INCOME

Contributions from district councils and the Northern Ireland Housing Executive are credited to income in the year to which they relate.

Income from activities represents the amount receivable for goods and services supplied to external customers during the year.

PAYMENTS TO SUPPLIERS

It is the policy of the Commission, following receipt of goods, to pay suppliers within 30 days following receipt of invoice.

PROPERTY, PLANT AND EQUIPMENT

The Commission's property, plant and equipment comprise buildings, computer equipment and fixtures and fittings. Buildings are revalued every five years by a professional valuer and in intervening years using appropriate indices compiled by the Land and Property Services (LPS).

The threshold for capitalisation of an individual or grouped item of property, plant and equipment is £500. This will enable the Commission to capitalise replacement computer equipment which can be purchased at a lower cost.

Note 1: Statement of Accounting Policies (continued)

Depreciation is provided on a straight line basis in order to write off the valuation, less any residual value, over the estimated useful lives. Assets held for sale are not depreciated. The estimated useful lives, which are reviewed regularly, are:

Buildings	50 years
Computer Equipment	3-5 years
Fixtures and Fittings	5-10 years

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset in the revaluation reserve is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

INVENTORY

Inventories consist only of consumable items and are, therefore, expensed in the year of purchase.

OPERATING LEASES

The total cost of the operating lease is expensed in equal instalments over the life of the lease. The Commission currently has an operating lease for a photocopier.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash in hand and bank deposits.

PENSION

The Commission participates in the Northern Ireland Local Government Superannuation Committee Scheme (NILGOSC) for most of its employees. This is a fully funded defined benefit scheme and is a statutory scheme that provides benefits on a "final salary" basis for service to 31 March 2015 and on a "career average revalued earnings (CARE)" basis for service from 1 April 2015.

Prior to 1 April 2009 benefits accrued at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3/80^{ths} of pensionable salary for each year of service is payable on retirement. From 1 April 2009 to 31 March 2015 benefits accrued at the rate of 1/60th of pensionable salary for each year of service. From 1 April 2015 benefits accrue at the rate of 1/49th of total salary for each year of service. The scheme's professionally qualified actuaries recommend the rate of contributions to be paid in a range from 5.5% to 10.5% for staff (depending on salary) and 20% by the Commission. The employer contribution for 2017/18 has been set at 24.8% plus an annual charge of £24,000.

The total amounts paid into the scheme this financial year were: employees £29,280 and employer £80,000. In addition, £17,078 was paid by way of AVCs to the Prudential.

Note 1: Statement of Accounting Policies (continued)

The Commission, in accordance with IAS 19, accounted for employer pension contributions as a defined benefit scheme. Under IAS 19 the Commission is required to account for their share of assets and liabilities in the scheme. Added years' discretionary benefits awarded to former employees who retire early are also accounted for as a defined benefit scheme, as in accordance with IAS 19.

An actuarial valuation was carried out on 31 March 2017 in accordance with IAS 19 and Financial Reporting Manual (FrM) and the results of the valuation are detailed in Note 15.

The Charge (Credit) to the Statement of Comprehensive Net Expenditure consists of the Current Service Cost and Past Service Cost if applicable (a) (included within staff costs) and interest credit on net return (b) (shown on the Statement of Comprehensive Net Expenditure). Actuarial gains and losses (e) are taken to reserves and shown under Other Comprehensive Net Expenditure.

The liabilities under the Scheme have been valued using the standard actuarial technique known as the Projected Unit Method.

The principal financial assumptions for valuing the liabilities were:

	31 March 2017 % per annum	31 March 2016 % per annum
Discount Rate	2.6	3.4
Pension Increases	2.0	1.8
Pension Accounts Revaluation Rate	2.0	1.8
Salary Increases	3.5	3.3

The total net pension liability as at 31 March 2017 is £714,000, representing the sum of the net liabilities as at that date.

(a) Current Service Cost: is the increase in the present value of the scheme liabilities expected to arise from employee service in the current period.

(b) Interest Credit on Net Return: the difference between expected return on employer assets and interest on pension scheme liabilities.

(c) Expected Rate of Return on Assets: the average rate of return expected over the remaining life of the related obligation on the actual assets held by the Scheme.

(d) Interest on Pension Scheme Liabilities: the expected increase during the period in the present value of the scheme liabilities because the benefits are one year closer to settlement.

(e) Actuarial Gains and Losses: changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or changes in actuarial assumptions.

Note 1: Statement of Accounting Policies (continued)

PROVISIONS

Provisions are made where an event has taken place that gives the Commission a legal or constructive obligation that probably requires settlement by a transfer of economic benefits and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Net Expenditure in the year that the Commission becomes aware of the obligation and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the Statement of Comprehensive Net Expenditure.

EMPLOYEE BENEFITS

Short-term benefits

Short-term employee benefits are those due to be settled within twelve months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense in the year in which employees render service to the Commission. An accrual is made for the cost of holiday entitlements earned by employees but not taken before year-end and which employees can carry forward into the next financial year.

Termination benefits

Termination benefits are amounts payable because of a decision by the Commission to terminate an officer's employment before the normal retirement date and are charged on an accruals basis to the Statement of Comprehensive Net Expenditure at the earlier of: a) when the offer cannot be withdrawn or b) when the related restructuring costs are incurred.

TAXATION

The Commission is not registered for VAT purposes. Consequently, all amounts in these accounts are inclusive of VAT.

Note 2: Segmental Reporting

As part of the internal reporting arrangement the Commission receives reports on financial operations on a single segment basis, ie, Commission's financial performance is reviewed as a whole in line with the annual business plan. The annual financial scheme and any subsequent schemes are presented at Commission meetings for approval.

Note 3: Statutory Income to defray provision

	2016/17 £000s	2015/16 £000s
Statutory income to defray provision	424	1,671
TOTAL	424	1,671

The amount due from the Department for Communities to defray the dissolution costs, which include exit costs from the NILGOSC pension scheme and redundancy costs, has increased by £424k in the financial year 2016/17 (see Note 1 - Dissolution of the Commission).

Note 4: Other Operating Income

	2016/17 £000s	2015/16 £000s
Income from the Local Government Training Group & Course Provision	58	22
Income from secondments	52	-
Other	-	2
TOTAL	110	24

Note 5: Staff Costs

	2016/17 No's	2015/16 No's
(a) The average weekly number of employees (full time equivalent) was:	8.7	10.3
	2016/17 £000s	2015/16 £000s
(b) The costs incurred in respect of these employees were:		
Salaries and Wages	403	423
Social Security Costs	45	39
Pension Costs – NILGOSC	80	79
	528	541
Service Costs/(Gains)	112	114
Superannuation - re: charge to provision	(80)	(79)
TOTAL	560	576

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense once the employee earns the benefits, irrespective of whether they have been paid. This includes the cost of any untaken leave at the year end. The cost of untaken leave is determined using the Commission's annual leave records.

A number of exit packages were also paid or agreed in year; these are detailed on page 21.

Note 6: Other Operating Costs

	2016/17 £000s	2015/16 £000s
These comprise:		
Commission Chairman and Members' Allowances	26	29
Research, Marketing and Development	15	21
Conferences, Courses and Training	10	21
Rates	21	20
Other General Administration Expenses	92	84
External Auditor's Remuneration	8	7
Travel and Subsistence – Staff	11	12
Travel and Subsistence – Commission Members	2	1
TOTAL	185	195

Note 7: Property, Plant and Equipment

Current Year:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
COST OR VALUATION				
At 1 April 2016	483	92	45	620
Additions (including accruals)	-	-	-	-
Disposals	-	-	-	-
Adjustment arising on revaluation	67	-	-	67
Transfer to Assets Held for Sale	(550)	-	-	(550)
At 31 March 2017	-	92	45	137
DEPRECIATION				
At 1 April 2016	76	80	44	200
Charge for the year	16	6	-	22
Disposals	-	-	-	-
Adjustment arising on revaluation	(92)	-	-	(92)
At 31 March 2017	-	86	44	130
NET BOOK VALUE				
At 31 March 2017	-	6	1	7
At 31 March 2016	407	12	1	420

Comparative Year:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
COST OR VALUATION				
At 1 April 2015	460	92	45	597
Additions (including accruals)	-	-	-	-
Disposals	-	-	-	-
Adjustment arising on revaluation	23	-	-	23
At 31 March 2016	483	92	45	620
DEPRECIATION				
At 1 April 2015	56	74	43	173
Charge for year	17	6	1	24
Disposals	-	-	-	-
Adjustment arising on revaluation	3	-	-	3
At 31 March 2016	76	80	44	200
NET BOOK VALUE				
At 31 March 2016	407	12	1	420

Asset Financing:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
Owned	-	6	1	7
Finance Leased	-	-	-	-
On-balance sheet (SoFP) PFI (and other service concession arrangements) contracts	-	-	-	-
Carrying amount at 31st March 2017	-	6	1	7

The land and buildings were revalued on 31 March 2017 based on Current Value in Existing Use by a professional valuer from Land and Property Services.

The net book value of land and buildings comprised one long leasehold property only. On 31 March 2017, the property was classified as an asset held for sale as its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Note 8: Assets Classified as Held for Sale

	2016/17 £000s	2015/16 £000s
Land and Buildings	550	-
TOTAL	550	-

See Note 7.

Note 9: Trade Receivables and Other Current Assets

Amounts falling due within one year:	2016/17 £000s	2015/16 £000s
Trade receivables	-	6
Deposits and advances	-	-
Other Receivables*	1,899	1,671
Prepayments and accrued income	7	5
Current part of PFI (and other service concession arrangements) prepayment	-	-
Current part of NLF loan	-	-
TOTAL	1,906	1,682

*Under the Local Government Act (Northern Ireland) 1972, Section 40 Schedule 3 and the Housing Orders (NI) 1976 and 1981, the District Councils, Northern Ireland Housing Executive and Department for Communities have responsibility for meeting the expenditure of the Commission together with any contingencies. See Note 12.

Note 9.1: Intra-Governments Balances

	Amounts falling due within one year £'000		Amounts falling due after more than one year £'000	
	2016-17	2015-16	2016-17	2015-16
Balances with central government	1,899	1,671	-	-
Balances with local authorities	-	6	-	-
Balances with NHS bodies	-	-	-	-
Sub-total: intra government balances	1,899	1,677	-	-
Balances with bodies external to Government	7	5	-	-
Trade Receivables at 31 March	1,906	1,682	-	-

Note 10: Cash and Cash Equivalents

	2016/17 £000s	2015/16 £000s
Balance at 1 April	217	200
Net change in cash and cash equivalent balances	69	17
Balance at 31 March	286	217
The following balances at 31 March were held at:		
Commercial banks and cash in hand	286	217

Note 11: Trade Payables and Other Current Liabilities

Amounts falling due within one year:	2016/17 £000s	2015/16 £000s
VAT	-	-
Other taxation and social security	-	-
Trade payables	-	7
Accruals	22	16
Accrued and deferred income	111	39
Current part of finance leases	-	-
Current part of imputed finance lease element of on balance sheet (SoFP) PFI contracts	-	-
Current instalments due on loans	-	22
TOTAL	133	84

Note 11.1 Intra-Government Balances

	Amounts falling due within one year £'000		Amounts falling due after more than one year £'000	
	2016/17	2015/16	2016/17	2015/16
Balances with central government	-	-	-	-
Government Bodies	96	1	-	-
Balances with local authorities	25	44	-	-
Balances with NHS bodies	-	-	-	-
Sub-total: intra-government balances	121	45	-	-
Balances with bodies external to government	12	39	-	-
Trade payables at 31 March	133	84	-	-

Note 12: Provision for Liabilities and Charges

Current Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Balance at 1 April 2016	1,671	-	1,671
Provided in the year	-	-	-
Provisions utilised in the year	(194)	-	(194)
Provisions not required written back	(292)	-	(292)
Unwinding of discount	-	-	-
Balance at 31 March 2017	1,185	-	1,185

Analysis of expected timing of discounted flows

Current Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Not later than one year	1,185	-	1,185
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-
Balance at 31 March 2017	1,185	-	1,185

Comparative Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Balance at 1 April 2015	-	-	-
Provided in the year	1,671	-	1,671
Provisions utilised in the year	-	-	-
Provisions not required written back	-	-	-
Unwinding of discount	-	-	-
Balance at 31 March 2016	1,671	-	1,671

Analysis of expected timing of discounted flows

Comparative Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Not later than one year	1,671	-	1,671
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-
Balance at 31 March 2016	1,671	-	1,671

The Commission Dissolution was planned for 31 March 2017 (see Note 1 - Dissolution of the Commission). However, in January 2017, the NI Assembly was dissolved and the LGSC Dissolution legislation was not passed. Therefore, the Commission has been extended beyond 31 March 2017 for an as yet undefined period of time.

The liability for dissolution costs, as at 31 March 2017, include exit costs from the NILGOSC pension scheme and redundancy costs. These costs are currently estimated to be a maximum of £1,899,000.

A pension exit figure of £1,145k has been included in the Accounts as the potential liability to the pension provider (NILGOSC) on the Commission's planned exit from the pension scheme due to dissolution.

This figure is based on an actuarial valuation obtained which reflects the position as at 31 March 2016. The actuary has advised that, based on the assumptions upon which it calculates exit valuations (i.e. investment fluctuations), they would expect the exit valuation at 31 March 2017 to be of a similar quantum as that quoted as at 31 March 2016.

On this basis the Commission has concluded that it would not be appropriate to seek an updated valuation, given that the final dissolution date has not as yet been determined. It is only when the Commission exit the scheme that a final accurate exit liability figure can be accurately determined by the actuary.

£714,000 is included in the pension liability (see Note 15) and £1,185,000 is included in this provision.

See also Note 9.

Note 13: Non-Current Liabilities - Other Payables

	2016/17 £000s	2015/16 £000s
Loans	-	91

Note 14: Loans

	2016/17 £000s	2015/16 £000s
Amounts falling due:		
In one year or less	-	22
Between one and two years	-	22
Between two and five years	-	69
In five years or more	-	-
	-	91
TOTAL	-	113

Details of loans not wholly repayable within five years are as follows:

All amounts related to a 25-year bank loan bearing interest at 0.25% per annum over the bank's base rate. Security for the loan was the equitable deposit of the deeds of the property. Repayments of capital and interest were made monthly. The loan was fully paid off in August 2016.

Note 15: Pensions Relating to Officers

	2016/17 £000s	2015/16 £000s
Scheme Liability at Beginning of the Year	(327)	(431)
Current Service Cost	(112)	(114)
Past Service (Cost)/Gain	-	-
Employer Contributions	80	79
Net Return on Assets	(10)	(12)
Actuarial Gains/(Losses)	(345)	151
Scheme Surplus/(Deficit) at 31 March	(714)	(327)

Note 15(a): The fair value of the assets held by the pension scheme attributable to the Commission are analysed as follows:

	Expected Long Term Return at 31 Mar 2017 % p.a.	Assets at 31 Mar 2017 £000s	Expected Long Term Return at 31 Mar 2016 % p.a.	Assets at 31 Mar 2016 £000s
Equities	2.6	2,841	3.4	2,145
Bonds	2.6	439	3.4	361
Property	2.6	400	3.4	394
Cash	2.6	99	3.4	68
Other	2.6	34	3.4	15
Total		3,813		2,983

Note 15(b): Net Pension Liability

	31 Mar 2017 £000s	31 Mar 2016 £000s
Estimated Employer Assets (A)	3,813	2,983
Present Value of Scheme Liabilities	(4,527)	(3,310)
Present Value of Unfunded Liabilities	-	-
Total Value of Liabilities (B)	(4,527)	(3,310)
Net Pension Asset (A-B)	(714)	(327)

Note 15(c): Reconciliation of Defined Benefit Obligation

	Year to 31 Mar 2017 £000s	Year to 31 Mar 2016 £000s
Opening Defined Benefit Obligation	3,310	3,392
Current Service Cost	112	114
Interest Cost	112	106
Contributions by Members	30	29
Actuarial Losses/(Gains)	1,041	(162)
Past Service Costs/(Gains)	-	-
Losses/(Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed in a Business Combination	-	-
Exchange Differences	-	-
Estimated Unfunded Benefits Paid	-	-
Estimated Benefits Paid	(78)	(169)
Closing Defined Benefit Obligation	4,527	3,310

Note 15(d): Reconciliation of Fair Value of Employer Assets:

	Year to 31 Mar 2017 £000s	Year to 31 Mar 2016 £000s
Opening Fair Value of Employer Assets	2,983	2,961
Interest Income on Assets	102	94
Contributions by Members	30	29
Contributions by the Employer	80	79
Contributions in Respect of Unfunded Benefits	-	-
Remeasurement Gains/(Losses) on Assets	696	(11)
Assets Distributed on Settlements	-	-
Assets Acquired in a Business Combination	-	-
Exchange Differences	-	-
Unfunded Benefits Paid	-	-
Benefits Paid	(78)	(169)
Closing Fair Value of Employer Assets	3,813	2,983

Note 15(e): Net Return on Assets:

	Year to 31 Mar 2017 £000s	Year to 31 Mar 2016 £000s
Interest Income on Assets	102	94
Remeasurement Gains/(Losses) on Assets	696	(11)
Net Return	798	83

Note 15(f): Actuarial Analysis

	Year to 31 Mar 2017 %	Year to 31 Mar 2016 %
Pension Increase Rate (CPI)	2.0	1.8
Salary Increase Rate	3.5	3.3
Expected Return on Assets	17.7	2.8
Discount Rate	2.6	3.4

Note 15(g): Mortality Assumptions

Actuarial Assumptions for average future life expectancy at age 65	Males	Females
Current Pensioners	23.2 years	25.8 years
Future Pensioners (aged 45 at accounting date)	25.4 years	28.1 years

The mortality assumptions affect the length of time the benefits would be expected to be paid for. Mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

Mortality loadings were applied to the SAPS tables based on membership class as determined at the 2016 valuation.

Sensitivity Analysis: IAS 19 valuation results depend critically on the principal assumptions used in the calculations. The discount rate used to value the liabilities is prescribed under IAS 19 and the results are particularly sensitive to the discount rate. A reduction in the net discount rate will increase liabilities as a higher value is placed on benefits in the future. Regarding mortality assumptions, if longevity improves at a faster rate than allowed for in the assumptions then, a higher value would be placed on the employer's liabilities. Further increase in pensionable pay of 0.1% per annum, inflation and hence pension, more than allowed for in the assumptions, will increase the value of the liabilities by 0.5%.

Note 15(h): Summary of Experience Gains/ (Losses)

Actuarial gains and losses represent the extent to which actual outcomes have differed from the assumptions which were used in calculating IAS 19 figures. These actuarial gains and losses are shown in the table below as Experience Gains and Losses. Actuarial gains and losses are recognised as Other Comprehensive Net Expenditure (OCNE) and taken to reserves.

	Year to 31 Mar 2017 £000s	Year to 31 Mar 2016 £000s	Year to 31 Mar 2015 £000s	Year to 31 Mar 2014 £000s	Year to 31 Mar 2013 £000s
Fair Value of Employer Assets	3,813	2,983	2,961	2,684	2,521
Present Value of Defined Benefit Obligation	(4,527)	(3,310)	(3,392)	(3,011)	(2,985)
Surplus/(Deficit)	(714)	(327)	(431)	(327)	(464)
Remeasurement Gains/(Losses) on Assets	696	(11)	233	(118)	249
Actuarial Gains/(Losses) on Obligation	(1,041)	162	(305)	(62)	(261)
Actuarial Gains/(Losses) recognised in OCNE	(345)	151	(72)	(180)	(12)

Note 16: Commitments under Leases - Photocopier

	2016/17 £000s	2015/16 £000s
Not later than one year	1	1
Later than one year and not later than five years	-	1
	1	2

The Commission does not have any finance leases.

Note 17: Related Party Transactions

The Local Government Staff Commission is an Executive Non-Departmental Public Body (NDPB) sponsored by the Department for Communities. The Department for Communities is regarded as a related party. During the year, the Commission has had various material transactions with the Department and other entities for which the Department for Communities is regarded as having a general oversight role, viz, district councils.

In addition, the Commission has had various material and other transactions with the Local Government Training Group, district councils and the Northern Ireland Housing Executive.

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

Note 18: Financial Instruments

The Commission has no material risk exposure to Financial Instruments.

(a) **Credit Risk:** arises from deposits with banks and financial institutions, as well as credit exposures to the Commission's customers.

Trade debtors, inclusive of VAT, can be analysed by age as follows:

	2016/17	2015/16
	£	£
Less than three months	-	5,500
Three to six months	-	-
Six months to one year	-	-
More than one year	-	-

There is no historical experience of default in relation to deposits with banks, other financial institutions and debtors. Therefore, there is no estimated exposure to risk of default.

(b) **Liquidity Risk:** All trade and other payables are due for payment within one year.

(c) **Market Risk:**

Interest Rate Risk – The Commission is exposed to risk in terms of its exposure to interest rates movements on its borrowing and investments.

Foreign Exchange Risk – The Commission has no financial assets or liabilities dominated in foreign currencies and thus have no material exposure to loss arising from movements in exchange rates.

Note 19: Target for Paying Invoices

The Commission's default for paying invoices, where no other terms are agreed, is 30 days. (It is assumed that 30 days will be 30 calendar days and 10 days will be 10 working days).

During the year, the Commission paid 476 invoices totalling £447,775.

The Commission paid 473 invoices within the 30 day target.

The Commission paid 412 invoices within the 10 day target.

The Commission paid 3 invoices outside the 30 day target.

Note 20: Assembly Accountability Disclosures

No losses, special payments or remote contingent liabilities were identified by the Commission in 2016/17.

**LOCAL GOVERNMENT TRAINING GROUP
RECEIPTS AND PAYMENTS ACCOUNT
for the year ended 31 March 2017**

	Notes	Year Ended 31 March 2017 £	Year Ended 31 March 2016 £
Recurrent Transactions			
Contributions	2	274,071	325,928
DOE Capacity Building Fund (CBF)		-	37,655
Operating Receipts	3	69,753	83,918
		<u>343,824</u>	<u>447,501</u>
Less Operating Costs	4	<u>401,563</u>	<u>255,663</u>
Surplus/(Deficit)		<u>(57,739)</u>	<u>191,838</u>
APPROPRIATION ACCOUNT			
Balance brought forward		476,674	284,836
Surplus/(Deficit) for the year		<u>(57,739)</u>	<u>191,838</u>
Balance carried forward		<u>418,935</u>	<u>476,674</u>
Represented by:-			
Current Account		418,935	426,537
Fixed Term Deposit Account		-	50,137
		<u>418,935</u>	<u>476,674</u>

Signed:



STEPHEN REID
Chairman, Local Government Training Group
12 September 2017



DR ADRIAN E KERR
Chief Executive and Accounting Officer

LOCAL GOVERNMENT TRAINING GROUP
NOTES TO THE ACCOUNTS
for the year ended 31 March 2017

1. BASIS OF ACCOUNTS

These accounts have been prepared for presentation to the Local Government Staff Commission at its meeting on 12 September 2017.

	Year Ended	
	31 March 2017 £	31 March 2016 £
2. CONTRIBUTIONS RECEIVED		
District Councils & DOE CBF	274,071	363,583
3. OPERATING RECEIPTS		
Bank Interest	108	104
Course Fees	69,645	61,414
Internal Transfer	-	22,400
	69,753	83,918
4. OPERATING COSTS		
Strategic Framework Implementation		
1.1: Leadership & Talent Management		
Chief Executive and 2 nd Tier Development	65,733	17,816
Leadership Development	11,934	17,274
Talent Management Framework	13,052	13,562
	90,719	48,652
1.2: Performance Culture		
Performance Culture Toolkit	36,546	14,870
Performance Culture eLearning Module	21,810	720
OD Projects	17,626	3,521
	75,982	19,111
1.3: Employee Relations and Pay Reward		
Employee Relations	526	1,381
Pay and Reward Framework	-	-
	526	1,381
1.4: Learning Organisation		
Development Programmes	6,000	3,000
Knowledge and Skills Based Training	123,904	85,308
Professional Groups and Support Staff	2,601	-
Advanced Diploma (University of Ulster)	1,725	-
eLearning	15,602	14,386
	149,832	102,694

LOCAL GOVERNMENT TRAINING GROUP
NOTES TO THE ACCOUNTS
for the year ended 31 March 2017 (cont'd)

	Year Ended	
	31 March 2017 £	31 March 2016 £
1.5 Capacity Building for Local Government Reform		
At Risk Staff	-	37,051
Community Planning	5,020	5,940
Conferences/Workshops	14,347	1,206
	<u>19,367</u>	<u>44,197</u>
1.6 Equality and Diversity		
Equality and Diversity Projects	3,150	1,442
Champions of Change Management	3,485	-
Next Generation Leadership	3,600	3,600
E & D eLearning Content	1,913	840
	<u>12,148</u>	<u>5,882</u>
1.7 Capacity Building for Elected Members		
Adv Diploma in Civic Leadership	9,000	1,500
Elected Member Charter	14,555	750
Elected Members In-house	-	4,427
	<u>23,555</u>	<u>6,677</u>
1.8 Miscellaneous Initiatives		
iiP	5,387	3,990
Cross-Border Initiatives	-	-
	<u>5,387</u>	<u>3,990</u>
1.9 Administration		
Printing and Stationery	-	114
LGSC Administration	22,000	22,000
Bank Charges	96	75
IT/Website Maintenance	-	-
Professional Fees	708	-
Travel and Subsistence	148	471
LMS Commission	-	192
Meeting Expenses	1,095	227
	<u>24,047</u>	<u>23,079</u>
Total Operating Costs	<u>401,563</u>	<u>255,663</u>

Note 21: Events after the Reporting Period

There were no events occurring after 31 March 2017 which require adjustment to the Commission's financial statements or additional disclosures.

Date of Authorisation for Issue

The Chief Financial Officer authorised these financial statements for issue on 12 September 2017.