



INCORPORATING 25 YEARS OF  
SUCCESSFUL DISPUTE RESOLUTION

1991.1992.1993.1994

1995.1996.1997.1998

1999.2000.2001.2002

2003.2004.2005.2006

2007.2008.2009.2010

2011.2012.2013.2014

LABOUR RELATIONS COMMISSION  
ANNUAL REPORT **2015**

1991.1992.1993.1994

1995.1996.1997.1998

1999.2000.2001.2002

2003.2004.2005.2006

2007.2008.2009.2010

**2011.2012.2013.2014**

**2015**



# Labour Relations Commission Annual Report 2015

**Presented to the Minister for Jobs, Enterprise and Innovation**

in accordance with Section 27(3)  
of the Industrial Relations Act, 1990  
and Section 62 of the Workplace Relations Act 2015

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## Abbreviations and Acronyms

<b>ACCS</b>	Association of Community and Comprehensive Schools	<b>IRN</b>	Industrial Relations News
<b>ASP</b>	Annual Service Plan	<b>JIC</b>	Joint Industrial Council(s)
<b>CIDT</b>	Construction Industry Disputes Tribunal	<b>JLC</b>	Joint Labour Committee(s)
<b>CRO</b>	Case Resolution Officer	<b>LRC</b>	Labour Relations Commission
<b>CSO</b>	Central Statistics Office	<b>MNC</b>	Multinational Company
<b>DB</b>	Defined Benefit	<b>NERA</b>	National Employment Rights Authority
<b>EAT</b>	Employment Appeals Tribunal	<b>NIB</b>	National Implementation Body
<b>ERO</b>	Employment Regulation Order	<b>NUIG</b>	National University of Ireland Galway
<b>ERS</b>	Early Resolution Service	<b>PAS</b>	Public Appointments Service
<b>ESB</b>	Electricity Supply Board	<b>PMDS</b>	Performance Management & Development System
<b>ESRI</b>	Economic and Social Research Institute	<b>PNA</b>	Psychiatric Nurses Association
<b>ETB</b>	Education and Training Board	<b>REA</b>	Registered Employment Agreement
<b>EU</b>	European Union	<b>RCS</b>	Rights Commissioner Service
<b>FDI</b>	Foreign Direct Investment	<b>SEAI</b>	Sustainable Energy Authority of Ireland
<b>FEMPI</b>	Financial Emergency Measures in the Public Interest	<b>SI</b>	Statutory Instrument
<b>HRA</b>	Haddington Road Agreement	<b>SIPTU</b>	Services, Industrial, Professional, and Technical Union
<b>HRM</b>	Human Resource Management	<b>SLA</b>	Service Level Agreement
<b>HSE</b>	Health Service Executive	<b>SME</b>	Small and Medium Enterprise(s)
<b>IBOA</b>	Irish Bank Officials' Association	<b>SNA</b>	Special Needs Assistant
<b>ICTU</b>	Irish Congress of Trade Unions	<b>TD</b>	Teachta Dála (Member of the Irish Parliament)
<b>IMF</b>	International Monetary Fund	<b>TEEU</b>	Technical Engineering and Electrical Union
<b>IPA</b>	Institute of Public Administration	<b>UCD</b>	University College Dublin
<b>IR</b>	Industrial Relations	<b>WRC</b>	Workplace Relations Commission

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## Mission Statement

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“ To promote the development and improvement of Irish industrial relations policies, procedures and practices through the provision of appropriate, timely and effective services to employers, trade unions and employees.”

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## Function of the Commission

The Commission carries out this mission by providing the following specific services:

- an industrial relations Conciliation Service
- an industrial relations Advisory Service
- a Workplace Mediation Service
- a Rights Commissioner Service
- assistance to Joint Labour Committees and Joint Industrial Councils in the exercise of their functions

The Commission undertakes other activities of a developmental nature relating to the improvement of industrial relations practices including:

- the review and monitoring of developments in the area of industrial relations
  - the preparation, in consultation with the Social Partners, of codes of practice relevant to industrial relations
  - industrial relations research and publications
  - organisation of seminars and conferences on industrial relations and human resource management issues
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# Members and Officers of the Commission 2015

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## Members and Officers of the Commission 2015



**Kieran Mulvey**  
*Chief Executive*  
Labour Relations Commission



**Breege O'Donoghue**  
*Chairperson*  
Nominated to the Board by the Government



**John Hennessy**  
*Chairman of the Audit Committee*  
Nominated to the Board by the Irish Business and Employers Confederation (Ibec)



**Peter McLoone**  
*Member of the Audit Committee*  
Nominated to the Board by the Irish Congress of Trade Unions (ICTU)



**Brendan McGinty**  
*Member of the Audit Committee*  
Nominated to the Board by the Irish Business and Employers Confederation (Ibec)



**Fergus Whelan**  
Nominated to the Board by the Irish Congress of Trade Unions (ICTU)

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# Chairperson's Report 2015



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On behalf of the Board of the Commission I wish to note that this is the final Report of this Board and indeed of the Labour Relations Commission of almost twenty-five years of operation.

The Commission has been in existence since 1991 and the Board believes both it and its predecessors, alongside the senior management have endeavoured to provide a valuable public service in workplace dispute resolution. The Commission has made a central and notable contribution to industrial peace and to dispute resolution sometimes in the face of the most intractable of disputes and difficult national circumstances.

Its track record speaks for itself over the past twenty-five years in this regard and more particularly the leadership it showed in assisting to resolve our economic crisis.

Over the broad scope of its activities – Conciliation, Advisory, Rights and research – it has made a major contribution to the success of the Irish economy and in ensuring a more positive engagement between management and employees in the workplace. Our record of industrial peace is testimony to these endeavours.

The Board wishes the new Workplace Relations Commission every success in the future and has every confidence that Kieran Mulvey, the Director General and his team will continue to deliver a world class service to its many clients and citizens and make a definitive contribution to the State.

I wish to thank the Minister, Richard Bruton TD and the Department officials for their assistance and support over the years and to my fellow Board members during my terms of office for their generous and constructive support at all times.

This is the end of an era. A new national institution providing a fully comprehensive dispute resolution service is born and may it succeed, as the Labour Relations Commission has served us so well in the past.

A handwritten signature in blue ink, appearing to be 'Breege O'Donoghue'. The signature is stylized and written in a cursive-like font.

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**Breege O'Donoghue**  
Chairperson  
September 2015

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## Chief Executive's Review 2015



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It is with more than with a sentiment of regret that this will be the final report of the Labour Relations Commission. The role and functions of the Labour Relations Commission will now be subsumed into the new Workplace Relations Commission from October 1st 2015.

It has been a particular privilege for me to have been appointed to be the first Chief Executive of the Commission (February 1991) and to have been re-appointed to five successive periods of office by different Governments. Over those twenty-five years the Commission has been at the centre of the majority of the many transformative industrial relations changes in both the private and public service in this country.

Significant developments have taken place also in the forms of collective bargaining, in trade union organisations, in management bodies and in the scope of employment law over that period. The Commission has played a central role in many of the previous Social Partnership Agreements and in the recent Public Service Agreements – “Croke Park”, Haddington Road and Lansdowne Road – and now in a period of enterprise bargaining.

Many Irish State Enterprises have undergone singular transformative change from radical internal restructuring to privatisation. A similar story can be related in regard to public transport, aviation, postal and telecommunications, our ports and airports and in health, education and local authorities. Without the assistance of the Commission in assisting these changes with management and unions the resulting disagreements would have led to damaging industrial disputes.

Over the years the services of the Commission have assisted employment sectors, individual enterprises,

state services and trade unions in constructing employee engagement processes and procedures to assist collective bargaining and in harmonising industrial relations and change management agendas. It is also true to say that some enterprises and their employees owed their continued trading due to specific interventions by the Commission at critical stages in the dispute resolution processes.

The Commission in that period and through its Rights Commissioner Service has adjudicated upon almost 200,000 individual or small group grievances and employment rights cases and thereby have contributed enormously in channeling individual claims to adjudication as provided for in the Industrial Relation Act 1990. These individual disputes were a constant feature of industrial action and strikes in the 1970's and 1980's.

Many seminal reports commissioned from our leading academic partners in the Universities on this island have contributed also to a new corpus of knowledge on human resource practices, the format for dispute resolution both in Ireland and abroad and the efficacy of emerging employment law developments.

The new Workplace Relations Commission now incorporates the previous functions of the Labour Relations Commission, the Equality Tribunal, the National Employment Rights Authority and the Employment Appeals Tribunal since October 1st 2015.

I have long been an advocate of such an amalgamation and it is a significant achievement of the current Minister, Richard Bruton TD that he brought the Workplace Relations Commission into being as an important part of the public service reform programme.

I hope, as the first Director General, to provide the

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Workplace Relations Commission in tandem with my colleagues and the Board with the leadership and effectiveness to give that idea a firmly based reality in our future Strategy and Business Plans. The scope of activities of the Workplace Relations Commission is unparalleled in any statutory dispute resolution body in the world.

I would like to pay a tribute to the previous Board Chairpersons with whom I had the privilege to work alongside – Dan McAuley (deceased), Catherine Forde S.C., Catherine Murphy, Maurice Cashell and more recently Breege O'Donoghue.

I would especially wish to acknowledge my staff and colleagues (past and present) with whom I have worked over the years and with whom I have shared many wonderful moments – stressful, challenging and enjoyable!

I would also wish to acknowledge the support of all previous Ministers in this area of responsibility during their term of office – Bertie Ahern, Brian Cowen, Ruairi Quinn, Mary Harney, Michael Martin and Richard Bruton (2).



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**Kieran Mulvey**  
Chief Executive  
September 2015

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# Labour Relations Commission Services

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# Advisory Service Division

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## Mission Statement

“ To work closely with employers, trade unions and employees to promote, develop and implement best industrial relations policies, practices and procedures, in order to enhance the economic well-being of the enterprise and assist in employment creation and retention.”

### Advisory Service Overview

The Advisory Service is focused on working with employers, employees and trade unions to develop positive industrial relations practices, structures and procedures. Its primary objective is to help build and maintain positive working relationships and to implement effective dispute prevention and dispute resolution mechanisms in the workplace. The Service can advise and assist on any aspect of industrial relations in Irish workplaces. The Service operates on the premise that all disputes, be they collective or individual, are best resolved within the workplace, and the assistance it offers is very much focused around enhancing the capacity of organisations and their employees to manage their industrial relations “in house” and effectively.

### Services Delivery

While assistance is customised to the particular needs of each workplace, the type of assistance offered can be categorised as follows:

#### Industrial Relations Reviews

Reviews of industrial relations involve an in-depth assessment of industrial relations in workplaces with a view to identifying problem areas, making recommendations around improved practices and

procedures, and working with all concerned to implement improvements. A typical review could involve a number of information gathering processes including individual interviews/questionnaires, email surveys and focus groups. The key object in a typical review is to accurately identify problem areas and to work with all concerned to develop effective remedies.

#### Joint Working Parties

A Joint Working Party is a joint management/employee process facilitated by the Service to implement recommendations made arising from a review of industrial relations. The process is designed to give all concerned direct involvement in developing mutually acceptable solutions to their difficulties.

#### Facilitation

The Service provides a facilitation service focussed around a variety of workplace issues including the implementation of work practice change and the development of improved workplace procedures. The focus of the facilitation service is to assist the parties to reach mutually acceptable solutions.

#### Training

The delivery of training on a variety of aspects of the employment relationship is a key element of the

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Service's remit to enhance industrial relations capacity building in Irish workplaces by delivering proactive dispute preventative programmes. The Service has developed and continues to deliver a variety of programmes around workplace procedures – grievance, disciplinary and dignity, communications and consultation, and dealing with workplace conflict generally. Programmes are tailored to suit the requirements of individual organisations, both large and small, in the private and public sectors.

The focus of the training programmes provided by the Commission, which is delivered on site by our team of experienced practitioners, from both Advisory and Conciliation Divisions, is to enhance the capability of workplaces and their employees to develop and operate effective industrial relations processes and procedures.

#### **Voluntary Dispute Resolution**

The Service facilitates the procedure prescribed in the Enhanced Code of Practice on Voluntary Dispute Resolution (SI 76 of 2004) which provides a framework for the processing of disputes arising in situations where collective bargaining is not in place.

#### **Workplace Mediation / Equality Mediation**

Workplace Mediation and Equality Mediation are delivered by a joint Advisory and Conciliation Service team. Overview and details are outlined under Conciliation Service activity.

#### **Codes of Practice**

A Code of Practice on Protected Disclosures (Whistleblowing) was published during the period. The Code was put in place on foot of the enactment of the Protected Disclosures Act 2014 both in order to assist in the practical implementation of the Act and to give guidance on best principles to organisations and their workers.

The Code of Practice on Victimisation was amended during the period to make explicit that any adverse effect arising from an employee refusing an inducement (financial or otherwise) designed specifically to have an employee forego collective representation by a trade union, is a form of victimisation under the Code. This amendment to the Code was effected in the context of the enactment of the Industrial Relations (Amendment) Act 2015.

#### **Research**

The Service is responsible for the Commission's remit to conduct research into matters relevant to industrial relations and to review and monitor relevant developments in industrial relations generally.

In this regard, a research project on *Innovations in Conflict Management in Organisations* was completed. The Commission also provided funding for a mediation research project at NUIG.

#### **Joint LRC/ACAS Research Programme on Innovations in Conflict Management**

The Commission supported a research project which aimed to produce 10 case studies (5 in the UK and 5 in Ireland) of innovative workplace conflict management practice inside organisations in the UK and Ireland. The case studies highlighted why organisations (union and non-union and located in the private and public sectors) introduced workplace conflict innovations; how new practices were embedded inside organisations, and the outcomes with which they were associated. The project was completed during the period.

#### **Mediation Project**

The Commission supported a research project at NUIG the purpose of which was to explore differences in mediator behavior across four organisational contexts, including the LRC and the Equality Tribunal.

#### **2015 Activity Breakdown/Resources**

##### **Activity**

Project Type	Project Numbers
SI 76	3
Facilitation/Joint Working Parties	22
IR reviews	10
Training	6
Codes of Practice	2

*Note: the project number figure relates to the actual projects and not to the number of meetings.*

# Conciliation, Mediation and Early Resolution Services Division

## Mission Statement

“ The Division will provide an impartial, timely and effective suite of Conciliation, Mediation and Facilitation Services operating to a continually high standard in both the public and private sectors”

The Division focused in 2015 on providing a timely delivery of a flexible, responsive service designed to meet the needs of parties in dispute or with issues needing to be resolved in Irish workplaces. The primary value and function of the service is that it is available to provide a high quality resource at the appropriate moment in any given dispute situation. The delivery of that high quality service was the challenge met in 2015 by the team of Conciliator/Mediators, Case Resolution Officers and support staff within the Division.

## Activity Summary 2015

Category	Total to end of September 2015
<b>Conciliation</b>	
Referrals	797
Conferences	1,022
Other Meetings (Facilitation, Oversight, JLCs, Chair of Negotiating Fora, Equality Mediation)	441
<b>Total number of meetings</b>	<b>1,400</b>
<b>Labour Court Referrals</b>	<b>173</b>
<b>Workplace Mediation</b>	
Referrals	39
Meetings (including Advisory Staff)	42
<b>Early Resolution Service</b>	
Number of Files Selected for ERS:	1,485
Number of Files where both parties engaged with ERS:	659*
Number of withdrawals following intervention	284
Resolution percentage	43%

*\*(Files normally involve a number of claims in each referral and case file)*

**Conciliation Service Activity**

The Conciliation Service achieved a settlement rate at conciliation of 78% of all disputes referred to it (797) in the period from January to September 2015, which is consistent with the success rates it has traditionally achieved. A total of 104 unresolved disputes were referred to the Labour Court during the period in question. In many of these referrals to the Court significant progress had been made at conciliation in terms of narrowing the differences between the parties and refining/reducing the issues requiring a Labour Court recommendation.

Against a backdrop of some evidence of economic movement and improvement, exploratory dialogue during the early part of the year on extending the Public Service Agreement (HRA - Haddington Road Agreement) allowed for a concise and intense engagement between all parties which ultimately resulted in the design of another Public Service Agreement. The Lansdowne Road Agreement provided for pay restoration and a phasing out of the pension levy as well as modest rises in pay for some employees.

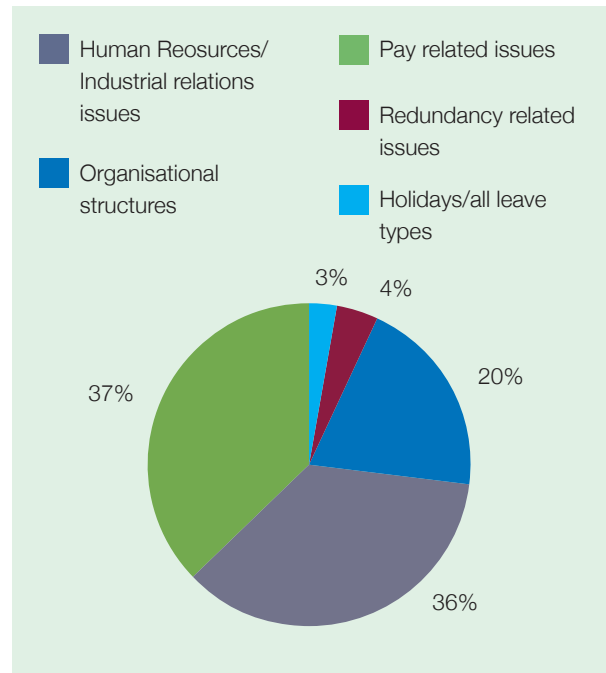
A considerable amount of work of the service related to the chairing of Lansdowne Road Agreement discussions. As well as continuing the chairing of the ‘Oversight Bodies’ set up to assist with issues arising in relation to the implementation of the ‘Public Service Agreements in the public sector, the Service also assisted in dispute resolution in a very broad spectrum of industries throughout the economy and on a broad array of issues relating to pay and allowances, hours of work, manning/staffing levels, restructuring, pensions, and conditions of employment generally.

A large number of disputes referred to the service in the period January to September 2015 related to organisational structures and pay claims. Some of the employments in which the Commission assisted in resolving disputes and /or facilitated the parties in discussions included the DAA, Novartis, Pfizer, Irish Rail, Medite, Mondelez, Tyndall Institute, Ervia, Coillte, Dublin Fire Brigade, Tegral Building Products, Valeo Foods, Guinness Ireland, Lisavaird Co-op, Bank of Ireland, Musgrave Retail Partners, Phillips 66, Irish Life, and Bord Na Mona.

The number of referrals to conciliation from January to September 2015 was 797. This was a decrease from the 817 referrals received for the same period in 2014 but the number of actual meetings convened was 1022 and was similar to the 2014 figure which was 1007. The proportion of conferences to referrals can vary from year to year depending on such factors as

the complexity and difficulty of cases and the high level conciliation input required in particular case types such as public sector negotiations and rationalisation/cost reduction disputes.

**Issues referred to Conciliation Service from September 2015**



**Chairing of Negotiating Fora**

As well as chairing meetings of the Oversight Groups established under the Haddington Road Agreement, the Division also provided Chairpersons to a range of negotiating fora. During 2015 the Division chaired the Health Service National Joint Council, the Teachers Conciliation Council, the Local Authority National Council, the Prison Service Conciliation and Monitoring Forum, the Institutes of Technology Negotiating Forum and the Construction, Electrical Contracting, Printing and State Industrial Joint Industrial Councils.

**Re-Establishment of JLCs**

Following the re-establishment of the Joint Labour Committees (JLCs) in 2014, some staff members of the Conciliation Service were asked to Chair the Joint Labour Committees involving the following industries i.e. Security, Contract Cleaning, Hotels and Catering and Hairdressing. The JLCs are sectoral bodies that are empowered to make Employment Regulation Orders (EROs) and establish minimum rates of pay terms and conditions. Two Employment Regulation Orders were approved in the later part of 2015 – one for the Security Sector and the other for Contract Cleaning Sector.



### Early Resolution Service

The Early Resolution Service (ERS) is a mediation service introduced by the Labour Relations Commission in 2012. Through the ERS, mediation is offered in cases which have been referred for adjudication under employment rights legislation. The service provides parties to such disputes an early opportunity of resolving their issues by way of mediation delivered over the phone by a 'Case Resolution Officer'. By successfully availing of mediation, parties can fashion their own settlement and avoid all the potential costs of a first instance adjudication process and a possible appeals stage thereafter.

### Service Format

The service is delivered by five Case Resolution Officers and corresponds to similar types of telephone based mediation services provided by ACAS in the United Kingdom and the Labour Relations Agency in Northern Ireland.

An initial case selection process takes place in the Commission with a view to identifying those cases which, ostensibly, are amenable to resolution through mediation. However, as mediation is a voluntary process, it only proceeds in cases where both parties accept an offer of mediation from the Commission. When both sides agree to participate in the process, a short period of time is allowed for exploration of a resolution by way of a mediation process conducted by a Case Resolution Officer. If mediation is declined, or if it is not successful, the case is referred onwards without delay for a formal adjudication hearing.

### Service delivery in 2015

In the period January to September 2015, the ERS offered mediation in 1485 selected cases. Both parties accepted the offer of mediation in 659 of those cases – a 46% take-up rate. 284 of these cases were resolved with ERS assistance and did not require to be forwarded for adjudication. The percentage of cases resolved at mediation was 43%.

### Workplace Mediation

The service provides a prompt, confidential and effective remedy to workplace conflicts, disputes and disagreements. Workplace Mediation is particularly suited to disputes involving individuals or small groups of workers.

The Service provides trained Workplace Mediators to respond promptly, confidentially and efficiently to requests to remedy workplace conflicts, disputes and disagreements.

The Commission's team of mediators was drawn from the Conciliation Service and the Advisory Service. The Service received 44 referrals during January and September 2015 and convened a total of 44 meetings in delivering the service to clients.

Issues included one-to-one interpersonal difficulties often around the supervisor/employee relationship but also group conflict. The employer as the 'commissioning agent' initiated the majority of cases and requests for assistance by the use of the mediation process.

### Education and Training Board (ETB) Appeals Procedures – Grievance Stage 4 Appeals

One of the Divisions officer acts as agreed Independent Appeals Officer for Stage 4 grievances for staff not covered under the Industrial Relations Act 1990. Two appeals under the Grievance Procedure were heard in 2015.

### Education and Training Boards (ETB) Disciplinary Appeals Procedures

An officer of the Commission also acts as agreed independent Appeal Officer for Stage 4 appeals under the nationally agreed disciplinary procedures for the ETB. There was one appeal heard and completed during 2015.

### Association of Community and Comprehensive Schools (ACCS) - Grievance Stage 4 Appeals

An officer of the Service acts as agreed Independent Appeal Officer for Stage 4 grievances for staff in the ACCS sector not covered by the Industrial Relations Act 1990. In 2015 no appeals were heard.

### Training inputs provided by the Conciliation Service 2015

Responsibility for the co-ordination of the Commission's support for stakeholders through the delivery of tailored training programmes rests with the Advisory, Research and Information Division. An officer of the Conciliation Service continued to participate in this work during 2015. In addition, the Conciliation Services Division continued to respond to requests and opportunities to promote the work of the Division by providing speakers and facilitators to client training programmes with a focus on the process of conciliation and its value as a dispute resolution tool.

The officer presented at and in some cases developed and delivered training at a range of twenty-four training courses organised for newly appointed shop stewards, senior activists and organisers as well as full-time officials at both IMPACT and MANDATE trade unions.

Presentations were also made at the National Museum of Ireland, Cork ETB, Kerry ETB, the Department of Defence, Pdfora, Mandate, Smurfit Business School, International Business Students at DCU, the NBRU and IBEC. In addition, inputs were provided at training programmes for the following organisations: DAA, Communications Workers Union and the Department of Jobs, Employment and Innovation.

### **Construction Industry Disputes Tribunal**

The parties to the construction industry's Registered Employment Agreement developed a disputes tribunal in 2007, namely, the Construction Industry Disputes Tribunal (CIDT). Its purpose was to cater for the particular needs of the sector specifically individual or one-off disputes (referred to as "Category A" issues). The Conciliation Service Division provides an independent chairperson to Tribunal hearings. The composition of the Tribunal also includes an employer and an employee representative. The process provides that the Tribunal will only issue a decision where there is unanimity among the Tribunal members. The most common issues arising in referrals to the CIDT have been concerned with pay and conditions of employment.

The administration of the CIDT is undertaken by the Commission's administration team. In 2015, 8 cases were referred to the CIDT for investigation. Of those referrals, 7 were assigned for a full Tribunal hearing and one was resolved locally in advance of a Tribunal hearing.

Following CIDT investigations, agreement/resolution was reached in 6 cases. The unresolved dispute was the subject of a conciliation conference at the request of the parties.

### **Health Sector Affirmation/Adjudication Process**

The Conciliation services division administrative team provides an administrative role in terms of the affirmation/adjudication process for the HSE and the parties attached to the Health Sector Agreement of the Public Service Agreement 2010 to 2014. This service has been continued during the subsequent agreements (Haddington Road Agreement and Lansdowne Road Agreement). It was established to act as the focal point for referral of unresolved matters which fall under paragraphs 2.9.12, 2.9.13, 2.9.14 and 6.1 of the Health Service Redeployment Protocol. This is an administrative function which involves the organisation and distribution of cases to a team of adjudicators. During 2015, a total of 6 cases were processed and heard involving approximately 217 staff of the Health Service throughout the Country.

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# Rights Commissioner Service

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The Rights Commissioner Service typically resolves disputes involving individuals and small groups of workers on day-to-day industrial relations issues. The approach of the Service, is to seek to address problems in ways that are speedy, non-legalistic and solution oriented. Since its establishment, the focus has shifted to complaints being brought by more and more workers under a substantial and growing volume of labour law.

The Rights Commissioner Service received 5,448 referrals during the period January-September, 2015. While this was a pro-rata reduction on the previous year, a significant amount of work was undertaken on projects relating to the workplace relations reform programme. Referrals under the Payment of Wages Acts again comprise the single biggest category of complaints referred to the Service. Referrals under the Industrial Relations Acts and Organisation of Working Time legislation represent the next largest category of complaints.

At September, 2015 an offer of a first Hearing on foot of a referral was generally made in the region of 8-12 weeks, inclusive of the statutory 3 week "holding" period provided for in legislation, although this period was reduced to 6 weeks in some locations.

## **Single Scheduling Unit**

In anticipation of the streamlining of the various Employment Rights Bodies, by January, 2015 all of the administrative staff of the Rights Commissioner Service transferred to the Single Scheduling Unit (Post Registration Unit) which had been established in mid-2014. This Unit was responsible for the ongoing scheduling of complaints referred to the Service but also had an additional and significant role in the testing of the new ICT solution for Adjudication Services, deployed in the Workplace Relations Commission on its establishment. This new case management system is due to replace those adjudication systems previously operated by the various employment bodies.

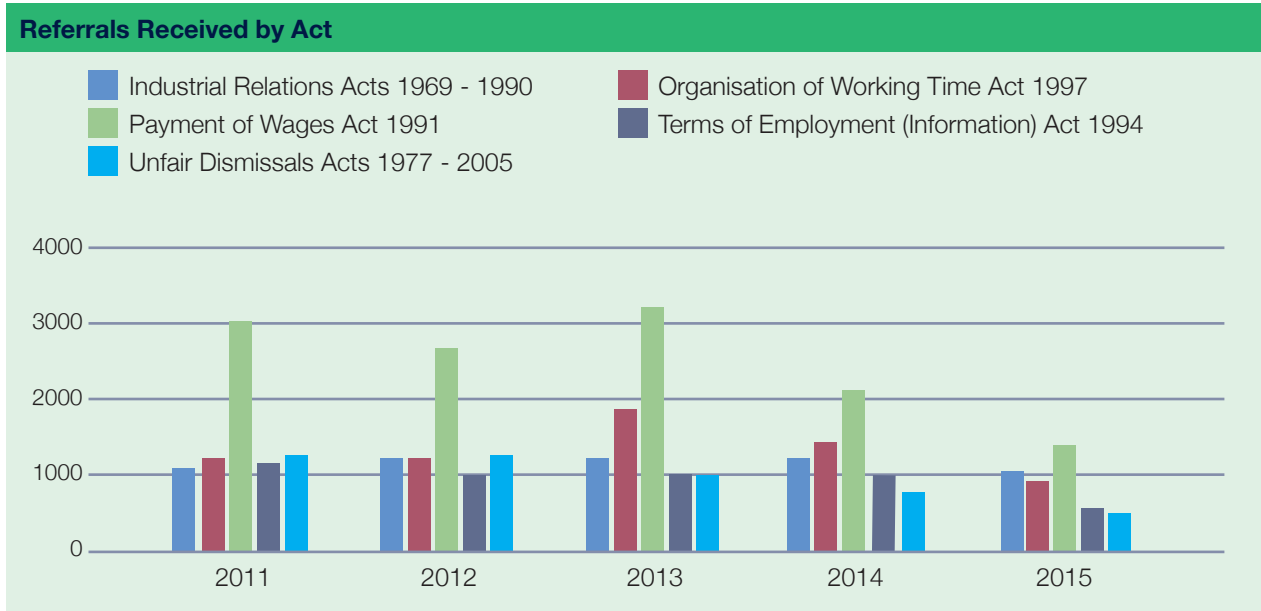
## **Adjournments**

The level of adjournment requests continues to be a matter for on-going attention. In 2015 requests for adjournments were granted, only where the Service was satisfied that exceptional circumstance existed and where relevant supporting documentation was furnished.

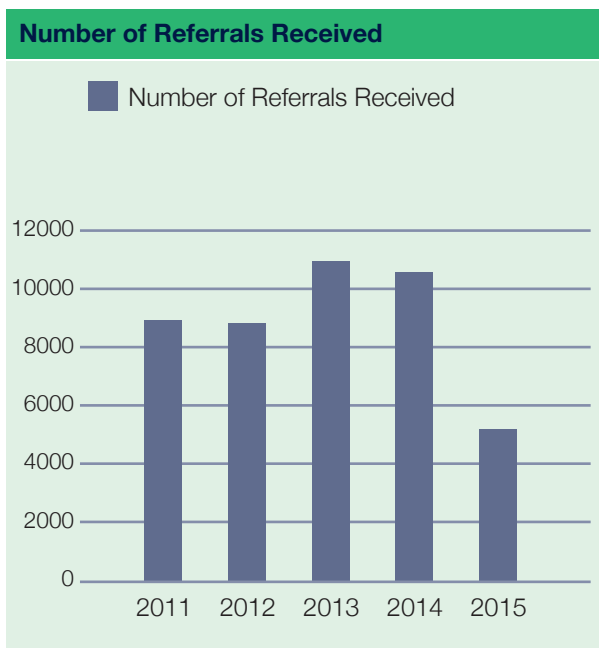
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### Referrals Received by Rights Commissioner Service 2011-2015<sup>1</sup>

While 5,448 referrals were received in 2015, the bulk of referrals were received under the following 5 Acts:



	2011	2012	2013	2014	2015
Industrial Relations Acts 1969-1990	1,143	1,304	1,282	1,328	995
Organisation of Working Time Act 1997	1,288	1,308	1,930	1,596	940
Payment of Wages Act 1991	3,040	2,806	3,296	2,120	1,506
Terms of Employment (Information) Act 1994	1,233	957	1,012	858	627
Unfair Dismissals Acts 1977-2005	1,355	1,271	981	837	514



2011	9,206
2012	8,852
2013	10,252
2014	9,800
2015	5,448

2012	171
2013	218
2014	80
2015	33

<sup>1</sup> All figures for 2015 refer to the period between 1 January 2015 and 30 September 2015.

# Corporate Services

The Director of Corporate Services is also Director of the Industrial Relations Advisory Service.

## Board Meetings

There were 5 meetings of the Board in 2015. Pending the establishment of the Workplace Relations Commission, the Minister reappointed five members of the Board "with effect from the 7th July 2013 for a period not exceeding 12 months or until the Labour Relations Commission is disestablished, whichever is earlier". The Board was renewed on the same terms in 2015.

Board member attendance during the year was as follows:

Ms Breege O'Donoghue, Chair	5
Mr Brendan McGinty	5
Mr Fergus Whelan	5
Mr John Hennessy	5
Mr Peter McLoone	5

## Code of Practice for the Governance and Conduct of the LRC

The Board applies procedures in accordance with the Code of Practice for the Governance of State Bodies. In addition, the Board and Commission have acted in accordance with the terms of the Organisation's own 'Code of Practice for the Governance and Conduct of the LRC'.

## Audit Committee

The role of the Audit Committee, as part of the ongoing systematic review of the control environment and governance procedures within the Commission, is to report to and advise the Accounting Officer and the Board on internal control matters. The Internal Audit function is outsourced to an independent practitioner and her proposed audit plans are considered and approved by the Committee as required and in the context of a structured programme of activity which ensures that every relevant aspect of Commission activity is examined over a predefined timescale.

In its consideration of audit plans, the Committee is always mindful of developments such as updated Guidelines on Corporate Governance, best practice and the related increasing range and detail of compliance obligations on both the organisation and individual management personnel as new legislation, regulation and codes of practice are enacted.

The Audit Committee, having considered relevant reports from the Auditor, concluded that there was an effective system of internal controls in operation in the Commission in 2015. The Audit Committee met on two occasions in 2015.

## Ethics in Public Office

All Board members, Rights Commissioners and relevant Officers of the Commission were advised of their obligations and/or completed the appropriate returns under the Ethics in Public Office Acts, as required.

## Performance Management Development System (PMDS)

The Commission is committed to ensuring that best practice is employed in the delivery of all aspects of the PMDS so as to enhance the development of its staff and to ensure that a pathway for constructive two-way communication is in place. Role Profiles and Interim Reviews were completed in a timely fashion for all staff members of the Commission. The provision of upward feedback is encouraged as a feature of the process.

## Prompt Payments of Accounts

### Report on Compliance with the Provisions of the Prompt Payment of Accounts Act

The payment practices of the Labour Relations Commission, as required by the Act, are reported on below for the 9 months ended 30 September 2015:

1. In accordance with Government decision S29296 of 2 March 2011, the Labour Relations Commission is committed to making every effort to pay suppliers

within 15 days of receipt of a valid invoice.

2. Specific procedures are in place to track all invoices and ensure that payments are made before the due date. Invoices are registered daily and payments are issued as required to ensure timely compliance.
3. Where necessary, prompt payment interest is paid in accordance with guidelines issued by the Department of Jobs, Enterprise and Innovation.
4. Quarterly Prompt Payment Reports are published under the 'Information for Suppliers' section of the website.

**Period Covered: 1 January to 30th September 2015**

Details	Number	Value (€)	Percentage (%) of total number of payments made
Total payments made to 30th September 2015	859	272,460.96	100%
Number of payments made within 15 days	734	241,997.76	85.4%
Number of payments made within 16 days to 30 days	118	29,713.20	14%
Number of payments made in excess of 30 days	7	750.00	0.6%
Disputed invoices	0	0	0
<b>Total</b>	<b>859</b>	<b>272,460.96</b>	<b>100%</b>

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# Labour Relations Commission Financial Statements

For the Period 1 January 2015 - 30 September 2015  
Cessation Accounts

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# Statement of Responsibilities of the Labour Relations Commission and the Workplace Relations Commission

For the period 1 January - 30 September 2015

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The Labour Relations Commission (LRC) was dissolved with effect from 30 September 2015 under the terms of the Workplace Relations Act, 2015. The staff, assets, rights and obligations of the LRC were transferred to the Workplace Relations Commission (WRC), an office of the Department of Jobs, Enterprise and Innovation in accordance with the Act.

## **Responsibilities of the Labour Relations Commission**

The Commission was responsible for keeping adequate records which disclose with reasonable accuracy at any time the financial position of the Commission and which enabled it to ensure that the financial statements compiled with Section 31(1) of the Industrial Relations Act 1990. The Commission was also responsible for safeguarding the assets of the LRC and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

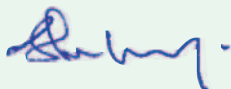
## **Responsibilities of the Labour Relations Commission**

Section 62(1) of the Workplace Relations Act, 2015 requires the WRC to prepare final accounts of the LRC. The Secretary General of the Department of Jobs, Enterprise and Innovation is the Accounting Officer of the WRC.

In preparing the final accounts of the LRC, the WRC was required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is an inappropriate basis;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The above requirements were complied with in preparing the financial statements.



John Murphy  
Accounting Officer  
Workplace Relations Commission  
Date: 29th April 2016

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# Statement on Internal Financial Control

For the period 1 January - 30 September 2015

## Responsibility for the System on Internal Financial Control

As provided for under the Workplace Relations Act 2015, the LRC was dissolved on 30 September 2015 and all assets, liabilities and staff transferred to the WRC, an office of the Department of Jobs, Enterprise and Innovation. Up to the date of dissolution, the Board of the LRC were responsible for reviewing and ensuring the effectiveness of the LRC's system of internal financial control.

As Accounting Officer of the WRC, I acknowledge the responsibility of the LRC for ensuring that an effective system of internal financial control was maintained and operated during the period.

The system of internal financial control can only provide reasonable and not absolute assurance that assets are safeguarded, transaction authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

## Key Control Procedures

The LRC took steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers;
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the Commission; and
- Developing a culture of accountability across all levels of the Commission.

The Commission has established procedures to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risks facing the Commission including the extent and categories which it regards as acceptable;
- Assessing the likelihood of identified risks occurring - a risk register is in place;
- Assessing the Commission's ability to manage and mitigate the risks that do occur; and

- Assessing the costs of operating particular controls relative to the benefit obtained.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with a monthly budget which is reviewed and agreed by the Commission;
- Regular reviews by the Commission of periodic and annual financial reports which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing and approval guidelines; and
- Formal project management disciplines.

The Commission employed a consultant, on a contract basis, as internal auditor to conduct a review of the effectiveness of the system of internal controls.

The LRC depended on the controls operated by the Department of Jobs, Enterprise and Innovation which provided a payroll, payment function and IT service to the Commission.

The Commission's monitoring and review of the effectiveness of the system of internal financial control was informed by the work of the Internal Auditor, the Audit Committee, the executive managers within the Commission who had responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter or other reports.

The C&AG audited procurements totalling €126,000 in the period in relation to a number of professional and IT services which were not competitively procured. Arising from uncertainty in regards to the establishment date of the WRC, which moved incrementally over the period, the LRC took the

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# Statement on Internal Financial Control (continued)

For the period 1 January - 30 September 2015

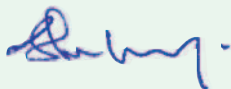
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decision in early 2014 and subsequently, establishment date at a particular time was uncertain. Consequently the contract for these services were rolled over.

### Annual Review of Controls

The LRC was dissolved with effect from 30 September 2015 under the Workplace Relations Act, 2015. A formal review of the effectiveness of the system of internal financial control, (as required by the Code of Practice for the governance of State bodies), was conducted by the Audit Committee for the nine month period to 30 September 2015. In the Audit Committee's opinion, an effective system of internal control was in operation which identified any weaknesses in systems and monitored progress on implementation of action required to address such weaknesses up to the date of dis-establishment.

Signed on behalf of the Workplace Relations Commission.



John Murphy  
Accounting Officer  
Workplace Relations Commission  
*Date: 29th April 2016*

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# Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

For the period 1 January 2015 - 30 September 2015

## Labour Relations Commission

I have audited the financial statements of the Labour Relations Commission (now dissolved) for the period 1 January 2015 to 30 September 2015 under the Workplace Relations Act 2015. The financial statements comprise the statement of income, the statement of financial position, the statement of cash flows and the related notes. The financial statements have been prepared in the form prescribed under Section 31 of the Industrial Relations Act 1990, and in accordance with generally accepted accounting practice in Ireland.

## Responsibilities of the Commission and the Workplace Relations Commission

The Commission was responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

The Commission was dissolved on 30 September 2015 and its assets and liabilities transferred to the Workplace Relations Commission as outlined in note 1 of the financial statements.

Following dissolution of the Commission the Workplace Relations Commission is responsible for the preparation of the financial statements in accordance with Section 62 of the Workplace Relations Act 2015.

## Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of 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 Commission's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Commission's 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.

## Opinion on the financial statements

In my opinion, the financial statements,

- give a true and fair view of the assets, liabilities and financial position of the Commission as at 30 September 2015 and of its income and expenditure for the period 1 January 2015 to 30 September 2015; and
- have been properly prepared in accordance with generally accepted accounting practice in Ireland.

In my opinion, the accounting records of the Commission were sufficient to permit the financial statements to be readily and properly audited.

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# Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas (continued)

For the period 1 January 2015 - 30 September 2015

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The financial statements are in agreement with the accounting records.

## **Matters on which I report by exception**

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the Commission's annual report is not consistent with the related financial statements or with the knowledge acquired by me in the course of performing the audit, or
- the statement on internal financial control does not reflect the Commission's compliance with the Code of Practice for the Governance of State Bodies, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



**Seamus McCarthy**  
**Comptroller and Auditor General**  
**10th May 2016**

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# Statment of Income and Expenditure and Retained Revenue Reserves

For the period 1 January 2015 - 30 September 2015

	Notes	€	Period end 30 Sept 2015 €	Year end 31 Dec 2014 Restated €
<b>Income</b>				
Oireachtas grants	2		2,362,566	4,049,785
Net deferred funding for retirement pensions	6(a)		89,000	119,000
			2,451,566	4,168,785
Transfer (to)/from Capital Account	3		24,914	32,382
			2,476,480	4,201,167
<b>Expenditure</b>				
Salaries and related costs	4	1,987,641		3,186,032
Travel and subsistence		165,549		220,950
Commission members' fees	7	51,300		68,400
Rental of meeting rooms		56,448		76,106
Stationery and office supplies		13,621		21,744
Postage, carriage and telephone		62,435		110,927
Entertainment and catering		1,407		2624
Research		-		14,246
Utilities and Office maintenance		112,553		145,537
Audit fee		12,200		8,200
Consultancy and professional fees		65,212		92,197
Miscellaneous		16,978		35,297
Printing		7,397		7,496
Training		1,035		6,165
Retirement benefits	6(a)	89,000		119,000
Refurbishment		5,242		61,750
Depreciation		24,914		39,973
Loss on disposal of fixed assets		-		220
			2,672,931	4,216,864
<b>Deficit for year</b>			(196,451)	(15,697)
Balance at 1 <sup>st</sup> January			(30,056)	(14,359)
Balance at end of period			(226,507)	(30,056)

Notes 1 to 16 form part of these Financial Statements.



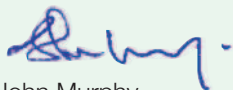
John Murphy  
Accounting Officer  
Workplace Relations Commission  
Date: 29th April 2016

# Statement of Comprehensive Income

For the period 1 January 2015 - 30 September 2015

	Note	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 Restated €
Deficit for the period/year		(196,451)	(15,697)
Experience gains/(loss) on pension scheme liabilities		(131,000)	99,000
Changes in assumption underlying the present value of pension scheme liabilities		0	0
<b>Actuarial gain/(loss) on pension liabilities</b>		<u>(131,000)</u>	<u>99,000</u>
<b>Adjustment to deferred pension funding</b>	6(e)	131,000	(99,000)
<b>Total recognised loss for the period/year</b>		<u>(196,451)</u>	<u>(15,697)</u>

Notes 1 to 16 form part of these Financial Statements.



John Murphy  
Accounting Officer  
Workplace Relations Commission  
Date: 29th April 2016

# Statement of Financial Position

As at 30 September 2015

	Notes	€	As at 30 Sept 2015 €	As at 31 Dec 2014 Restated €
<b>Fixed Assets</b>	10		54,950	79,864
<b>Current Assets</b>				
Debtors and prepayments	11	32,365		37,689
Cash at bank and on hand	12	4,735		97,512
		37,100		135,201
<b>Current Liabilities</b>				
Creditors (amounts falling due within one year)	13	263,607		165,257
		263,607		165,257
<b>Net Current Assets/(Liabilities)</b>			(226,507)	(30,056)
<b>Total Assets less Current Liabilities before Retirement Benefits assets/obligations</b>			(171,557)	49,808
<b>Retirement Benefits</b>				
Deferred retirement benefit funding asset	6(d)		1,550,000	1,330,000
Retirement benefit obligation	6(b)		(1,550,000)	(1,330,000)
			(171,557)	49,808
<b>Total Assets less Current Liabilities</b>			(171,557)	49,808
<b>Reserves transferred to the Workplace Relations Commission</b>				
Capital Account	3		54,950	79,864
Retained Revenue Reserves			(226,507)	(30,056)
			(171,557)	49,808

Notes 1 to 16 form part of these Financial Statements.



John Murphy  
Accounting Officer  
Workplace Relations Commission  
Date: 29th April 2016

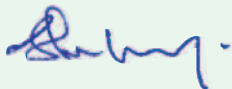
# Statement of Cash Flows

For the period 1 January 2015 - 30 September 2015

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
<b>Deficit for the period/year</b>	(196,451)	(15,697)
<b>Add:</b>		
Increase/(Decrease) in payables	98,350	23,556
Decrease/(Increase) in receivables	5,324	71,137
Depreciation and income impairment of fixed assets	24,914	39,973
Loss on disposal of fixed assets	-	220
Transfer from Capital account	(24,914)	(32,382)
Payments to acquire Tangible Fixed Assets	-	(7,810)
	<hr/>	<hr/>
<b>Increase/(Decrease) in cash and cash equivalents in year/period</b>	<b>(92,777)</b>	<b>78,997</b>
	<hr/>	<hr/>
<b>Reconciliation of Net Cash Flows to Movements in Net Funds</b>		
Increase/(Decrease) in Net Funds in period/year	(92,777)	78,997
Net Funds at 1 January	97,512	18,515
	<hr/>	<hr/>
<b>Net Funds at end of period/year</b>	<b>4,735</b>	<b>97,512</b>
	<hr/>	<hr/>

There were no cash flows from Investing or Financing Activities.

Notes 1 to 16 form part of these Financial Statements.



John Murphy  
Accounting Officer  
Workplace Relations Commission  
Date: 29th April 2016



# Notes to the Financial Statements

For the period 1 January 2015 - 30 September 2015

## 1 Accounting Policies

### General Information

Under the Workplace Relations Act 2015 the LRC was dissolved with effect from 30 September 2015. All the functions, operations, assets and liabilities of the Commission transferred to the WRC, an office of the Department of Jobs Enterprise and Innovation at book value and accordingly no adjustments have been made to the carrying value of the assets and liabilities.

### a) Statement of Compliance

The financial statements of LRC for the period ended 30 September 2015 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC). These are the LRC's first set of financial statements prepared in accordance with FRS 102. The date of transition to FRS 102 is 1 January 2014. The prior year financial statements were re-enstated for material adjustments on adoption of FRS 102 in the current year. The result of the adoption can be seen in Note 16.

### b) Basis of Preparation

The financial statements have been prepared under the historical cost convention. The financial statements are in the form approved by the Minister for Finance under the Industrial Relations Act, 1990. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the LRC's financial statements.

### c) Period of Account and Transfer of Balances

These financial statements have been prepared for the nine month period to 30 September 2015, the date of dissolution of the Commission. The financial statements recognise:

- All Income and Expenditure up to the date of dissolution
- All Assets and Liabilities at the date of dissolution which are set out in the Statement of Financial Position and which transferred to the WRC upon dissolution.

Net Liabilities of €171,557 were transferred to the WRC at 30 September 2015. These included:

Capital	€54,950
Retained Revenue Reserves	(€226,507)
	<hr/>
Net total Liabilities transferred	(€171,557)

### d) Oireachtas Grants

Income is accounted for on the basis of payments made by the Department of Jobs, Enterprise and Innovation on behalf of the Commission.

### e) Fixed Assets and Depreciation

The LRC adopted a minimum capitalisation threshold of €1,000. Fixed assets are stated at their cost less accumulated depreciation. Depreciation is charged at rates calculated to write off the cost of each asset over its expected useful life on a straight-line basis as follows:

Furniture, Fixtures and Fittings	10% Per Annum
Equipment	20% Per Annum

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

## f) Capital Account

The capital account represents the unamortised amount of income used to purchase fixed assets and the value transferred to the Commission.

## g) Retirement Benefit

The Commission operated a non-contributory defined benefit pension scheme for one Officer which was funded annually on a pay-as-you-go basis from monies provided by the Department of Jobs, Enterprise and Innovation on dissolution of the LRC. Retirement benefit obligations are measured on an actuarial basis using the projected unit method. Retirement benefit costs reflect pension benefits earned in the period. An amount corresponding to the retirement charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge retirement benefits payments.

Actuarial gains or losses arising on retirement benefit obligations are reflected in the Statement of Comprehensive income and a corresponding adjustments is recognised in the amount recoverable from the Department of Jobs, Enterprise and Innovation.

Pension liabilities represent the present value of future pension payments earned to date. Deferred pension funding represents the corresponding asset to be recovered in future periods for the Department of Jobs, Enterprise and Innovation.

## h) Stocks

Stocks of publications and stationery have no net realisable value and are not regarded as assets.

## 2 Oireachtas Grants

The Department of Jobs, Enterprise and Innovation (Vote 32) provided grant funding during the year as follows:

Paid over to the Labour Relations Commission - Subhead C.3	-	600,000
Paid directly by the Department - Subhead C.3	2,451,840	3,449,785
Less: Refund of grant funding to DJEI*	(89,274)	-

\*The refund arose because of surplus funds from prior years from non-pay grant monies.

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
	-	600,000
	2,451,840	3,449,785
	(89,274)	-
	2,362,566	4,049,785

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
<b>3 Capital Account</b>		
Balance at 1 <sup>st</sup> January	79,864	112,246
<b>Transfer (to)/from the Statement of Income and Expenditure and Retained Revenue Reserves</b>		
Income applied to purchase of Fixed Assets	-	7,811
Net book value of assets disposed	-	(220)
Amortisation in line with depreciation	(24,914)	(39,973)
	<u>(24,914)</u>	<u>(32,382)</u>
Balance at 30 September 2015/31 December 2014	<u>54,950</u>	<u>79,864</u>

#### 4 Salaries and Related Costs

All staff, other than the Chief Executive and the Rights Commissioners, are civil servants assigned to the Commission by the Department of Jobs, Enterprise and Innovation.

The charge of €1,987,641 (2014: €3,186,032) includes fees of €598,687 (2014: €862,681) payable to 12 rights Commissioners.

The total number of staff employed at 30 September 2015 was 29 (2014 - 43) with a salary cost of €1,388,954 (2014: €2,323,351).

#### Employee benefits breakdown

Range of Employee benefits			Number of Employees	
From		to	2015	2014
€60,000	-	€69,999	4	7
€70,000	-	€79,999	1	4
€80,000	-	€89,999	0	1
€90,000	-	€99,999	0	2
€100,000	-	€109,999	0	0
€110,000	-	€119,999	0	0
€120,000	-	€129,999	1	0
€130,000	-	€139,999	0	0
€140,000	-	€149,999	0	0
€150,000	-	€159,999	0	1

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

## 5 Chief Executive

The Chief Executive received salary payments of €122,446 (2104: €156,380). No bonus payments were made in the period. The Chief Executive received an amount of €8,102 (2104: €7,670) in respect of travel and subsistence. The Chief Executive's pension entitlements do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme. The Chief Executive was paid €6,733 as a fee for his role as Chairman of the Irish Sports Council for the nine month covered by these financial statements.

## 6 Retirement Benefits

### (a) Analysis of total retirement benefit costs charged to Expenditure

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
Current service costs	33,000	47,000
Interest on retirement benefit scheme liabilities	56,000	72,000
	<hr/>	<hr/>
Retirement benefit charge in period/year	89,000	119,000
	<hr/>	<hr/>

### (b) Movement in net retirement benefit obligations

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
Net retirement benefit liability at 1 January	1,330,00	1,310,000
Current service cost	33,000	47,000
Interest cost	56,000	72,000
Actuarial (gain)/loss	131,000	(99,000)
Benefits paid in the year	0	0
	<hr/>	<hr/>
Net retirement benefit obligation at 30 September 2015/ 31 December 2014	1,550,000	1,330,000
	<hr/>	<hr/>

### (c) Net deferred funding for retirement benefits

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
The Net Deferred Funding for retirement benefits recognised in Statement of Income and Expenditure and Retained Revenue Reserves was as follows:		
Funding Recoverable in respect of current period retirement benefit	89,000	119,000
State grant applied to pay pensioners	-	-
	<hr/>	<hr/>
	89,000	119,000
	<hr/>	<hr/>

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

## (d) Deferred funding for retirement benefits

The Commission recognises these amounts as an asset corresponding to the unfunded deferred liability for pension on the basis of the set assumptions described above and a number of past events. These events include the statutory basis for the establishment of the pensions schemes, and the policy and practice currently in place in relation to funding public service pensions including the annual process.

The Commissions has no evidence that this funding will not continue to meet such sums in accordance with current practices. The deferred funding asset for pension as at 30 September 2015 amounted to €1,550,000 (2014: €1,330,000).

## (e) History of defined benefit obligations

Defined benefit obligations  
Experience losses/(gains) on scheme liabilities:  
Amount  
Percentage of scheme liabilities  
The cumulative actuarial loss recognised in the Statement of  
Total Recognised Gains and Losses amounts to €718,000

	Period end 30 Sept 2015 €	Year ended 31 Dec 2014 €
	€1,550,000	€1,330,000
	€131,000	€(99,000)
	(7%)	(7%)

## (f) General description of the scheme

The pension scheme is a defined benefit salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The valuation used for Retirement benefit disclosures has been based on a full actuarial valuation on February 29<sup>th</sup> 2016 by a qualified independent actuary taking account of the requirements of the FRS 102 in order to assess the scheme liabilities at 30 September 2015.

The principal actuarial assumptions were as follows:

	Period end 30 Sept 2015	Year ended 31 Dec 2014
Rate of increase in salaries	2.00%	4.00%
Rate of increase in pensions in payment	2.00%	4.00%
Discount rate	2.35%	5.50%
Inflation rate	2.00%	2.00%
Average life expectancy:		
Male aged 65	22	22
Female aged 65	25	25

## 7 Commission Members' Fees

Fees payable in the period of accounts to Commission  
Members as follows:

	Period end 30 Sept 2015	Year ended 31 Dec 2014
Chairperson	15,390	20,520
Ordinary Members (Note 8)	35,910	47,880
	51,300	68,400

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

## 8 Commission Members' Fee List

	Period end 30 Sept 2015	Year ended 31 Dec 2014
	€	€
Breege O'Donoghue (Chairperson)	15,390	20,520
Brendan McGinty	8,978	11,970
John Hennessy	8,978	11,970
Peter McLoone	8,977	11,970
Fergus Whelan	8,977	11,970
	<hr/>	<hr/>
	51,300	68,400
	<hr/>	<hr/>

No mileage or subsistence expenses were paid to Commission Members in 2014 or 2015.

## 9 Rent & Rates

The Commission operated from offices on a rent free basis to the LRC by the Office of Public Works.

## 10 Fixed Assets

	Furniture, Fixtures and Fittings	Equipment	Total
<b>Cost</b>	€	€	€
At 1 January 2015	421,989	457,933	879,922
Additions In period	-	-	-
Disposals In period	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 September 2015	421,989	457,933	879,922
	<hr/>	<hr/>	<hr/>
<b>Accumulated Depreciation</b>			
At 1 January 2015	372,504	427,554	800,058
Charge for period	13,854	11,060	24,914
Depreciation on Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2015	368,358	438,614	824,972
	<hr/>	<hr/>	<hr/>
<b>Net book values</b>			
At 30 September 2015	35,631	19,319	54,950
	<hr/>	<hr/>	<hr/>
At 31 December 2014	49,485	30,379	79,864
	<hr/>	<hr/>	<hr/>

## 11 Debtors & Prepayments

	As at 30 Sept 2015	As at 31 Dec 2014
	€	€
Debtors	-	861
Prepayments	21,338	20,560
OPW	11,027	16,268
	<hr/>	<hr/>
	32,365	37,689
	<hr/>	<hr/>

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

## 12 Bank & Cash

	As at 30 Sept 2015	As at 31 Dec 2014
	€	€
Current account	4,649	95,988
Deposit account	-	1,333
Petty cash	86	191
	<hr/>	<hr/>
	4,735	97,512
	<hr/>	<hr/>

## 13 Creditors

	As at 30 Sept 2015	As at 31 Dec 2014
	€	€
Accruals - general	243,207	157,057
Audit fee - accruals	20,400	8,200
	<hr/>	<hr/>
	263,607	165,257
	<hr/>	<hr/>

Holiday pay accrual - LRC had previously not accrued for holiday pay earned by employees but not yet taken at the reporting date. Under FRS 102, the financial statements must recognise such amounts as an accrual. The result is an increase of €41,162 in Creditors at the transition date and €12,820 at 30 September 2015.

## 14 Related Party Transactions

Key management personnel in the LRC consist of the CEO and members of the Board of Directors. Total compensation paid to key management personnel, including Board members' fees and expenses and total CEO remuneration, amount to €181,848 (2014: €232,450).

For a breakdown of the remuneration and benefits paid to key management personnel please refer to Notes 5&7.

The LRC was an independent statutory body under the aegis of the Department of Jobs, Enterprise and Innovation. The Commission received grant aid from this Department and, due to various material transactions, it is regarded as a related party.

The Board adopted procedures in accordance with the Code of Practice for the Governance of State Bodies in relation to the disclosure of interest by the Board members and these procedures have been adhered to in the period.

There were no transactions in the period in relation to the Board's activities in which the Board members had any beneficial interest.

## 15 Dissolution of Labour Relations Commission

The Workplace Relations Act 2015 provided for the operation of the Employment Rights and Industrial Relations (ERIR) machinery of the State. The reform streamlines the State's five previous employment rights bodies: The Labour Relations Commission (LRC), National Employment Rights Authority (NERA), Employment Appeals Tribunal (EAT), Equality Tribunal and the Labour Court.

# Notes to the Financial Statements (continued)

For the period 1 January 2015 - 30 September 2015

The Workplace Relations Act 2015 (the Act) was signed into law. The Act commenced on the 1<sup>st</sup> October 2015, with the dissolution of the Labour Relations Commission and the establishment of the Workplace Relations Commission.

As the function, operations, staff, assets and liabilities of the Labour Relations Commission have been transferred to the Workplace Relations Commission, an office of the Department of Jobs, Enterprise and Innovation, on a going concern basis, it is appropriate for the accounts to be prepared on a going concern basis.

## 16 Transition to FRS 102

### Reconciliation of Capital and Reserves

	As at 1 Jan 2014	As at 31 Dec 2014
	€	€
Capital and reserves (as previously stated)	123,971	90,970
Holiday pay accrual (Note 16 (a))	(26,084)	(41,162)
Capital and reserves (as re-stated)	97,887	49,808
 <b>Reconciliation of Deficit for the year ended 31 December 2014</b>		
	€	
Deficit for the year (as previously stated)	619	
Holiday pay accrual (Note 16 (a))	15,078	
Deficit for the year (as re-stated)	<u>15,697</u>	

### a) Holiday pay accrual

The LRC had previously not accrued for holiday pay earned by employees but not availed of at the reporting date. Under FRS 102 the financial statements must recognise such accruals.

The impact of this change is an increase of €26,084 in creditors at the transition date (01/01/2014) and €41,162 at 31 December 2014. The deficit increased by €26,084 in the year-ended 31 December 2013 and the deficit is increased by €15,078 in the year ended 31 December 2014.







1991.1992.1993.1994

1995.1996.1997.1998

1999.2000.2001.2002

2003.2004.2005.2006

2007.2008.2009.2010

**2011.2012.2013.2014**

**2015**



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