

**Youth Justice Agency**  
**Annual Report and Accounts**  
**For the year ended 31 March 2022**

*Laid before the Northern Ireland Assembly under  
Section 11(3)(c) of the Government Resources  
and Accounts Act (Northern Ireland) 2001  
by the Department of Justice*

*on*

*1 July 2022*



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Any enquiries regarding this document should be sent to:

Youth Justice Agency  
41 Waring Street  
Belfast  
BT1 2DY

E-mail: [info@yjani.gov.uk](mailto:info@yjani.gov.uk)

You can download this publication from the Departmental website at: [www.justice-ni.gov.uk](http://www.justice-ni.gov.uk).

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## **PERFORMANCE REPORT**

### **OVERVIEW**

The purpose of the Overview is to provide sufficient information to ensure that the remit and purpose of the Agency is understood. The Overview includes:

- a statement from the Chief Executive providing his perspective on the performance of the Agency over the period;
- a statement of the purpose and activities of the Agency;
- the key issues and risks that could affect the Agency in delivering its objectives; and
- a performance summary.

### **FOREWORD BY CHIEF EXECUTIVE**

I joined the Youth Justice Agency (YJA) on 17 May 2021 and am pleased to present the Agency's Annual Report and Accounts for 2021-22.

I am proud of the Agency's performance over this last year and how our dedicated staff team has continued to deliver quality services and support to young people and their families despite the challenges posed by the Covid-19 pandemic. I'm pleased that this has also been recognised by our service users. Our regular surveys of children, parents and victims have continued to show high levels of satisfaction with the Agency's services. Dedication and innovation have been key watchwords for us throughout this difficult period

One of our innovations has been the further development of data around the impact of the Agency's work. In December 2021, we published the first ever Agency Performance Impact Report covering the 2020-21 year ([www.justice-ni.gov.uk/publications/yja-performance-impact-report-2020-21](http://www.justice-ni.gov.uk/publications/yja-performance-impact-report-2020-21)). Through a mixture of data, graphics and case studies, this sets out really clear information on who we are, what we do and the impact our work has on young people, parents, victims and communities. I am grateful to the internal team that led on the Performance Impact Report and feedback from stakeholders has been positive.

The Agency has continued to embed its new operational model of practice ([www.justice-ni.gov.uk/publications/youth-justice-agency-model-practice](http://www.justice-ni.gov.uk/publications/youth-justice-agency-model-practice)). This 'Children First' approach has been informed by direct feedback from children and the Agency's Parents Support Group. It also incorporates aspects of best practice relating to theory on adverse childhood experiences, Signs of Safety and trauma informed practice. As part of this work, we have invested, on a pilot basis, in funding a dedicated Participation Officer to work with children who use our services to co-produce YJA operational programmes and provide valuable input to public policy and strategic developments. An early achievement was insightful feedback to the Department for Infrastructure's work on a new Road Safety Strategy. Budget permitting, we hope to continue funding the Participation Officer role in the year ahead.

**FOREWORD BY CHIEF EXECUTIVE (CONTINUED)**

Young people also helped to shape the Strategic Framework for Youth Justice 2022-27. Work on the Framework was led by Departmental policy colleagues and I was pleased that the Agency was able to work productively alongside them in producing the Framework which was published on 21 March 2022.

We have continued to strengthen and extend our partnerships to ensure children in contact with us and their families can receive the best possible support to meet their needs. I was delighted that in October 2021, the Justice Minister was able to launch the 'Changing the Script' exhibition of artwork by parents within our Parents Support Group at the Ulster Folk and Transport Museum. The exhibition was the culmination of a project delivered through an excellent partnership between YJA and National Museums NI, supported by the National Lottery Community Fund. Both the Minister and I really enjoyed the opportunity to talk to parents about the benefits they and their children have gained from the project and it was fantastic to see the pride parents rightly took in their achievements.

We have also been really pleased to develop a partnership with the Department for Communities (DfC) and employers to deliver the Jobstart programme. This has helped a number of young people, including some who have offended, to improve their employability by obtaining paid work experience. We look forward to seeing the results of this collaboration for the young people with whom we work.

Our partnerships with the Education Authority, Social Services and Police Service of Northern Ireland (PSNI) through Children's Diversion Forums have gone from strength to strength. Most parts of Northern Ireland now have a Children's Diversion Forum in place. These meet regularly to co-ordinate support for children who have come to the attention of Police and the Forums have played a key role in diverting those children away from the formal justice system. This has contributed to a continued reduction in the number of children acquiring criminal records.

We continue to deliver a range of services in partnership with Health and Social Care (HSC). In the Woodlands Juvenile Justice Centre (JJC), we have funded an ongoing range of health and therapeutic services, including Forensic Child and Adolescent Mental Health Services, to meet the needs of the most vulnerable children in our care. Within our community services, we have been able to add the Western Trust area to the pilot YJA Child and Adolescent Mental Health Service. Both pilot services (Southern and Western) are co-funded by YJA and the relevant Health and Social Care (HSC) Trusts and are demonstrating high levels of effectiveness in meeting need.

The Agency's charity partner over the last year has been local foodbanks across Northern Ireland. Our staff have raised money, donated food and other essentials and helped with wider fundraising activities. This partnership has also provided vital support to many of the families we work with throughout the pandemic. I am delighted that our staff have chosen to continue with local foodbanks as our charity partner for a further year.

We also value our longstanding partners both in the justice system and more widely, and I want to take time to thank them for their work with us over this past year.

**FOREWORD BY CHIEF EXECUTIVE (CONTINUED)**

We are also fortunate to participate in a number of multi-agency mechanisms which help us in delivering our statutory responsibilities. Particularly key among these are the Safeguarding Board for Northern Ireland, in which we are very active members, and the Children and Young People's Strategic Partnership.

The strength and depth of our partnerships with Health and Social Care play an important role in helping us improve the well-being of children who use our services and prevent reoffending. In June 2021, the Departments of Health (DoH) and Justice (DoJ) published a post-consultation report on the Establishment of a Care and Justice Campus. We continue to work closely with our Health colleagues to take forward the Regional Care and Justice Campus Programme aimed at building a more integrated net of support for the most vulnerable children in the residential care and juvenile justice sectors.

Finally, we have been pleased to welcome Criminal Justice Inspection NI (CJINI), the Regulation and Quality Improvement Authority and the Education and Training Inspectorate who have been undertaking a joint three-yearly inspection of the Woodlands Juvenile Justice Centre. I am pleased with how positively YJA staff engaged with the inspection process and we look forward to seeing the published inspection report later this year.

I'd like to finish my foreword by thanking Agency staff and our Board for all their hard work through the many challenges of 2021-22 and those who have supported us in the wider Department of Justice (including our policy, finance, HR, estates and IT partners) and beyond.

**Stephen Martin**  
**Chief Executive and Accounting Officer**

## STATEMENT OF PURPOSE AND ACTIVITIES

### History and statutory background

The Youth Justice Agency (the Agency or YJA) was established on 1 April 2003 as an Executive Agency within the Northern Ireland Office following the recommendations of the Criminal Justice Review. On 12 April 2010, justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the Department of Justice (DoJ) came into existence as a new Northern Ireland Department. From that date, the Agency became an Executive Agency of the DoJ.

The Agency sits within the DoJ's Reducing Offending Directorate (ROD).

### Aims and objectives

The overall aim of the Agency is to ***make communities safer by helping children to stop offending***. The Agency is part of the wider criminal justice system and contributes, alongside other partners, to achieving the system's overall aims and objectives.

### Our statement of purpose

"Making communities safer by helping children to stop offending".

### Our mission statement

To reduce offending by supporting children to achieve their full potential.

### Our principles

- utilising our professionalism and expertise;
- acting in the best interests of children and promoting their rights;
- advocacy, ensuring that children have access to universal services;
- children should be diverted at the earliest possible stage;
- we will focus on children's needs as well as addressing their deeds;
- promoting resilience, desistance and reintegration;
- we will work restoratively and involve victims when appropriate;
- we will work in partnership with others; and
- we will focus on positive outcomes.



## **Our shared values**

We will:

- treat children as individuals in their own right;
- focus on strengths and be positive;
- promote safety and consider public protection; and
- listen to everyone and everyone will have a voice.

We are:

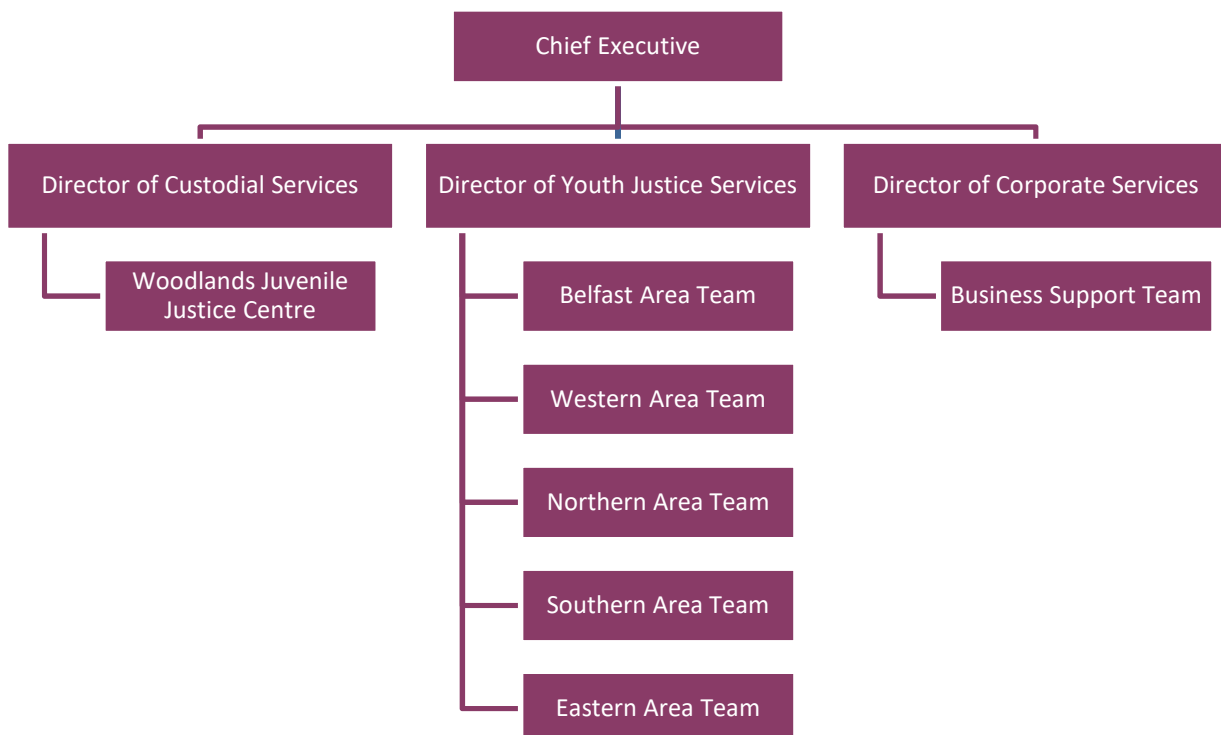
- fair, open and honest;
- kind, compassionate and trauma aware; and
- non-judgemental.

**Structure**

The Agency provides a range of statute-based and non-statutory support services to young people who offend between the ages of 10 to 17 years, both within the community and within custody. In doing so, it works alongside key justice partners, such as the Public Prosecution Service (PPS) and PSNI; other statutory bodies, including the Departments of Education (DE), Health (DoH) and Communities (DfC); and voluntary and community-based organisations. The emphasis is on helping children to address their offending behaviour, diverting them from crime, assisting their integration into the community and also meeting the needs of the victims of crime, with restorative and reparative justice at its core.

The Youth Justice Agency is within the statutory remit of Criminal Justice Inspection Northern Ireland (CJI) and can be subject to independent inspection or review as a single organisation or as part of a thematic inspection. CJI inspect Woodlands Juvenile Justice Centre in partnership with the Regulation and Quality Improvement Authority (RQIA) and the Education and Training Inspectorate (ETI) against Expectations for Children in Custody, incorporating the Inspection and Self Evaluation Framework for Education Other Than At School provision, and Quality Standards for Health and Social Care. Services may also be subject to review by the Northern Ireland Commissioner for Children and Young People and by the Northern Ireland Human Rights Commission.

The Agency comprises three Directorates and its management structure is as follows:



## Structure (continued)

### *Youth Justice Services*

Community-based services are delivered by our Youth Justice Services (YJS) Directorate staff, overseen by the Director of Youth Justice Services. It comprises both administrative and front-line operational staff currently based in five Area Teams strategically located across Northern Ireland. The focus of our interventions is to ensure children are exited from the youth justice system at the earliest point with appropriate support and to deliver improved outcomes for young people, families, victims and communities. Our aim is to reduce offending and reoffending, to improve a young person's life chances and to work in and with communities in order to achieve this.

Each Area Team is responsible for the delivery of a wide-range of front-line services, often jointly with or on behalf of other partner agencies. These include:

- working with young people who are on the cusp of the formal youth justice system in order to intervene at the earliest opportunity (Earlier Stage Diversion);
- hosting and delivering Youth Engagement Clinics;
- facilitating and delivering Youth Conferences - both Court ordered and diversionary, ensuring that, where appropriate, victims have an input as to the way forward;
- delivering a range of earlier stage and diversionary initiatives;
- supervising and supporting young people, using a Children First model, across the continuum of Early Intervention through to working with the most complex children at risk of custody or on leaving custody;
- service provision and attendance at all Youth Court sittings across Northern Ireland, including Magistrates', Crown and High Courts as required; and
- delivering programmes and interventions to young people and their parents/carers to prevent reoffending.

**Structure (continued)*****Custodial Services***

Custodial Services staff are based in Woodlands Juvenile Justice Centre (JJC), located in Bangor. It is the only custodial facility for children in Northern Ireland. It is overseen by the Director of Custodial Services supported by a team of social workers, care workers, nurses, teachers, vocational instructors, support staff and administrative staff. JJC provides a safe, secure and stimulating environment for 10 to 17 year old boys and girls who have been remanded or sentenced to custody by the Courts in Northern Ireland. The Centre also accommodates young people under Police and Criminal Evidence (PACE) legislation. It can accommodate a maximum of 48 young people; however, it is staffed and resourced to operate at an optimum level of 36 young people.

The JJC has been designed as a centre of excellence within a secure environment, offering and providing a wide range of services and support, tailored to each young person's specific needs to support their reintegration to the community upon release and help prevent them reoffending.

A Case Management process integrates social care, education, healthcare and mental health interventions with tailored group-work and individual programmes to improve outcomes for young people. Families and carers are involved at all points in this process both within the JJC and the wider Agency, providing a range of support services.

The JJC actively works with partner organisations to support young people while in custody and on release through effective information sharing, collaborative working and involvement in decision making.

***Corporate Services***

The Business Support Team is based in the Agency's Headquarters and delivers an amalgam of core administrative and executive business services on behalf of the Chief Executive. The services provided include corporate governance, Ministerial/Assembly business, communications, business performance, records management, information technology and estates management.

Other functions, such as financial management and research and statistics, are provided by DoJ on a shared services basis. Personnel services are provided by Northern Ireland Civil Service Human Resources (NICSHR).

Internal Audit services to the DoJ are provided by a Group Internal Audit and Fraud Investigation Service. Internal Audit staff from the Department of Finance (DoF) deliver the internal audit service to the Core Department, its agencies and a number of arm's length bodies.

## Key risks and issues

The Agency's Risk Register is regularly reviewed and links with the Department's Corporate Risk Register. This has resulted in a uniform approach across the Department in how we present and manage risk.

The key risks identified in 2021-22 included:

- failure to provide a safe environment for young people leading to an adverse incident;
- long term restrictions imposed due to the Covid-19 pandemic, limiting the operational delivery, commitments and business as usual needs of YJA; and
- failure to deliver an effective repurposing programme and clear benefits to time, cost and quality.

The key issues faced during 2021-22 included:

- responding to the Covid-19 pandemic;
- delivering the required level of service; and
- implementing the recommendations of the Review of Residential Secure Care report.

Further details in relation to the risks faced by the Agency and how these are mitigated against are provided in the Performance Analysis section. The Governance Statement also provides an overview of the Agency's risk management and internal control system.

## Equality of delivery of services to different groups in society

Section 75 of the Northern Ireland Act 1998 placed statutory duties on all public authorities, including the Youth Justice Agency, that, in carrying out our functions, we are to promote equality of opportunity and good relations and to make equality central to public policy decision-making.

In fulfilling these obligations, the Agency promotes equality of opportunity between:

- persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- men and women generally;
- persons with a disability and persons without; and
- persons with dependants and persons without.

In addition, we aim to promote good relations between persons of different religious belief, political opinion or racial group.

Section 75 duties are integrated throughout all of our functions whereby any new initiatives, proposals, schemes or programmes are considered within the context of these duties. This complements the outcomes based accountability approach allowing the Agency to focus on improving outcomes for our users and staff.

In 2020-21 the Agency commissioned Queen's University Belfast to undertake quantitative and qualitative research to better understand if/why there is any over-representation of particular groups of children within the youth justice system. The final draft report was received in March 2022.

## PERFORMANCE SUMMARY AND FORWARD LOOK

### Performance summary

In 2016, the NI Executive adopted an Outcomes-Based Accountability (OBA) approach for developing the 2016-21 Programme for Government (PfG). This encourages cross-departmental collaborative working and external stakeholder engagement to successfully deliver the desired outcomes. Outcomes-based accountability challenges us to measure our success by looking at the impact our programmes have on people's lives.

The focus across the Department of Justice is on two specific indicators in the new draft Programme for Government:

- **reduced crime** - measured by the prevalence rate, which is the % of the population who were victims of any NI Crime Survey crime; and
- **reduced reoffending** - measured by the reoffending rate.

The DoJ leads on the PfG Outcome 'Everyone feels safe - we all respect the law and each other'. The Youth Justice Agency also contributes to PfG Outcome 'Our children and young people have the best start in life'.

The DoJ produced its own Departmental Business Plan for 2021-22 which underpins its Mission Statement of "Working in partnership to create a fair, just and safe community where we respect the law and each other". It sets out five key priority areas as follows:

- Support safe and resilient communities;
- Address harm and vulnerability;
- Challenge offending behaviours and support rehabilitation;
- Deliver an effective justice system; and
- Secure confidence in the justice system.

**Performance summary (continued)**

The work of the Youth Justice Agency contributes right across these priorities but more specifically as outlined below:

<p><b>DoJ Priority:</b> Challenge offending behaviours and support rehabilitation</p> <p><b>Objective:</b> To put in place arrangements for the care of children in a safe, secure, therapeutic, child-centred environment supported by a youth justice policy and legislative framework with a coherent approach to early intervention</p>		
Action	Progress during 2021-22	Year-end status
<p>a) Develop a strategic Departmental approach to Early Intervention that includes extending the Children’s Diversion Forum, working collaboratively with other statutory agencies to co-ordinate the best approach in helping children avoid entry into the formal justice system.</p>	<p>Children’s Diversion Forums have been rolled out across all five Area Teams in collaboration with PSNI, Education Authority and Health Trusts to co-ordinate the best approach in helping children avoid entry into the formal justice system. All Earlier Stage Diversion cases are discussed at Children’s Diversion Forums to ensure consistency of approach.</p>	<p>Achieved</p>
<p>b) In conjunction with DoH, develop an implementation plan for the establishment of a Care and Justice Campus for approval by Ministers.</p>	<p>In March 2022, the Justice and Health Ministers made decisions on the way forward on the Regional Care and Justice Campus for Children and Young People. Following a public consultation, the two Ministers have decided that the Lakewood Secure Care Centre (run by the South Eastern HSC Trust) and the Woodlands Juvenile Justice Centre (run by YJA) will continue to operate independently but will co-operate more fully on the provision of harmonised shared services. In the year ahead, we will continue to work with Health colleagues on delivering this decision and the wider vision of improving the co-ordination and integration of community-based services that support vulnerable young people leaving the two centres and helping prevent the need for children to enter the centres in the first place.</p>	<p>Achieved</p>



**Performance summary (continued)**

<p><b>DoJ Priority:</b> Challenge offending behaviours and support rehabilitation</p> <p><b>Objective:</b> To put in place arrangements for the care of children in a safe, secure, therapeutic, child-centred environment supported by a youth justice policy and legislative framework with a coherent approach to early intervention</p>		
Action	Progress during 2021-22	Year-end status
<p>c) Develop a strategic framework for youth justice to build on the vision set out in 'Transforming Youth Justice', to include details of evidence, timescales and monitoring arrangements.</p>	<p>The new Strategic Framework for Youth Justice in Northern Ireland was published on 21 March 2022. It aims to deliver on the Department's vision of "a progressive youth justice system - delivering better outcomes for children and communities". Key to this work will be the continued delivery of, and investment in, initiatives aimed at diverting young people from the youth justice system at the earliest possible stage and the development of further measures aimed at ensuring custody for children is a last resort.</p> <p>The publication was accompanied by a five-year Action Plan, a high-level summary of the Framework, and a summary of the consultations held with children and young people in the development of the new Framework. Work will now commence on the delivery of the identified actions.</p>	<p>Achieved</p>

Within this context, the Agency has established six key themes, each with an associated strategic outcome, for delivery of its business activities:

Theme	Strategic Outcome
1. Earlier Stage Interventions	Children are exited from the youth justice system at the earliest point, with appropriate support.
2. Youth Justice Agency Interventions	Improved outcomes for children, families, victims, and communities.
3. Custodial Interventions	Improved outcomes for children through the delivery of a safe, secure, therapeutic, child-centred environment.
4. Policy and Legislation	A strategic youth justice policy and legislative framework which enables improved outcomes for children, families, victims and communities.
5. Resource Management	YJA has a multi-skilled, flexible and diverse workforce which is well-led, highly performing and outcomes focused.
6. Resource Management	YJA resources are used effectively, complying with corporate and financial governance.

## Performance summary (continued)

The Agency has continued to develop and refine its internal performance management and reporting systems based upon the principles of OBA and linked to the PfG outcomes. Performance against pre-determined strategic outcomes is reported to the Agency's Management Board on a quarterly basis by way of a Business Report Card. This is set out in greater detail in the Performance Analysis section.

This analysis is underpinned by the continuous development and refinement of the Agency's data collection and analysis processes. The Agency produces an annual statistical bulletin each autumn showing the previous full financial year's data. Early extraction of data for the 2021-22 year reveals:

- over the five-year period through to 2019-20, the number of children entering the formal justice system has reduced by 27.3% (based upon the most recent published figures for entrants to the justice system which relate to the 2019-20 cohort);
- the proportion of Earlier Stage Diversion referrals continues to rise, accounting for 21.0% (302) of all referrals in 2021-22 (2020-21: 20.2%);
- the proportion of statutory referrals has reduced from 85.6% (1,347) in 2017-18 to 73.1% (1,051) in 2021-22;
- 79.4% of individual victims participated in the youth conferencing process (2020-21: 79.3%); and
- all sentenced young people leaving custody in 2021-22 had a reintegration plan in place before leaving (2020-21: 100%).

It has been an extremely challenging year but one where the Agency has met all its departmental goals, strategic objectives and priority outcomes for 2021-22. The challenges have brought with them new opportunities in terms of innovative practice and greater agility in how we deliver our services.

The Agency has continued to deliver its services to the young people under our care - whether that be within the community or within custody - in such challenging times, yet in a way that fully respects the wellbeing of our staff and young people.

## Performance summary (continued)

### Covid-19

In early 2020 a novel strain of coronavirus was detected which spread rapidly, leading the World Health Organisation to declare a pandemic on 11 March 2020.

In response to the Covid-19 situation and social distancing requirements, the Agency put in place an action plan to manage the impact of restrictions which is contained in the YJA Covid-19 Business Recovery Framework. The Agency's operating model has had to respond significantly with minimal face-to-face contact and a reliance upon the innovative use of digital technology to maintain core business functions. This situation has continued during 2021-22 and, while the Agency has delivered essential services in a manner which minimises risk to the safety of staff, young people, families, carers and other strategic partners, there is an ongoing risk that capacity may be reduced which in turn may have an effect on our ability to achieve similar performance targets as in the past.

The Agency has continued to incur expenditure in certain areas in 2021-22 due to measures put in place to further safeguard staff from infection.

	<b>2021-22</b> <b>£000</b>
Personal protective equipment	6
Working from home expenses	3
<b>Total</b>	<b>9</b>

These costs have been self-funded by the Agency from within its 2021-22 budget.

### EU Exit

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding, and the UK left the EU. The future relationship between the EU and the UK has been determined by negotiations that took place during the transition period ending 31 December 2020. The Agency will continue to monitor developments and assess the potential impacts in this area while seeking to ensure that future arrangements for safeguarding children will, as far as possible, replicate the current set of EU justice and security measures.

The Agency had no spend during 2021-22 in respect of the UK's exit from the EU.

## Forward look

“One challenge wanes as another begins” is probably the most apt way of encapsulating the situation we face at the start of a new financial year. We are beginning to emerge from two difficult years of a global pandemic, during which Youth Justice Agency staff demonstrated innovation and dedication in continuing to deliver quality services while keeping young people safe. The new challenge on the horizon is financial. At the time of writing, future year budgets have not yet been agreed, but all the signs are that for most of the public sector, budgets will be squeezed. This will have an impact on the Agency’s ability to continue to innovate and improve services in the way we would like. I have no doubt my team will see this as both a challenge and an opportunity, and will focus on finding ways to maximise the financial resources we do have to deliver the best possible services to meet the complex needs of the young people we work with. It will not be easy though.

As I described in my Foreword, we were able to pilot two community-based Child and Adolescent Mental Health Services in partnership with Trusts and a new approach to participation during 2021-22. Despite budget challenges, we aim to do all we can to protect those pilot services into the new financial year. In 2021-22, we also launched our new Model of Practice. This will continue to drive our continuous improvement focus in the year ahead and we will roll out a range of developments over the year, including a new assessment tool, and improvements in how we support young people to access opportunities and enhance their employability. Our work with families goes from strength to strength and we will also continue to look for opportunities to partner with others to ensure families get the support they need to help their young people stop offending and achieve their full potential.

2021-22 saw us publish our first ever Performance Impact Report (covering the period 2020-21) and we have been working hard to continue improving our impact data in preparation for publishing a second report later this year.

We are also working on producing a three-year Corporate Plan covering the period 2022-25. This will be the first such long-term plan the Agency has produced in almost ten years. While planning over this time period is difficult, particularly given budget uncertainties, it is important in providing signals to service users, staff and partners about our priorities over the next three years. The Corporate Plan also reflects the Agency’s contribution to delivery of the new Strategic Framework for Youth Justice, which the Minister published on 21 March 2022.

In March 2022, the Justice and Health Ministers made decisions on the way forward on the Regional Care and Justice Campus Programme for Children and Young People. This programme is focused on delivering more integrated health and justice services to improve outcomes for some of the most vulnerable children in the state’s care. To give best effect to this overall aim, following a public consultation, the two Ministers have decided that the Lakewood Secure Care Centre (run by the South Eastern HSC Trust) and the Woodlands Juvenile Justice Centre (run by YJA) will continue to operate independently but will co-operate more fully on the provision of harmonised shared services.

**Forward look (continued)**

In the year ahead, we will continue to work with Health colleagues on delivering this decision and the wider vision of improving the co-ordination and integration of community-based services that support vulnerable young people leaving the two centres and helping prevent the need for children to enter the centres in the first place.

At the start of 2022, three statutory inspectorates, led by Criminal Justice Inspection NI, completed the fieldwork element of a three-yearly inspection of the Juvenile Justice Centre. We look forward to seeing the published report later in 2022 and will work to develop an action plan to respond to the findings in a timely way.

We are also expecting a research study by Queen's University Belfast to be published later this year on over-representation in the youth justice system. The Agency commissioned this report to help it and the wider justice system better understand whether particular groups of children were over-represented in the youth justice system and, if so, why this might be the case. It is likely that the findings of this report will be highly relevant to other Justice partners, such as PSNI, the Public Prosecution Service and the NI Courts and Tribunals Service (NICTS), as well as to the Youth Justice Agency.

Given likely budget constraints, 2022-23 will be a challenging year, but I am confident in the ability, dedication and innovation of our staff and the strength of our partnerships. Together we are determined to do the best we can to improve the lives of children who offend, their families, victims and communities.

**PERFORMANCE ANALYSIS**

The performance of the Agency against its pre-determined strategic outcomes is detailed below.

<p><b>Theme:</b> Earlier Stage Interventions</p> <p><b>Outcome 1:</b> Children are exited from the youth justice system at the earliest point, with appropriate support</p>		
Strategic Outcome	Comment	Year-end status
a) Provide Departmental and Executive strategic oversight function to the Justice Early Intervention Group.	Whilst the Justice Early Intervention Group did not meet this year due to resourcing and other issues, the Department’s Policy Unit continues to provide a strategic function and is engaged with other Departmental oversight bodies including the Community Safety Board, the Tackling Paramilitarism Programme, and the Support Hub Steering Group.	Partially achieved
b) Progress work-streams identified by the Justice Early Intervention Group to develop a strategic approach to Early Intervention across the Department and wider Executive.	Work with Analytical Services Group has identified potential cohorts (young males/women in the justice system) for a new pilot diversionary scheme, which could build on the work already being delivered for children and young people. This work will not be considered until 2022-23 due to resourcing pressures.	Partially achieved
c) Continue to develop and roll out the Children’s Diversion Forum, working collaboratively with PSNI, Education Authority and Health Trusts, to co-ordinate the best approach in helping children avoid entry into the formal justice system.	Children’s Diversion Forums have been rolled out across all five Area Teams in collaboration with PSNI, Education Authority and Health Trusts to co-ordinate the best approach in helping children avoid entry into the formal justice system. All Earlier Stage Diversion cases are discussed at Children’s Diversion Forums to ensure consistency of approach.	Achieved
d) Continue to develop and deliver a co-ordinated Schools Programme across NI to educate and support young people to make better-informed decisions.	The Schools Programme continued throughout the business year in 44 schools delivering sessions to more than 11,200 pupils on topics such as online safety, drugs and alcohol, violence and no harm done.	Achieved

<p><b>Theme:</b> Youth Justice Agency Interventions</p> <p><b>Outcome 2:</b> Improved outcomes for children, families, victims, and communities</p>		
Strategic Outcome	Comment	Year-end status
<p>a) Deliver on the recommendations/ work-streams as outlined in our Model of Practice in order to ensure a Children First rights based approach in all our interventions.</p>	<p>The Model of Practice is being taken forward by ten cross directorate working groups. Work is proceeding at pace and a Participation Officer is now in post to ensure the views of children and families inform policy and practice. A new Children First Assessment Tool has been produced with a strengths/needs focus and we have a renewed emphasis on improving the Education, Training and Employment status of the children we work with.</p>	<p>Achieved</p>
<p>b) Maintain compliance with regional safeguarding policies and standards.</p>	<p>The Agency continues to be involved at a strategic level within the Safeguarding Board for Northern Ireland (SBNI) and maintains its compliance with regional policies and standards. We are represented on a number of SBNI sub-groups including Child Sexual Exploitation and Neglect. Staff training in safeguarding issues continued in-year in line with the YJA Safeguarding Training Plan and in adherence to Covid-19 guidelines and risk management. A roll out of further safeguarding training to all YJA staff will be delivered in the first quarter of 2022-23 business year.</p>	<p>Achieved</p>
<p>c) Contribute to the development of the new Care and Justice Campus arrangements in collaboration with the joint DoJ and DoH Programme Team.</p>	<p>Having published the analysis of the consultation response and the response report in June, the joint DoJ/DoH Programme continued to develop proposals for regional care and justice services. In March 2022 the Health and Justice Ministers announced the future service model wherein Woodlands JJC and Lakewood Secure Centre will continue to operate as separate entities offering harmonised and shared support services, such as health and education, under a formal partnership agreement as envisaged in the consultation document.</p> <p>The development and progression of proposals by the Programme Team has been supported by YJA representation on a number of workstream advisory groups and the programme working group. In addition, there continues to be regular informal engagement with staff, including through a project lead who is co-located in Woodlands JJC, with proposals for the formal engagement of children and young people currently in development.</p>	<p>Achieved</p>

<p><b>Theme:</b> Youth Justice Agency Interventions</p> <p><b>Outcome 2:</b> Improved outcomes for children, families, victims, and communities</p>		
Strategic Outcome	Comment	Year-end status
<p>d) Develop and deliver an Enhanced Case Management intervention, working intensively in the community with the highest risk young people to manage and reduce harm to themselves and others.</p>	<p>An Enhanced Case Management programme has been developed as a framework to guide intensive interventions with our most complex and vulnerable children. Enhanced Case Management delivery ensures wrap around services in order to reduce risk in the community.</p>	<p>Achieved</p>
<p>e) Consider the roll-out of the Child and Adolescent Mental Health Service (CAMHS) Mental Health Co-located Worker pilot across all five Area Teams, in partnership with the Health and Social Care Board.</p>	<p>The CAMHS Mental Health Co-located Worker pilot is now rolled out in the Southern and Western areas. Budget permitting we hope to extend the pilot further across 2022–23.</p>	<p>Achieved</p>
<p>f) Work with Queen’s University Belfast in the completion of research to better understand why there is any over-representation of particular groups of children within the youth justice system.</p>	<p>Queen’s University Belfast provided YJA with a final draft of the Over-Representation in the Youth Justice System in Northern Ireland report in March 2022. This comprised of a larger main report, a summary report and a literature review. This is due to be published later in the year.</p>	<p>Achieved</p>



<p><b>Theme:</b> Custodial Interventions</p> <p><b>Outcome 3:</b> Improved outcomes for children through the delivery of a safe, secure, therapeutic, child-centred environment</p>		
Strategic Outcome	Comment	Year-end status
<p>a) Work with the Education Authority to implement the strategic Learning, Development and Employability Plan, including a revised curriculum following review.</p>	<p>Implementation of the Strategic Centre Development Plan has continued, with a learning and teaching action plan targeted at improving the pupils' learning experiences and their outcomes. A review and adaptation of the school development plan and associated action plans was completed to take account of the impact of the pandemic.</p> <p>Key areas developed this year were the widening of the curriculum to offer a broader range of subjects, the design of key stage curriculum pathways for pupils and the introduction of personal learning plans that identify specific learning strategies to meet the pupils' complex needs.</p>	<p>Achieved</p>
<p>b) Work in partnership with key stakeholders to ensure admissions and discharges to and from Woodlands are managed in a safe and appropriate manner, in the best interests of each child.</p>	<p>Woodlands continues to contribute fully to the working group of key stakeholders convened as a result of the Review of Regional Facilities recommendations reviewing admission trends and issues of note. Stakeholder involvement continues to be promoted throughout a child's placement with a multi-disciplinary approach taken in planning for and managing their discharge from Woodlands. Reintegration plans are completed for all young people discharged from Woodlands.</p>	<p>Achieved</p>

<p><b>Theme:</b> Policy and Legislation</p> <p><b>Outcome 4:</b> A strategic youth justice policy &amp; legislative framework which enables improved outcomes for children, families, victims and communities</p>		
Strategic Outcome	Comment	Year-end status
<p>a) Work with the Minister, DoJ and legal colleagues to take proposed changes to PACE, bail and remand legislation through the Assembly process.</p>	<p>Despite work being completed on these draft provisions and associated documentation, the Justice Bill was not progressed as drafted due to lack of Executive approval, and the provisions were removed. They will now be taken forward via the first appropriate legislative vehicle of the new mandate.</p>	<p>Not achieved</p>
<p>b) Develop a strategic framework to build upon the vision set out in ‘Transforming Youth Justice’, to include details of evidence, timescales and monitoring arrangements.</p>	<p>The new Strategic Framework for Youth Justice was developed in partnership with key stakeholders, including children with experience of the justice system. It was launched by the Minister in March 2022, accompanied by a series of documents including a five-year Action Plan, a high level summary document and one giving detailed feedback from our engagement with children and young people.</p>	<p>Achieved</p>
<p>c) Co-ordinate youth justice input and briefings in preparation for UN Committee examination of UK in 2022.</p>	<p>Following provision of the UN Committee’s List of Issues to be addressed, all relevant policy and operational input was provided to UK Government for incorporation into an overarching report. A concise Northern Ireland-specific annex has also been developed to accompany the consolidated report, which highlights five key developments/achievements on Children’s Rights within our jurisdiction since the last reporting round.</p>	<p>Achieved</p>

<p><b>Theme:</b> Resource Management</p> <p><b>Outcome 5:</b> YJA has a multi-skilled, flexible and diverse workforce which is well-led, highly performing and outcomes focused</p>		
Strategic Outcome	Comment	Year-end status
<p>a) Ensure effective workforce planning throughout YJA and backfill business critical posts.</p>	<p>Regular staffing reviews have been undertaken throughout the year to ensure adequate staff levels are in place based on workload and specialisms. A recruitment competition for Youth Justice Practitioners (YJP) launched at the end of August 2021; induction and initial mandatory training for the first intake from the competition has been completed, with new staff integrated into the YJP role.</p> <p>Work is progressing to fill a number of business critical roles in Woodlands Juvenile Justice Centre; two recruitment competitions are due to launch in the coming months.</p>	<p>Achieved</p>
<p>b) Develop and deliver a YJA corporate staff training and development plan.</p>	<p>Despite the pandemic, Woodlands has delivered a comprehensive training plan in-year. This plan was linked to business plan objectives, delivering on mandatory training and professional development requirements. A total of 374 days was delivered in the Youth Justice Services training plan.</p>	<p>Achieved</p>
<p>c) Continue to deliver effective YJA communications and staff engagement and wellbeing events and activities.</p>	<p>Valuing Our People meetings with staff have taken place on a virtual basis prior to each Management Board meeting and a 'Team Brief' summary of key messages has been introduced for dissemination to staff through monthly local team meetings.</p> <p>Regular Chief Executive notices and staff bulletins have also been issued to ensure that staff have been kept informed of developments across the Agency, and particularly those relating to Covid-19.</p> <p>Social distancing restrictions once again prevented us from holding our annual staff wellbeing day but a series of health-checks were provided for staff during March 2022 in a number of venues across Northern Ireland.</p>	<p>Achieved</p>

<p><b>Theme:</b> Resource Management</p> <p><b>Outcome 5:</b> YJA has a multi-skilled, flexible and diverse workforce which is well-led, highly performing and outcomes focused</p>		
Strategic Outcome	Comment	Year-end status
<p>d) Continue to work with Analytical Services Group (ASG) on providing accurate data, assisting with quality assurance and delivering an evolving Data Development Agenda to demonstrate positive outcomes and evidence what we do, how well we do it and who is better off as a result.</p>	<p>YJA ASG have worked with YJS and JJC staff to identify data that could be used to help meet current and future YJA requirements. These have been added to the Data Development Agenda for regular monitoring of progress. Monthly validations and quality assurance checks on data are undertaken to ensure consistency and accuracy in the way the data is recorded.</p> <p>The annual YJA statistical workload bulletin was published on 7 October 2021 and ASG statisticians also worked with YJA staff to produce a Performance Impact Report containing Outcome Based Accountability elements which was completed in Autumn 2021.</p>	<p>Achieved</p>
<p>e) Remodel YJA business practice and operating environment to ensure continued delivery of effective services in a safe manner, taking account of ongoing Covid-19 constraints.</p>	<p>In response to the Covid-19 situation and social distancing requirements, the Agency put in place an action plan to manage the impact of restrictions which is contained in the YJA Covid-19 Business Recovery Framework.</p> <p>The Agency's operating model has had to respond significantly with minimal face-to-face contact and a reliance upon the innovative use of digital technology to maintain core business functions. The Agency has delivered essential services in a manner which minimises risk to the safety of staff, young people, families, carers and other strategic partners.</p>	<p>Achieved</p>

<p><b>Theme:</b> Resource Management</p> <p><b>Outcome 6:</b> YJA resources are used effectively, complying with corporate and financial governance</p>		
Strategic Outcome	Comment	Year-end status
<p>a) Operate an effective governance system in line with public sector guidance and taking account of any recommendations in reports on governance, including the NIAO Value for Money Report.</p>	<p>The Agency's governance framework consists of the Board operating framework, the risk management framework, financial management systems and supporting policies and procedures.</p> <p>The governance framework has delivered the systems and processes as well as defined the culture and values by which the Agency is directed and managed. It sets out how the Agency monitors the achievement of its strategic objectives and considers whether those objectives have led to the delivery of appropriate, cost-effective services.</p>	<p>Achieved</p>
<p>b) Maintain effective and secure information and data management arrangements in compliance with General Data Protection Regulation (GDPR) and the Data Protection Act 2018.</p>	<p>Five minor data incidents occurred this business year. All were reported immediately to the YJA Security Manager. None were reportable to the Information Commissioner.</p>	<p>Achieved</p>
<p>c) Work with partners to develop a costing model across the youth justice system.</p>	<p>YJA and Financial Services Division (FSD) colleagues have undertaken an exercise to calculate the full costs of delivering core activities associated with each YJA PfG Outcome.</p> <p>Baseline information has been calculated for 2019-20 and 2020-21. The Agency will continue to develop its financial management information and to better link resource inputs to outputs and outcomes.</p>	<p>Achieved</p>

## **Risk management**

The Agency's Management Board considers the YJA Risk Register on a quarterly basis and risk management has continued to focus on:

- active management of risk within the Agency, including taking into account findings from recent audits of existing procedures and to ensure that risk management procedures reflect best practice guidelines;
- ensuring that risk management is understood and embedded as a management tool across the Agency; and
- ensuring that risk management processes are sufficiently joined-up and are being appropriately applied.

During the course of 2021-22 the Agency faced a number of key issues that could have had significant impact on the Agency's ability to achieve its corporate objectives.

### ***Responding to the Covid-19 pandemic***

The Agency has in place an action plan to steer a course through to business recovery, which is contained in the Youth Justice Agency: Covid-19 Business Recovery Framework June 2020. The plan has provided the Agency's response to the pandemic. The Agency has updated its original risk assessment and guidance to staff during the year to reflect best practice advice and ensure adherence to ongoing restrictions. The Agency provides an essential service and has continued to deliver key services during the period of the pandemic.

### ***Delivering the required level of service***

The Agency did not experience unacceptable levels of staff absence leading to capacity or capability issues. The Agency did have staff testing positive for the coronavirus, and others shielding or self-isolating at times during the year. However, the application of contingency planning arrangements and the ongoing application of NICSHR management attendance policies, together with local management arrangements ensured that this risk was effectively managed and that key essential services were delivered.

### ***Implementing the recommendations of the Review of Residential Secure Care Report***

In March 2022, the Justice and Health Ministers made decisions on the way forward on the Regional Facilities Programme for Children and Young People. Following a public consultation, the two Ministers have decided that the Lakewood Secure Care Centre (run by the South Eastern HSC Trust) and the Woodlands Juvenile Justice Centre (run by YJA) will continue to operate independently but will co-operate more fully on the provision of harmonised shared services. In the year ahead, we will continue to work with Health colleagues on delivering this decision and the wider vision of improving the co-ordination and integration of community-based services that support vulnerable young people leaving the two centres and helping prevent the need for children to enter the centres in the first place.

## Financial Review

### *Net expenditure per Accounts*

The net expenditure of the Agency for 2021-22 is compared to the previous two financial years in the table below:

	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Total operating income</b>	<b>(109)</b>	<b>(112)</b>	<b>(122)</b>
Staff costs	10,935	11,421	11,356
Purchase of goods and services	4,412	3,971	4,139
Depreciation and impairment charges	755	683	595
Provision expense	(251)	(60)	506
<b>Total operating expenditure</b>	<b>15,851</b>	<b>16,015</b>	<b>16,596</b>
<b>Net operating expenditure</b>	<b>15,742</b>	<b>15,903</b>	<b>16,474</b>
Finance expense	14	13	29
<b>Net expenditure for the year</b>	<b>15,756</b>	<b>15,916</b>	<b>16,503</b>

Staff costs can be analysed further as follows:

	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Wages and salaries	7,887	8,234	8,202
Social security costs	807	852	856
Pension costs	2,241	2,345	2,298
<b>Staff costs</b>	<b>10,935</b>	<b>11,421</b>	<b>11,356</b>

### *Budget Outturn for 2021-22*

The Agency's 2021-22 non-ringfenced (cash) resource outturn was £14.576m, £0.325m (2.2%) less than the current approved annual budget. This is mainly due to movements in staff costs, the reduction in the employee benefit accrual and the unpredictability of compensation payments. The Agency's 2021-22 capital spend was £0.170m, £0.030m less than the approved budget and relates to the delay of capital works at Woodlands Juvenile Justice Centre, which were not completed before year-end.

## Financial Review (continued)

### *Financial position*

The total net assets of the Agency at 31 March 2022 were £18.010m (2020-21: £16.895m).

### *Non-current assets*

Non-Current Asset expenditure movements are detailed in Notes 5 and 6 to the financial statements. Capital expenditure in 2021-22 totalled £0.170m (2020-21: £0.255m).

### *Cash flow*

As detailed in the Statement of Cash Flows, the Agency's Net Assembly draw down in 2021-22 was £14.902m (2020-21: £15.017m) and the net decrease in cash and cash equivalents in the year was £0.051m (2020-21: increase £0.001m).

### *Financial risk*

The Agency relies primarily on the Department of Justice for funding and the risk to this funding is low.

The Agency accounts for all transactions in sterling and has no borrowings. As such, the Agency is not exposed to any exchange rate or liquidity risk.

### *Cost of custody*

The annual cost of custody per young person in Northern Ireland was as follows:

- £189,635 (2020-21: £190,206) based on dividing Operating Expenditure (excluding non-standard costs) by the maximum number of available places; or
- £252,846 (2020-21: £253,608) based on dividing Operating Expenditure (excluding non-standard costs) by the number of places the Centre is resourced to accommodate based on current staffing levels and resources available for service delivery.

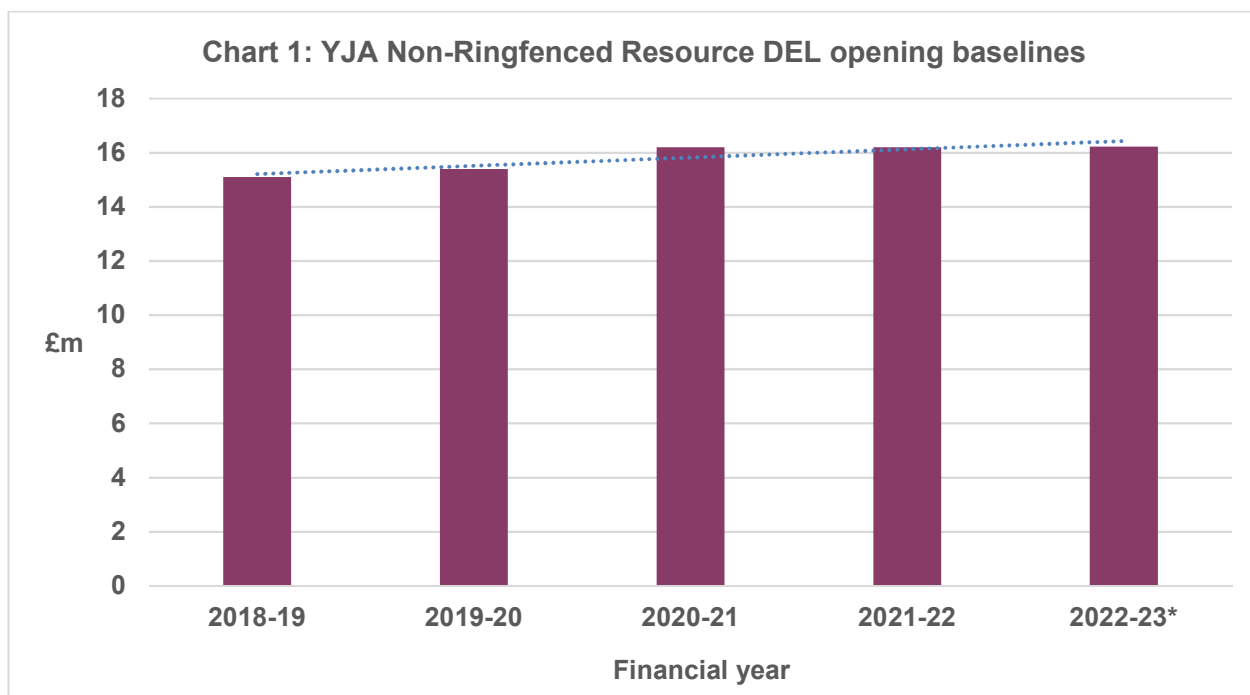
Operating expenditure relates to the resource expenditure outturn with non-standard cost items removed. These relate to the costs in respect of Youth Justice Services, an apportionment of corporate overheads, the costs associated with the joint project with the Department of Health regarding the proposed repurposing of Woodlands Juvenile Justice Centre, movements in provisions (excluding legal provisions) and impairments arising from the revaluation of fixed assets. The movement in the cost of custody reflects the effective and efficient utilisation of resources.



## Financial Review (continued)

### Long-term expenditure trends

The chart below shows the movement in the Agency's opening baseline for non-ringfenced Resource Departmental Expenditure Limit (DEL) over the period 2018-19 to 2022-23. This budget pays for programme delivery and running costs excluding non-cash charges for depreciation and impairment of assets.



\* YJA Contingency Planning Envelope for 2022-23

### 2021-22 financial year

On 1 April 2021 the Finance Minister set out the 2021-22 budget for Northern Ireland departments which has been agreed by the Executive.

The Department of Justice's non-ringfenced Resource DEL Budget was as follows:

- a flat cash allocation (2020-21 opening baseline);
- £31.2m of additional security funding for the PSNI;
- £10.7m of funding for EU Exit costs;
- £7.7m of Covid-19 allocation;
- £4.2m contribution towards Legacy costs; and
- £0.7m of Technical Adjustments.

In setting 2021-22 budgets, the Youth Justice Agency received a flat cash allocation of £16.2m.

## Long-term expenditure trends (continued)

### *2022-23 financial year*

Following the resignation of the First Minister and the subsequent lack of an Executive, a Budget for 2022-23 could not be finalised. The Finance Minister wrote to departments to set out a way forward in the absence of an Executive to agree a Budget. This process involved DoF issuing departments with contingency planning envelopes for the 2022-23 financial year. These envelopes provided departments with an assessment of the minimum funding they could reasonably expect for 2022-23 and allowed departments to plan for expenditure until such times as a Budget could be agreed.

It is important to note that the contingency planning envelope is not a replacement for an agreed Executive Budget. Rather it represents an understanding of funding for which there may be a reasonable degree of certainty will be reflected in a Budget position brought to a future Executive for consideration.

The Department of Justice's non-ringfenced Resource DEL Contingency Planning envelope is £1,130.7m, made up as follows:

- a flat cash allocation (2021-22 opening baseline);
- additional security funding for the PSNI of £31.2m; and
- funding for the Tackling Paramilitarism Programme of £13.0m (this is total programme funding to be distributed across various departments and is not solely for the use of DoJ - it is not included in the DoJ baseline).

The Contingency Planning Envelope for 2022-23 provides a flat cash allocation of £16.2m for the Youth Justice Agency.

## **Audit**

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. The C&AG is head of the Northern Ireland Audit Office (NIAO) and reports his findings to the Assembly. The C&AG and his staff are wholly independent of the Agency.

The notional audit fee for the work performed by the staff of the Comptroller and Auditor General during the reporting period was £18,700 (2020-21: £18,100).

The C&AG may also undertake other statutory activities that are not related to the audit of the body's Financial Statements such as Value for Money (VFM) reports. The C&AG published his follow-up VFM report on Managing Children Who Offend on 1 December 2020. The Agency developed an action plan in response and has addressed the three recommendations in the report.

## **Payment of suppliers**

The Agency's policy is to pay bills from all suppliers within 10 working days following receipt of a properly rendered invoice or in accordance with contractual conditions, whichever is the earlier. During the financial year, the Agency achieved an average of 90.3% (2020-21: 92.9%) of invoices paid to suppliers within 10 working days following receipt of a properly rendered invoice. The Agency achieved an average 95.1% (2020-21: 97.1%) of invoices paid to suppliers within 30 calendar days following receipt of a properly rendered invoice.

## **Anti-corruption and anti-bribery**

The Agency is committed to the values of probity and accountability which foster a positive organisational culture. It is also committed to the elimination of any fraud within the Agency, to the rigorous investigation of any prima facie case, and, where fraud or other criminal acts are proven, to ensure that wrongdoers are dealt with appropriately. The Agency will take proportionate steps to recover any assets lost as a result of fraud, corruption or theft. The Agency has a zero tolerance approach towards acts of bribery and corruption by staff, associated persons and organisations.

## **Whistleblowing**

The Agency adheres to the DoJ Whistleblowing policy, which is designed to reassure staff that it is safe and acceptable to speak up when they have a concern about malpractice. The procedures provide arrangements so that such concerns can be addressed at an early stage and in a fair and proper way. The Head of Internal Audit is involved in conducting independent investigations into issues raised under the policy.

## **Human rights**

Civil servants have a statutory duty to respect, protect and fulfil people's human rights when developing and delivering government policy and services. The Northern Ireland Human Rights Commission (NIHRC) interactive guide to Human Rights is available to staff in the Agency to ensure they have knowledge of human rights law and standards and the core principles through which human rights are realised. The training is designed to increase human rights knowledge and strengthen the culture of human rights awareness and good practice within the Agency.

## **Estates review**

The Agency's estate requirements are reviewed regularly by the Estates, IT and Procurement Committee. Management of the Agency estate is driven by strategic developments in the wider NICS, and its accommodation activities are governed by the Executive's Asset Management Strategy and the property controls that this strategy put in place. In practice this has seen a move away from small leased premises towards maximising the utilisation of NICS premises, and freehold properties (as far as possible), as well as active consideration being given to co-location with other government bodies, where practicable.

## **Environmental and sustainability matters**


The Agency is committed to help minimise its environmental impact. Recycling of paper, plastic, cardboard is encouraged to help reduce the amount of waste disposed to landfill.

## **Freedom of information**

The Freedom of Information (FOI) Act 2000 provides a general right of access to information held by public authorities in the UK subject to certain exemptions. It is intended to promote a culture of openness and accountability amongst public sector bodies, and therefore facilitate better public understanding as to how public authorities carry out their duties, why they make the decisions they do, and how they spend public money. The Agency displays, on its website, the processes by which information requests can be made.

During 2021-22 the Agency received 12 requests for information under the Freedom of Information Act and 20 requests regarding personal information under data protection legislation, of which 4 were returned late.

## **PERFORMANCE REPORT**



**Stephen Martin**  
**Chief Executive and Accounting Officer**  
**29 June 2022**

## **ACCOUNTABILITY REPORT**

The Accountability section of the Annual Report outlines how the Agency meets its key accountability requirements to the Assembly and ensures best practice with corporate governance norms and codes. The three sub-sections within the Accountability Report are outlined below.

### **i - Corporate Governance Report**

The purpose of this section is to explain the composition and organisation of the Agency's governance structures and how they support the achievement of its objectives.

The Corporate Governance Report includes:

- Directors' Report;
- Non-Executive Members' Report;
- Statement of Accounting Officer's responsibilities; and
- Governance Statement.

### **ii - Remuneration and Staff Report**

This section sets out the Agency's remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors as salary and pension entitlements.

In addition, the report provides information relating to remuneration and staff that the Assembly and other users see as key to accountability.

### **iii - Assembly Accountability and Audit Report**

This section brings together the key Assembly accountability documents within the Annual Report and Accounts. It comprises:

- Regularity of expenditure;
- Assembly accountability disclosures; and
- Certificate and Report of the Comptroller and Auditor General to the Assembly.

**CORPORATE GOVERNANCE REPORT****DIRECTORS' REPORT****Management Board**

The Agency is headed by a Chief Executive who is supported by a Management Board. The Agency's Management Board is responsible for the strategic and business management of the Agency's operations. Details of the salary and benefits of the Management Board members are disclosed in the Remuneration Report. The structure and members of the Management Board for the year ended 31 March 2022 are set out below. Directors were in post for the full financial year unless otherwise noted.

<b>Post</b>	<b>Member</b>
Chief Executive	Stephen Martin (from 17 May 2021)
Chief Executive	Declan McGeown (until 16 May 2021)
Acting Director of Custodial Services	Paul McStravick
Director of Youth Justice Services	Mary Aughey
Director of Corporate Services	Paul Gibson
Non-Executive Member	Nick Fullerton
Non-Executive Member	Hilary McCartan

**Board members' interests**

A Register of Interests is maintained by the Agency, in keeping with best practice, to record declarations of personal, or business interests which may conflict with responsibilities as a member of the Agency's Management Board. A copy of the Register is available on request. Details of transactions of the Agency with organisations in which Board members hold an interest and which could potentially conflict with their management responsibilities are disclosed in Note 16 to the Accounts, Related Party Transactions.

The Agency has a responsibility to safeguard the information it holds, both in electronic and hard copy format, and has in place data security procedures which mirror those of the DoJ to minimise the risk of compromise of that information. Information assurance issues are reported quarterly to the Agency Management Board.

During 2021-22, the Agency had five minor information security incidents but none were reportable to the Information Commissioner.

## Safeguarding and child protection

The Youth Justice Agency is committed to fulfilling its obligations to deliver on our safeguarding and child protection responsibilities to children in our care and their families within and on the edge of the youth justice system. Senior managers represent the YJA through attendance at meetings of the Safeguarding Board for Northern Ireland (SBNI) and through participation in a range of Regional SBNI sub-groups and Safeguarding Panels. As families, children, services and staff have struggled with the multi-layered complexities and impact of Covid-19, YJA have worked to deliver responsive services often in collaboration with our partners and key stakeholders across the statutory, voluntary and community sectors.

The Agency operates a structured yet supported approach to the overall governance and review of child protection and safeguarding concerns. On a six monthly basis senior managers from across both operational Directorates meet with the Chief Executive to formally review our practice and reporting in respect of child protection. This enables the Agency to be more responsive of emerging issues and staff training needs. Within YJA child protection concerns are most often related to serious self-harm and mental ill-health, polysubstance misuse, and threat to life. YJA staff invest in maintaining regular contact with children and families and we are aware of the significant stresses and subsequent presenting safeguarding and child protection concerns regarding family poverty, poor mental health, domestic abuse including child to parent violence and on-line safety.

Over the past year YJA has taken the opportunity to review and renew our Agency Child Protection Procedures, to develop practice briefings in respect of Peer on Peer Abuse, Child Criminal Exploitation and to extend the co-located CAMHS worker pilot into the southern area of the Western Health and Social Care Trust. Frontline practice staff and their managers have received training regarding the 'Domestic Abuse and Civil Proceedings Act (Northern Ireland) 2021', which came into force in February 2022, and managers have received training regarding the facilitation of staff supervision within a trauma informed approach. This is aligned with work which is ongoing to introduce a new Model of Practice based on principles of 'Children First' within a framework of a trauma aware and trauma informed approach to service delivery.

YJA are committed to collaboration as we deliver on our safeguarding responsibilities in the wake of Covid. YJA are not the lead agency in respect of investigation of child protection concerns however 'safeguarding is everyone's business'.

## Complaints

The Agency has an easy to understand and responsive complaints procedure which encourages anyone who feels they have been treated unfairly or inappropriately by the Agency to speak out so that concerns can be addressed. The aim is to resolve complaints to the satisfaction of the complainant at the earliest possible stage of the Agency's four-step complaints process, which is monitored in accordance with the Agency's Complaints Charter.

An independent aspect to the Agency's complaints process is delivered through an Independent Complaints Reviewer (ICR) who has open access to the Agency through regular visits and who produces an annual overview report. The 2021-22 report is reproduced below. People who remain unhappy with an ICR decision have the right to refer their concerns to the Northern Ireland Public Services Ombudsman (NIPSO). More information about the NIPSO can be found at [www.nipso.org.uk/nipso](http://www.nipso.org.uk/nipso).

During 2021-22 a total of seven complaints were received by the Agency. Full details of the Agency's complaints procedures can be found on the Departmental website at: [www.justice-ni.gov.uk](http://www.justice-ni.gov.uk).

### **Report by Independent Complaints Reviewer**

Jodi Berg OBE is the Independent Complaints Reviewer (ICR) for the Youth Justice Agency (YJA). She has past experience as a solicitor and a mediator and has broad expertise in complaint resolution.

The ICR service is free to people unhappy with the answers they have received to complaints made to the Youth Justice Agency.

### ***Introduction by Jodi Berg OBE***

I am pleased to present my annual report. My role is to deal with complaints escalated to independent review if people are unhappy with the response given by the YJA itself, and to monitor the operation of the internal complaint process. Although complaints about the YJA are not common, all require an open and transparent response which seeks to provide a fair solution to concerns. Wherever possible the YJA must learn from problems that have occurred. If the YJA cannot settle the complaint itself, people can then turn to the ICR, someone who is both independent and impartial.

As ICR I aim to treat everyone with fairness and sensitivity, understanding how difficult it can be to complain about people in positions of authority. I respect the privacy of complainants and do not publish information about them or their case or discuss individual complaints with any third party. In carrying out a review, I am able to see all of the YJA's files and information, but I have no authority to release any of this to anyone else, including the person making the complaint. Requests for data or information must be made direct to the YJA.

ICR review will consider what people can reasonably expect from the YJA and whether appropriate standards were met in their case. I can advise and help people who wish to raise complaints with the YJA; I can negotiate an agreement as to how complaints should



**Report by Independent Complaints Reviewer - continued**

be resolved; or carry out an investigation to decide whether a complaint is justified. If I uphold a complaint, I can recommend redress for the complainant, such as an apology, or improvements to the YJA's service.

I am pleased to report that the YJA works hard to resolve complaints internally and this year I received no complaint referrals. As part of my role, I check on the quality of the YJA's internal complaints procedures and adherence to them. Due to the Covid-19 pandemic, personal visits to the YJA have not been possible this year. However, I have carried out a review of complaints data and sought further information from the YJA's Head of Communications and Business Performance, who is responsible for the internal complaint handling process. I have also had a 'virtual' meeting with the Chief Executive and with the senior manager of the Woodlands Juvenile Justice Centre, the YJA's custodial facility. I am satisfied that the complaints process is appropriate and effective and that YJA senior managers take complaints seriously.

**The Reporting Year**

During the year, the YJA recorded 7 internal complaints, one of which remained ongoing at the end of the year. The Agency has a 4 step internal complaints procedure, stage 1 - "talk to a member of staff", stage 2 - "complain to a senior manager" and stage 3 - "seek a review at Director level". Step 4 of the procedure is referral to the ICR. As in previous years, most complaints were made about the custodial service. This year five complaints were resolved at stage 1 of the procedure and one at stage 2. The numbers of young people detained at Woodlands has greatly decreased over the years and young people are more often subject to YJA involvement within its community services, which may account in part for the reduction in complaints. Complaints made this year included a complaint about the YJA's refusal to allow a young person to play a video game that was unsuitable for their age; a refusal to allow a young person to play x-box during school hours; a faulty smoke alarm; and a young person concerned that staff appeared to be talking about him. In most cases, parents were informed about the complaint and its resolution.

I am pleased to report that in my opinion the YJA has a clear and straightforward procedure for handling complaints. Information leaflets for young people are easy to read and simple to follow. The Management Board receives quarterly reports which include statistical and qualitative information on complaints. Overall, I am satisfied that the YJA has dealt with complaints in accordance with its procedures during the year. However, I retain a concern that within the community services the definition of a 'complaint' may be too narrowly interpreted, which means that expressions of dissatisfaction may not be appropriately recorded enabling the learning points to be identified. Whilst I acknowledge that through surveys and other mechanisms the YJA is able to canvass the views of young people, their families and victims on the quality of service provided, complaints are an immediate and direct way of identifying areas of dissatisfaction. I recommend that the YJA continues to remind and train its staff on the importance of recording complaints and their causes to support the sound management of the organisation.

I am pleased to record that despite the pandemic, the YJA has continued to enhance its service provision for young people finding innovative ways of addressing various issues

**Report by Independent Complaints Reviewer - continued**

including mental health problems that lead to reoffending. Overall, I find that the YJA today is a forward-thinking organisation that can make a real and positive difference to the lives of the young people it serves.

This will be my last year of office as ICR and, in view of the low numbers of complaints and their effective internal resolution, the YJA has taken a decision to rely on its internal process for the future. Complainants who are not happy with YJA's complaint response will have the right to refer their concerns to the Northern Ireland Public Services Ombudsman. More information about the Ombudsman can be found at: [www.ni-ombudsman.org.uk](http://www.ni-ombudsman.org.uk).

I record my thanks to the YJA Board and senior managers for their past support for the ICR role. In particular, the YJA's Head of Communications and Business Performance, George Lowry, has acted as the liaison point for the ICR service and I offer personal appreciation for the co-operative and efficient way he has dealt with this responsibility over the years.

You can contact the ICR at e-mail: [enquiries@icrev.org.uk](mailto:enquiries@icrev.org.uk) or telephone: 020 7930 0749.

**Jodi Berg OBE**

## NON-EXECUTIVE MEMBERS' REPORT

The 2021-22 year has been a further challenging but also successful year for the Youth Justice Agency. Our role as independent Non-Executive Members is to advise and support the Senior Management Team on matters pertaining to policy and performance, risk management and corporate governance. During the year under review, we have had comprehensive oversight and input to the work of the Agency, including its business planning process and progress against performance targets, implementation of arrangements to deal with the Covid-19 pandemic, and the risk management and governance frameworks.

May 2021 saw the departure of Mr Declan McGeown as Chief Executive of Youth Justice Agency after over six years of dedicated service to the Agency. We welcomed Mr Stephen Martin as the incoming Chief Executive and Accounting Officer and look forward to working with him for the remainder of our tenure as Non-Executive Members.

In relation to on-going training and development, we welcomed the opportunity to attend in August 2021 a formal half-day Induction Session for Non-Executive Board Members at Castle Buildings facilitated by the Department of Justice. In addition, we also attended two virtual meetings of the NICS Non-Executive Directors' Forum organised by the Department of Finance where we had the opportunity to meet with Non-Executive Board Member colleagues to discuss the work of members across the NICS and listen to presentations on wider strategic issues including cyber security.

### Agency Board

We acknowledge and greatly appreciate the dedication and commitment of management and staff who worked tirelessly to continue to deliver community and custodial services notwithstanding the challenges presented by the global pandemic. During 2021-22 we valued the opportunity, along with the Senior Management Team, to engage virtually with Area Teams as part of 'Valuing Our People' sessions. Staff continued to service all Youth Courts across Northern Ireland, supervise young people, run Youth Conferences, conduct Community Resolution Notice programmes and Youth Engagement Clinics, support families, engage with victims, maintain community links and facilitate multi-agency work. In relation to custodial services provided by Woodlands Juvenile Justice Centre, staff continued to provide the full range of services to young people in secure accommodation ensuring they are appropriately cared for and managed in accordance with the aims of the Centre, and in compliance with statutory provisions and safeguarding regulations. The commitment, compassion and resilience of staff across all work programmes is inspirational and a source of assurance to us as Non-Executive Members.

In addition, we were delighted to travel to and meet with some of the Area Teams in person and remotely over the last year, with Nick meeting the Southern, Western and Belfast teams, and both Hilary and Nick meeting with the Northern Team. At these visits we were able to hear first-hand about the initiatives taking place to meet the needs of young people, carers and their families and to talk through issues with management and staff. The professionalism and enthusiasm of staff in all areas was evident and very re-assuring. We hope to visit with more staff face to face during 2022-23 as Covid-19 restrictions continue to ease.

## **NON-EXECUTIVE MEMBERS' REPORT (CONTINUED)**

We welcomed the opportunity to participate in a Strategic Risk Workshop in October 2021. This was led by the Chief Executive and the outputs resulted in a revised YJA Risk Register. On foot of the workshop, the Board also conducts a 'deep dive' of one risk at each Board Meeting, which provides assurance to us that risk management is an essential element of the corporate governance framework.

In addition, as Non-Executive Members of the Board, we considered financial modelling scenarios reflecting potential baseline budget reductions, and noted the budgetary challenges that lie ahead for the Agency.

From a policy perspective, our role also included endorsing the ongoing work with the DoJ in relation to the development of a Strategic Framework for Youth Justice which was published in March 2022.

Separately, we commend the considerable work carried out by the Agency in relation to the preparation and publication of the Performance Impact Report and thank all the staff involved. This key report demonstrates the positive impact of YJA work-streams (such as youth engagement clinics, earlier diversion activities, Community Resolution Notice programmes, parent/carer surveys) on young people, victims, parents and the wider community.

The Management Board also discussed at its March 2022 meeting a working draft of the Corporate Plan 2022-2025 which was endorsed by Non-Executive Members. We acknowledged the significant work of the management team in producing a quality working draft at this juncture.

### **Audit and Risk Committee**

The Audit and Risk Committee (ARC) consists of two Non-Executive Members and Mrs Bernie Rooney, Independent Member and a senior civil servant. The role of ARC is to support the Management Board in its responsibilities for ensuring that corporate governance, risk management and internal control processes operate effectively.

ARC met on four occasions during 2021-22 and received ongoing reports from internal and external auditors, regular updates in relation to information assurance, draft annual accounts and guidance in relation to finance circulars. ARC also undertook regular scrutiny of the Agency's Risk Register. The ARC welcomed the satisfactory assurance received from internal audit in respect of all internal audit assignments undertaken during 2021-22 and the unqualified audit opinion without modification on the 2021-22 Accounts. We are assured by the robust standards of financial management and corporate governance operating in the Agency.

**NON-EXECUTIVE MEMBERS' REPORT (CONTINUED)**

In order to keep up to date with best practice in Audit Committees, both Non-Executive Members attended 'Public Accountability and Governance Training for ARAC Members' in November 2021 facilitated by CIPFA and the Chief Executives' Forum.

In May 2021, as part of the review of its performance, the ARC undertook a self-assessment using the NAO Audit and Risk Assurance Committee Effectiveness Checklist. The ARC Chair prepared a separate Summary Report for the ARC and Board highlighting the main conclusions and actions identified in the action plan which have all been addressed. The results of the self-assessment review demonstrated that the Committee is operating effectively and is complying with Audit and Risk Committee best practice.

The ARC also undertook a comprehensive review of its Terms of Reference. Separately, the ARC Chair (Hilary McCartan) has prepared an Annual Report to the Board on the work of the Committee in the discharge of its oversight responsibilities.

The Committee wishes to take this opportunity to record thanks to Mrs Bernie Rooney (Independent Member of ARC who has moved on) for her contribution to the work of the Committee. Mr John McCord, civil servant, will join the ARC as Independent Member with effect from April 2022.

**Conclusion**

We take this opportunity to pay tribute to the Chief Executive, senior management team and all the staff for this year's excellent performance. We look forward to continuing to work with the Senior Management Team and staff during 2022-23 to support the important work of the Youth Justice Agency.

**Nick Fullerton and Hilary McCartan**

**Non-Executive Members**

## STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Government Resources and Accounts Act (Northern Ireland) 2001, the Department of Finance (DoF) has directed the Youth Justice Agency to prepare for each financial year a statement of accounts in a form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Agency and of its income and expenditure, Statement of Financial Position 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 DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer for the Department of Justice has designated the Chief Executive of the Youth Justice Agency as the Accounting Officer for the Agency. The responsibilities of an Agency Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for the keeping of proper records and for safeguarding the Agency's assets are set out in the Accounting Officer's Memorandum in Managing Public Money Northern Ireland issued by DoF.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Agency's auditors are aware of that information. So far as I am aware, there is no relevant information of which the auditors are unaware.

## GOVERNANCE STATEMENT

### 1. Scope of responsibility

The Agency is an Executive Agency of the DoJ and operates within the context of the Department's overall vision and strategic objectives. The principal aim of the Agency is to make the community safer by helping children to stop offending. In seeking to achieve this the Agency delivers a range of services, often in partnership with others, to help children and young people address their offending behaviour, divert them from crime, assist their integration into the community, and to meet the needs of victims of crime.

As the designated Accounting Officer for the Agency, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Agency's policies, aims and objectives, whilst safeguarding public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI). I am accountable for the effective, efficient and economic use of resources provided to the Agency; for the regularity and propriety of its expenditure; and for ensuring that the requirements of MPMNI are met.

The Agency sits within the DoJ's Reducing Offending Directorate which fulfils the sponsor role for both the Northern Ireland Prison Service (NIPS) and the Agency. The Directorate provides end to end support to individuals to help reduce their risk of offending and brings together custodial services across Northern Ireland.

A Framework Document is in place - this defines the responsibilities of, and the relationship between, the Agency, DoJ, Ministers and the Northern Ireland Assembly and outlines the Agency's financial structure, personnel management arrangements and relationship with other agencies.

Our Sponsor Directorate also approves the Agency's Business Plan and regularly reviews the Agency's progress through regular review meetings.

### 2. Purpose of the governance framework

MPMNI summarises the purpose of the Governance Statement as being to record the stewardship of the organisation to supplement the accounts, providing a sense of how successfully it has coped with the challenge it faces. The Agency's governance framework consists of the Board operating framework, the risk management framework, financial management systems and supporting policies and procedures. The governance framework delivers the systems and processes as well as the culture and values by which the Agency is directed and managed. It sets out how the Agency monitors the achievement of its strategic objectives and considers whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of the governance framework and 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 Agency's Governance Framework is set out in the next section of this Governance Statement.

## 2. Purpose of the governance framework (continued)

There is also a risk management system in place which is designed to identify the Agency's risk appetite and prioritise the risks to the achievement of Agency's policies, aims and objectives, to evaluate the likelihood of those risks being realised, their potential impact and to manage them effectively. The system of internal control has been in place in the Agency throughout the year ended 31 March 2022 and up to the date of approval of the accounts.

## 3. Governance framework

### Management Board

The Agency's governance framework is overseen by the Management Board which provides collective strategic and operational leadership. The Agency's governance framework complies with the Corporate Governance Code and is based on:

- a clear organisational structure with accountability structures;
- an effective business planning process including monitoring and evaluation of progress against targets;
- strong financial management controls including delegated authority limits;
- early implementation of guidance to relevant budget holders and monthly financial reporting analysis;
- proper procurement controls and adherence to DoF guidance;
- thorough appraisal of projects, with business cases being prepared for expenditure and approved within delegations; and
- progress against performance targets and objectives which are monitored throughout the business year and a full assessment published in the Agency's Annual Report and Accounts.

I am supported by the Management Board which focuses primarily on policy, planning and priority setting and the monitoring of business performance. The three Directors each have specific areas of responsibility. The two Non-Executive Members bring a good mix of previous knowledge and experience from a wide range of other organisations both public and private sector. I thank them for providing the benefit of their professional skills and advice.

The Management Board, which currently comprises six members, meets regularly and the meetings are chaired by me, the Chief Executive. The Management Board is supported by the Agency's designated Financial Shared Services Accountant, NICSHR representative and the Head of Communications who also attend the meetings.



### 3. Governance framework (continued)

#### Management Board (continued)

Attendance by members is shown below for the eight meetings of the Agency Board during 2021-22:

Position	Member	Attendance
Chief Executive	Declan McGeown (Chair - until 16 May 2021)	1
Chief Executive	Stephen Martin (Chair - from 17 May 2021)	8
Acting Director of Custodial Services	Paul McStravick	7
Director of Youth Justice Services	Mary Aughey	8
Director of Corporate Services	Paul Gibson	8
Non-Executive Member	Nick Fullerton	8
Non-Executive Member	Hilary McCartan	8

The Management Board reviews its effectiveness and operating procedures every three years, unless an earlier review is considered necessary, in order to help enhance its performance and improve the organisation. The Terms of Reference were last reviewed in May 2019.

The Management Board is supported by a number of Committees working within the organisation which gives the Board members assurance over the quality of information being presented to them each month. The Committees are:

- Audit and Risk Committee;
- Communications Committee; and
- Procurement, Estates, and IT Committee.

### 3. Governance framework (continued)

#### Audit and Risk Committee

I am also supported by the Agency's Audit and Risk Committee which meets quarterly with a membership of:

- the Agency's two Non-Executive Members (NEMs); and
- a Senior Civil Servant independent of the Agency and from within the NICS.

Attendance by members is shown below for the four meetings of the Audit and Risk Committee during 2021-22:

Position	Member	Attendance
Non-Executive Member	Hilary McCartan (Chair)	4
Non-Executive Member	Nick Fullerton	4
Independent Member	Bernie Rooney - Senior Civil Servant in Department for Communities	3

The following were generally in attendance at all Audit and Risk Committee meetings:

Chief Executive, Agency Directors, Head of Information and Records Management, Head of Internal Audit, and representatives from Northern Ireland Audit Office (NIAO) and Financial Services Division (FSD).

The objectives of the Committee are to advise the Accounting Officer on:

- the Agency's risk management process and preparation and updating of the risk management framework;
- the adequacy of arrangements for internal control and risk management including the preparation of the Governance Statement;
- the accounting policies;
- the review of the Annual Report and Accounts prior to submission for audit;
- recommendations identified in the Report to those Charged with Governance;
- planned activity of Internal Audit and External Audit;
- the results of internal and external audit activity including ensuring appropriate action has been taken;
- assurances relating to the corporate governance requirements; and
- anti-fraud policies, whistle blowing processes and arrangements for special investigations.

The Terms of Reference for the Audit and Risk Committee were reviewed in December 2021 and formally agreed in April 2022.

### 3. Governance framework (continued)

#### Communications Committee

The Communications Committee meets regularly throughout the year. It is chaired by the Chief Executive with membership comprising representation, at a senior level, from each Directorate and from the DoJ Communications (Press Office) Team. The Committee operates under agreed Terms of Reference and meetings are recorded. Regular monthly reports are provided to the Management Board by the Head of Communications on behalf of the Committee.

The Committee is responsible for oversight of all communications activities both internally and externally to support the Agency's strategic aims in accordance with its corporate plan. This includes:

#### *External*

- establishing and maintaining an appropriate public/media profile for the Agency consistent with the requirements of the Management Board; and
- promoting the work of the Agency to key stakeholders, the media, and to the general public.

#### *Internal*

- delivering effective internal communications across the Agency; and
- enhancing staff engagement opportunities.

The Committee also has responsibility for the oversight and delivery of the Agency's charity policy and procedures, and oversees the planning and delivery of corporate social responsibility initiatives and corporate events.

#### Procurement, Estates and IT and Committee

The Procurement, Estates and IT Committee meets regularly throughout the year. It is chaired by a Director, who is also a Board member. The Committee operates under agreed Terms of Reference and meetings are recorded. The Committee provides regular updates to the Management Board.

The Committee is responsible for all issues of control, governance and associated assurances in relation to the procurement of goods and services across the Agency. It is supported by an internal Premises Forum which links regional offices and ensures local office needs are met and efficiency is maintained across the estate.

The Committee is also responsible for ensuring that the Agency's estate is commensurate with business needs and delivers value for money. In addition, it oversees the IT strategies, policies and operational requirements within the Agency to ensure they are in line with business needs and the NICS strategic direction.

### 3. Governance framework (continued)

#### Procurement, Estates and IT Committee (continued)

The role of the Committee is to:

##### ***Procurement***

- ensure best practice in the procurement and contract management of goods and services in line with the public procurement policy and guidance from DoF's Construction and Procurement Delivery (CPD);
- ensure the Agency procurement strategy supports the objectives set out in the Corporate Plan;
- ensure transparency, equality of opportunity and consistency in all procurement practices;
- work towards achieving value for money through competitive tender, collaborative opportunities within the wider DoJ family etc;
- provide advice to Senior Managers on the most efficient, economic and effective process for the procurement of goods and services;
- identify areas for efficiency and establish Agency wide contracts for generic services; and
- consider all procurement proposals in relation to goods and services, IT, premises; external funding to voluntary and community groups, small grants, learning and development and consultancy.

##### ***Estates***

- carry out a fundamental review of the Agency estate, particularly in relation to Youth Justice Services Directorate (regionally-based);
- ensure the Youth Justice Services estate is fit for purpose and is of the right configuration to meet caseload;
- work towards achieving value for money through reducing the estate or by collaborative accommodation arrangements within the wider DoJ family; and
- monitor maintenance contracts in place in the JJC, Headquarters and Youth Justice Services and costs.

##### ***IT***

- ensure IT provision meets the business needs of the Agency;
- ensure the Agency's IT strategy and policies are aligned to DoJ;
- oversee the IT User Group; and
- ensure adequate arrangements are in place across all Agency premises in the interests of the security of staff, IT, records and assets.

#### 4. Risk management and internal control

The management of risk is controlled by the Agency's Management Board and Audit and Risk Committee. It is the responsibility of the Agency's Management Board to identify and control the risks faced by the Agency in order to minimise any potential issues. The format of the Agency's Risk Register is consistent with the Department's Corporate Risk Register which ensures a uniform approach across the Department in how we present and manage risk. The Agency held a Strategic Risk Workshop in October 2021 and reviewed, in depth, the Risk Register. In addition, the Agency Management Board undertakes a deep dive of one risk at each of its meetings.

The Agency employs the following structured approach to the risk management process:

- the Chief Executive and Directors are responsible for risk management within their areas. The Management Board reviews the Agency's risk appetite and the top risks on a quarterly basis as well as the Agency's compliance with best corporate governance. Each quarter the Audit and Risk Committee reviews the risks listed in the Agency's Top Risks Register together with the likelihood; impact; controls in place to mitigate the risks; and further action required. It also identifies emerging risks and the impact they may have on the Agency.
- the Chief Executive receives Dear Accounting Officer (DAO) letters and Public Accounts Committee (PAC) Reports from DoJ/DoF which provide specific advice on issues of accountability, regularity and propriety and annual accounting exercises. These reports are reviewed, shared with staff and acted upon as necessary.
- the Management Board promotes an anti-fraud culture, supported by budget managers and their staff who are best placed to recognise the potential for fraud within the everyday operations of their teams.
- a Risk Management Policy for the Agency has been produced and ensures that the management of risk is embedded in policy making, planning and delivery of the Agency's aims and objectives. It includes a plan setting out the Agency's co-ordinated approach to risk management, what it involves and how it should be conducted.
- the 'DoJ Risk Management - A Practical Guide' has been used to provide clear approaches to risk management in the Agency. The Risk Management Policy of the Agency puts risk management at the forefront of improving its corporate governance. In this regard, corporate governance is managed and monitored at the Management Board and Audit and Risk Committee.
- the Agency has a process of delegation embedded within the Agency to ensure expenditure is being approved at the appropriate level.
- Stewardship Statements are completed at Directorate level at half and full year intervals. The purpose of these Stewardship Statements is to improve management and control by identifying management's specific responsibilities and seeking written assurances that these have been exercised with due care and attention.

#### 4. Risk management and internal control (continued)

As the Agency's Accounting Officer, I am required to provide assurance to the DoJ's Accounting Officer on the standard of internal control within the Agency. In this regard, a Sponsored Body Stewardship Statement is returned to DoJ at half and full year intervals. Both the internal Stewardship Statements and the DoJ Stewardship Statements inform the content of this Governance Statement.

Another key element of the Agency's risk and control framework is a professionally led Internal Audit function that works to Government Internal Audit Standards. It reviews the overall arrangements for managing risk, provides assurance, and reports any matters of concern to the Audit and Risk Committee. Assurance is also obtained from the external auditors who present their report to the Audit and Risk Committee following the statutory audit of the Agency's Annual Report and Accounts.

There are a number of other sources from which I draw assurance on the system of internal control. These include the work of the following independent bodies:

- Criminal Justice Inspection NI (CJINI);
- NI Children's Commissioner (NICCY);
- NI Human Rights Commission (NIHRC);
- Department of Health (DoH);
- Independent Complaints Reviewer (ICR);
- Independent Monitoring Role; and
- Health and Safety Executive NI (HSENI).

There were no significant control weaknesses identified from reviews carried out by these independent bodies in 2021-22.

The C&AG published his follow-up VFM report on Managing Children Who Offend on 1 December 2020. The Agency developed an action plan in response and has addressed the three recommendations in the report.

#### ***Information assurance***

The Agency has fully embraced the DoJ's Information Assurance policy and procedures and is represented at the DoJ Information Risk Owners Council (IROC) which comprises senior business owners across the departmental family and holds them to account for the ownership and management of information assurance risks within their respective business areas. In line with IROC requirements, the Agency has appointed a Security Manager to oversee delivery of the Information Assurance policy and procedures and to implement the Security Policy Framework. All IT systems are accredited by the DoJ Accreditation Authority Panel.

## 5. Review of effectiveness of the governance framework

As Accounting Officer, I have responsibility for reviewing the effectiveness of the governance framework. I have been advised throughout the year on the effectiveness of the system of internal control by the Board and Audit and Risk Committee, and from reports by executive managers within the Agency who have responsibility for the development and maintenance of the internal control framework.

As part of the review of effectiveness of the governance framework, each Director provides a bi-annual and an annual Stewardship Statement in relation to their specific responsibilities for supporting the effectiveness of the internal control and governance environment.

Regular meetings took place throughout the year between the Agency and its Sponsor Directorate with the Chief Executive meeting monthly with the Directors and Acting Director to discuss progress against key priorities. At these review meetings I reported on the Agency's overall performance, which included updates on our financial position; progress in relation to the annual audit plan; a summary of the Agency's Top Risks Register; and sick absence.

I have ensured the effective management of financial resources by following financial management practices and guidance issued by DoJ/DoF. Budget holders also received monthly management accounts and updated financial forecasts throughout the year.

My review of the effectiveness of the system of internal control has been informed by the reports produced by Internal Audit. During 2021-22, the following audits were completed by Internal Audit:

Area	Status
Procurement and Contract Management	Satisfactory
Estates Management - YJA Leases	Satisfactory
Travel and Subsistence	Satisfactory
Cyber Security	Satisfactory

The level of assurance provided by each rating is as follows:

**Satisfactory** - overall there is an adequate and effective system of governance, risk management and control. While there is some residual risk identified this should not significantly impact on the achievement of objectives.

**Limited** - there is an inadequate and/or ineffective system of governance, risk management and control in place. Therefore there is significant risk that the system will fail to meet its objectives.

## 5. Review of effectiveness of the governance framework (continued)

The recommendations made in the Internal Audit Reports carried out in 2021-22 have all been accepted by the Agency. All recommendations have been drawn up into Action Plans for implementation, the progress of which is reported to the Audit and Risk Committee.

Looking ahead the following internal audit reviews will be carried out in 2022-23:

- Early Intervention Transformation Programme;
- Business Continuity Planning (including Covid Recovery);
- Corporate Governance; and
- Information Assurance (including homeworking).

In addition to these assurances, the Audit and Risk Committee receives from the Northern Ireland Audit Office a 'Report to Those Charged with Governance' which includes observations and recommendations on internal controls arising from the annual audit of the Annual Report and Accounts.

The outcomes of the following reviews have in particular provided me with further assurance of the effectiveness of the governance framework:

- The Agency's complaints process, is open and transparent and encourages anyone who feels they have been treated unfairly or inappropriately by the Agency to speak out so that concerns can be addressed, and has an independent aspect which is delivered through an Independent Complaints Reviewer (ICR). Although based in London, the ICR has open access to the Agency through regular visits and produces an annual overview report which is published as part of the Agency's Annual Report and Accounts. The review carried out in 2021-22 acknowledged that the Agency's 'complaints process is appropriate and effective and that YJA senior managers take complaints seriously'.
- In 2021-22, independent monthly monitoring visits to JJC were undertaken by a senior member of the management team from DoJ's Reducing Offending Directorate. These visits are to ensure that young people are being appropriately treated and managed in accordance with the aims of the Centre. A report of each visit was presented to and reviewed by the Agency's Management Board. These reports have been encouraging and have demonstrated that young people are being appropriately treated and managed.



## **6. Budget position and Authority**

The Assembly passed the Budget Act (Northern Ireland) 2022 in March 2022 which authorised the cash and use of resources for all departments for the 2021-22 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2022 also included a Vote on Account which authorised departments' access to cash and use of resources for the early months of the 2022-23 financial year. The cash and resource balance to complete for the remainder of 2022-23 will be authorised by the 2022-23 Main Estimates and the associated Budget Bill based on an agreed 2022-23 Budget. In the event that this is delayed, then the powers available to the Permanent Secretary of the Department of Finance under Section 59 of the Northern Ireland Act 1998 and Section 7 of the Government Resources and Accounts Act (Northern Ireland) 2001 will be used to authorise the cash, and the use of resources during the intervening period.

## **7. Significant internal control issues**

Effective governance arrangements and senior oversight are maintained to ensure appropriate and timely responses to such issues that arise.

There were no significant internal control issues during 2021-22.

## **8. Accounting officer statement on assurance**

The Agency has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity, and by Internal Audit operating to Government Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering the Agency's systems over time. The Head of Internal Audit provides me with an Annual Report and her professional opinion on the level of assurance that she can provide based on the work done. The Head of Internal Audit forms her professional opinion on the basis of the Internal Audit work completed over a three-year period and she has provided overall satisfactory assurance.

The Agency has maintained a framework of control to ensure that there are sufficient control processes in place to provide assurance over financial and operational risks, as well as performing a regular review of the effectiveness of the system of internal control. I am therefore satisfied that I have effective governance arrangements and the necessary policies and procedures in place to provide a sound system of internal control to support the Agency in delivering its statutory duties and to meet the aims and objectives set by the Minister, while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in my letter of delegation and in Managing Public Money Northern Ireland.

## **REMUNERATION AND STAFF REPORT**

### **REMUNERATION REPORT**

#### **Remuneration policy**

The pay remit for the Northern Ireland (NI) public sector, including senior civil servants (SCS) in the NICS, is approved by the Minister of Finance. The Minister set the 2021-22 NI public sector pay policy (March 2021).

Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay awards for NICS staff, including SCS, for 2020-21 were paid in June and July 2021. The pay awards for 2021-22 were paid in September and October 2021.

The pay of NICS staff is based on a system of pay scales for each grade, including SCS, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on performance.

The Chief Executive is the only member of staff within YJA who is a member of the SCS. Staff at Grade 7 and below fall within the same pay settlement arrangements as NICS staff at the same grades.

#### **Service contracts**

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made otherwise.

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

Further information about the work of the Civil Service Commissioners for Northern Ireland can be found at [www.nicscommissioners.org](http://www.nicscommissioners.org).

Nick Fullerton and Hilary McCartan were appointed as Non-Executive Members on 1 April 2020 for a fixed period of three years, with the possibility of one extension.

## Remuneration and pension entitlements - Officials

The following sections provide details of the remuneration and pension interests of the most senior management of the Agency.

*[Audited information]*

<b><u>Single total figure of remuneration</u></b>				<b>2021-22</b>
<b>Officials and NEMs</b>	<b>Salary</b>	<b>Benefits in kind (to nearest £100)</b>	<b>*Pension Benefits (to nearest £1,000)</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Stephen Martin</b> Chief Executive (from 17 May 2021)	65-70 (full year equivalent 75-80)	-	27	90-95 (full year equivalent 100-105)
<b>Declan McGeown</b> Chief Executive (until 16 May 2021)	10-15 (full year equivalent 75-80)	-	13	25-30 (full year equivalent 90-95)
<b>Paul McStravick</b> Acting Director of Custodial Services	60-65	-	25	85-90
<b>Mary Aughey</b> Director of Youth Justice Services	60-65	-	23	80-85
<b>Paul Gibson</b> Director of Corporate Services	55-60	-	12	65-70
<b>Hilary McCartan</b> Non-Executive Member	5-10	-	-	5-10
<b>Nick Fullerton</b> Non-Executive Member	5-10	0.5	-	5-10

## Remuneration and pension entitlements - Officials (continued)

<u>Single total figure of remuneration</u>				2020-21
Officials and NEMs	Salary	Benefits in kind (to nearest £100)	*Pension Benefits (to nearest £1,000)	Total
	£000	£000	£000	£000
<b>Declan McGeown</b> Chief Executive	75-80	-	45	120-125
<b>Paul McStravick</b> Acting Director of Custodial Services (from 1 April 2020)	60-65	-	24	85-90
<b>Mary Aughey</b> Director of Youth Justice Services	55-60	-	22	80-85
<b>Paul Gibson</b> Director of Corporate Services (from 7 September 2020)	30-35 (full year equivalent 50-55)	-	6	35-40 (full year equivalent 60-65)
<b>Hilary McCartan</b> Non-Executive Member (from 1 April 2020)	5-10	-	-	5-10
<b>Nick Fullerton</b> Non-Executive Member (from 1 April 2020)	5-10	0.2	-	5-10

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

**Salary**

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any severance or ex gratia payments. This report is based on accrued payments made by the Agency and thus recorded in these accounts.

**Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the Agency and treated by HM Revenue and Customs as a taxable emolument. The benefits in kind shown above are in respect of expenses incurred on Agency business including approved mileage claims and parking. In line with revised guidance from HMRC for Non-Executive Members (NEMs) with effect from 1 April 2019, expenditure on benefits in kind has been grossed up for individual NEMs and PAYE/NIC rules applied in line with normal payroll procedures.

## Fair pay disclosures

### Pay ratios

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

*[Audited information]*

The banded remuneration of the highest-paid director in [the organisation] in the financial year 2021-22 was £75,000 - £80,000 (2020-21, £75,000 - £80,000).

The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below:

<b><u>2021-22</u></b>	<b>25<sup>th</sup> percentile</b>	<b>Median</b>	<b>75<sup>th</sup> percentile</b>
Total remuneration (£)	29,285	34,922	38,394
Pay ratio	2.65:1	2.22:1	2.02:1

<b><u>2020-21</u></b>	<b>25<sup>th</sup> percentile</b>	<b>Median</b>	<b>75<sup>th</sup> percentile</b>
Total remuneration (£)	27,845	34,580	37,544
Pay ratio	2.78:1	2.24:1	2.06:1

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

No employees (2020-21: None) received remuneration in excess of the highest paid Director.

Remuneration ranged from £20,000 to £75-80,000 (2020-21: £19,000 to £75-80,000).

**Percentage change in remuneration**

Reporting bodies are also required to disclose the percentage change from the previous financial year in the:

- a) salary and allowances, and
- b) performance pay and bonuses

of the highest paid director and of their employees as a whole.

The percentage changes in respect of the Agency are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

<b>Percentage change for:</b>	<b>2021-22 v 2020-21</b>
Average employee salary and allowances	3.1%
Highest paid director's salary and allowances*	0%
Average employee performance pay and bonuses**	(100%)

\* The calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

\*\* The Northern Ireland Civil Service special bonus scheme was withdrawn with effect from 31 March 2021

## Pension entitlements - Officials

[Audited information]

Officials	Accrued pension at age as at 31/3/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/22**	CETV at 31/3/21*	Real increase in CETV	Employer contribution to partnership pension account	Nearest £100
	£000	£000	£000	£000	£000		
<b>Stephen Martin</b> Chief Executive (from 17 May 2021)	25-30 plus a lump sum of 45-50	0-2.5 plus a lump sum of 0-2.5	494	449	14	-	
<b>Declan McGeown</b> Chief Executive (until 16 May 2021)	25-30 plus a lump sum of 55-60	0-2.5 plus a lump sum of 0-2.5	472	464	10	-	
<b>Paul McStravick</b> Acting Director of Custodial Services	30-35 plus a lump sum of 45-50	0-2.5 plus a lump sum of 0-2.5	600	576	16	-	
<b>Mary Aughey</b> Director of Youth Justice Services	20-25 plus a lump sum of 30-35	0-2.5 plus a lump sum of 0-2.5	340	320	13	-	
<b>Paul Gibson</b> Director of Corporate Services	20-25 plus a lump sum of 70-75	0-2.5 plus a lump sum of 0-2.5	577	537	7	-	

\* Or date of joining if later.

\*\* Or date of leaving if earlier.

No pension benefits are provided to the Non-Executive Members.

### ***Northern Ireland Civil Service (NICS) Pension Schemes***

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was initially introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of members of the classic, premium, classic plus and nuvos pension arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)]) also moved to alpha from that date. At that time, members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha (full protection) and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age (tapered protection).

In 2018, the Court of Appeal found that the protections put in place back in 2015 that allowed older workers to remain in their original scheme, were discriminatory on the basis of age. As a result, the discrimination identified by the Courts in the way that the 2015 pension reforms were introduced must be removed by the Department of Finance. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relate to the alternative schemes e.g. legacy PCSPS(NI) 'Classic', 'Premium' or 'Nuvos' (legacy scheme) or alpha. Scheme regulations made in March 2022, closed the PCSPS(NI) to future accrual from 31 March 2022, and all remaining active PCSPS(NI) members (including partially retired members in active service) moved to 'alpha' from 1 April 2022. This completes Phase One to remedy the discrimination identified by the Courts. Any pension benefits built up in the legacy scheme prior to this date are unaffected and PCSPS(NI) benefits remain payable in accordance with the relevant scheme rules. Phase Two will see the implementation of the Deferred Choice Underpin. That is, giving eligible members a choice between legacy scheme and alpha scheme benefits for service between 1 April 2015 and 31 March 2022. At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which are available at <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>.

Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

Currently new entrants joining can choose between membership of alpha or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (Partnership Pension Account).

New entrants who joined on or after 30 July 2007 were eligible for membership of the legacy PCSPS(NI) Nuvos arrangement or they could have opted for a Partnership Pension Account. Nuvos was also a CARE arrangement in which members accrued pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate of accrual was 2.3%.



***Northern Ireland Civil Service (NICS) Pension Schemes (continued)***

Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' legacy defined benefit arrangements (Classic, Premium and Classic Plus). From April 2011, pensions payable under these arrangements have been reviewed annually in line with changes in the cost of living. New entrants who joined on or after 1 October 2002 and before 30 July 2007 will have chosen between membership of premium or joining the Partnership Pension Account.

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

The Partnership Pension Account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy Classic, Premium, and Classic Plus arrangements and 65 for any benefits accrued in Nuvos. Further details about the NICS pension schemes can be found at the website [www.finance-ni.gov.uk/civilservicepensions-ni](http://www.finance-ni.gov.uk/civilservicepensions-ni).

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2021 was 3.1% and HM Treasury has announced that public service pensions will be increased accordingly from April 2022.

**Northern Ireland Civil Service (NICS) Pension Schemes (continued)**

Employee contribution rates for all members for the period covering 1 April 2022 to 31 March 2023 are as follows:

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates - all members
From	To	
£0	£24,449.99	4.60%
£24,450.00	£56,399.99	5.45%
£56,400.00	£153,299.99	7.35%
£153,300.00 and above		8.05%

**Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

**Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

**Compensation for loss of office**

There were no compensation benefits paid by the Agency to any members of the Management Board during the financial year.

## STAFF REPORT

## Staff costs

[Audited information]

	Note	Permanently Employed Staff	Others	2021-22 £000 Total	2020-21 £000 Total
Wages and salaries		7,560	327	<b>7,887</b>	8,234
Social security costs		807	-	<b>807</b>	852
Other pension costs		2,241	-	<b>2,241</b>	2,335
<b>Total costs*</b>	<b>2</b>	<b>10,608</b>	<b>327</b>	<b>10,935</b>	<b>11,421</b>

\* Of the total, £Nil has been charged to capital.

The NICS main pension schemes are unfunded multi-employer defined benefit schemes but the Agency is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance have also commissioned a consultation in relation to the Cost Cap Valuation which closed on 25 June 2021. The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. Following completion of the consultation process the 2016 Valuation has been completed and the final cost cap determined. Further information can be found on the Department of Finance website: <https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations>.

**Staff costs (continued)**

A case for approval of a Legislative Consent Motion (LCM) was laid in the Assembly to extend the Public Service Pensions and Judicial Offices Bill (PSP&JO) to Northern Ireland. Under the LCM agreed by the NI Assembly on 1 November 2021 provisions are included in the Act for devolved schemes in NI. A second LCM was laid in the Assembly to implement the CCM changes in the Westminster Bill for devolved schemes. The second LCM, as agreed by the Assembly on 31 January 2022, ensured the reformed only scheme design and the economic check will now be applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The PSP&JO Act received Royal Assent on 10 March 2022. The UK Act legislates how the government will remove the discrimination identified in the McCloud judgment. The Act also includes provisions that employees will not experience any detriment if the adjusted valuation costs breach the set cost cap ceiling but any breaches of the cost cap floor (positive employee impacts) in the completed valuations will be honoured.

For 2021-22, employers' contributions of £2,210,640 were payable to the NICS pension arrangements (2020-21: £2,250,027) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £Nil (2020-21: £Nil) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2020-21: 8% to 14.75%) of pensionable pay. The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £Nil, 0.5% (2020-21: £Nil, 0.5%) of pensionable pay, were payable to the NICS pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £Nil. Contributions prepaid at that date were £Nil.

One person (2020-21: one person) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £7,828.26 (2020-21: £13,665).

## Average number of persons employed

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

*[Audited information]*

	2021-22 Number		2020-21 Number	
	Permanently employed staff	Others	Total	Total
Operational staff	202	4	<b>206</b>	216
Administration and support staff	16	3	<b>19</b>	18
<b>Total*</b>	<b>218</b>	<b>7</b>	<b>225</b>	<b>234</b>

\* Of the total, no staff are engaged on capital projects (2020-21 Nil).

## Staff composition

The number of persons employed was as follows:

	At 31 March 2022			At 31 March 2021		
	Female staff	Male staff	Total staff	Female staff	Male staff	Total staff
Agency Board	2	4	<b>6</b>	2	4	<b>6</b>
Senior Civil Service	-	1	<b>1</b>	-	1	<b>1</b>
Agency Employees	145	91	<b>236</b>	150	96	<b>246</b>

## Managing attendance

The Agency had an overall sickness absence rate of 16.8 days lost per employee in 2021-22 (2020-21: 12.7 days). Annual sickness absence figures can be found in the [Sickness Absence in the Northern Ireland Civil Service 2021/22 | Northern Ireland Statistics and Research Agency \(nisra.gov.uk\)](#). Figures for the 2021-22 financial year were published on 28 June 2022.

## Staff engagement scores

The 2021 NICS People Survey was conducted by NISRA across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey.

As the 2020 survey related primarily to the impact of Covid-19 and did not include engagement themes, the latest year for which direct comparisons can be made is 2019. All YJA staff were invited to complete the survey, of which 78 (2019: 79) participated, a response rate of 34% (2019: 34%).

The Employee Engagement Index (EEI) is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. The YJA responses indicated an Employee Engagement Index of 56% (2019: 61%), compared to the NICS average of 57% (2019: 51%). The full survey can be accessed at <https://www.finance-ni.gov.uk/publications/nics-people-survey-results>.

The following table sets out the YJA engagement scores across the nine themes surveyed.

	YJA 2021 %	YJA 2019 %	NICS 2021 %
<b>Theme</b>			
My work	76	73	72
Organisational objectives and purpose	78	80	77
My manager	68	69	71
My team	70	77	77
Learning and development	36	42	49
Inclusion and fair treatment	67	70	76
Resources and workload	78	81	75
Pay and benefits	26	31	40
Leadership and managing change	32	41	42

The Agency's Executive Team has established a short-term task and finish group to identify the issues underpinning the staff feedback expressed through the People Survey on learning and development and develop proposed ways of addressing them.

## Staff turnover

The Agency staff turnover percentage (the total number of people that have left the Agency including those who have moved within the NICS) for 2021-22 is 8.6%, and the general turnover percentage (the people who have left the Agency and have not gone elsewhere in the NICS) is 7.7%. This has been calculated by NICS HR based on the Cabinet Office Guidance on calculations for Turnover in the Civil Service.

	2021-22 %	2020-21 %
<b>Agency Turnover</b>	8.6%	4.3%
<b>General Turnover</b>	7.7%	3.5%

## Staff policies

### Equality, diversity and inclusion

In the NICS, we are committed to building an inclusive workplace culture where diversity is truly valued at all levels, where you are valued for who you are and where you can bring your true self to work. We want to make use of all the talent that exists across the NICS to ensure we are a well-led, high performing, outcome-focused Service and a Service that is a great place to work.

The NICS People Strategy includes a range of actions that will help accelerate our ambition of a truly inclusive NICS, which reflects the society we serve.

As a key element of the People Strategy, our ambitious diversity and inclusion programme of work is delivered through the implementation of an annual NICS Diversity Action Plan, and overseen by the leadership of the NICS Board, the NICS Diversity Champions Network, Departmental Diversity Champions and Thematic Diversity Champions, NICS colleague networks and NICSHR, as well as through partnership working with stakeholder organisations.

The NICS Diversity Action Plan sets out our priorities for action by diversity and inclusion theme, cross-cutting priorities, departmental priorities and includes supporting plans on communications and outreach.

Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. Further information on the NICS' commitment to equality of opportunity is available in the Equality, Diversity and Inclusion Policy.

**Equality, diversity and inclusion (continued)**

As part of the NICS' efforts to ensure equality of opportunity, the NICS continually conducts comprehensive reviews into the composition of its workforce and recruitment activity, publishing a wide range of data. The statistics are available on the NICS Human Resources Statistics section of the Northern Ireland Statistics and Research Agency (NISRA)'s website.

The annual "Equality Statistics for the Northern Ireland Civil Service" reports work force composition and trends over time and, where appropriate, makes comparisons with the wider labour market and the Civil Service in Great Britain.

The NICS continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and a tri-annual Article 55 Review to the Equality Commission for NI (ECNI), both of which assess the composition of the NICS workforce and the composition of applicants and appointees. In addition, the NICS conducts a similar formal review of the gender profile of its workforce. The findings are published in the NICS Article 55 and Gender Reviews.

The NICS uses the findings of all the equality monitoring and analysis to inform its programme of targeted outreach activity to address any areas of under-representation.

As a public authority, the NICS has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions. Further information on the Agency's equality scheme is available at [www.justice-ni.gov.uk](http://www.justice-ni.gov.uk).



## **Employment, training and advancement of disabled persons**

The NICS is committed to working towards creating a truly inclusive workplace where all colleagues feel valued. The NICS has a wide and active network of Diversity Champions. The NICS Disability Champion is supported by the NICS Disability Working Group, a consultative group that works to promote disability equality and inclusion across the NICS.

The NICS applies the recruitment principles as set out in the Recruitment Code of the Civil Service Commissioners for Northern Ireland, appointing candidates based on merit through fair and open competition. Mandatory training for recruitment and selection panel members includes raising awareness of unconscious bias. Unconscious bias training is available to all staff.

The NICS undertakes outreach activities to promote career opportunities to the disability sector and offers a Work Experience Scheme for People with Disabilities and participates in the annual International Job Shadow Day. In 2021-22 the NICS offered a number of work experience opportunities under the JobStart Scheme.

In 2021-22, the NICS implemented a Guaranteed Interview Scheme (GIS).

To maintain and promote a diverse and inclusive workforce, the NICS has policies in place to support reasonable adjustments to working practices or the work environment as required by disabled persons.

## **Employee consultation and Trade Union relationships**

The Department of Finance is responsible for the NICS Industrial Relations Policy. NICS HR consults on HR policy with all recognised Trade Unions and local departmental arrangements are in place to enable consultation on matters specific to a department or individual business area.

## **Employee relations**

The Agency recognises the importance of good employee relations and is committed to effective employee communications. Management Board meetings are rotated around all Agency premises and are preceded by Valuing People Group meetings which give local staff an opportunity for face-to-face discussion with Board members on a range of topical issues. However, these meetings with staff were temporarily suspended, but subsequently reinstated virtually, due to Covid-19 restrictions. This situation will be kept under review.

Throughout 2021-22 the Agency published regular Covid-19 updates, staff bulletins and Board briefings via e-mail and staff intranet. Managers also held regular team meetings to communicate with staff, receive feedback, and give staff the opportunity to raise any issues for the attention of senior management. Taken together, these served as a communications framework to deliver information to staff on a timely basis. Management and Trade Union representatives also meet as required to ensure continued good industrial relations.

## Learning and development

The NICS recognises the importance of having skilled and engaged employees and continues to invest in learning and development.

Development and delivery of generic staff training is centralised in NICS<sup>1</sup>HR<sup>1</sup>. Training is delivered using a variety of learning delivery channels (including on-line, webinars), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the NICS Competency Framework.

Talent management is a key theme of the NICS People Strategy and this year the focus continued on promoting the importance of improving the quality of the development conversation between managers and staff, with additional resources being added to the existing talent management toolkit.

The NICS offers a wide range of career development opportunities through mentoring, secondment and interchange opportunities, elective transfers, temporary promotion, job rotation and job shadowing.

## Pay policy

Under the *Civil Service (NI) Order 1999*, DoF is responsible for the pay arrangements of NICS civil servants (apart from those agencies, non-ministerial government departments and other bodies with an agreed pay delegation). The pay award system aims to:

- be a system which will help to recruit, retain and motivate staff to perform efficiently the duties required of them;
- encourage staff to improve their individual performance by providing a direct and regular link between satisfactory performance and pay;
- ensure equity of treatment in respect of pay in accordance with legal requirements and the equal opportunities policy of the NICS;
- secure the confidence of staff that their pay will be determined fairly;
- secure the confidence of the public and their representatives in the system for determining the pay of the staff; and
- enable the Government to reconcile its responsibilities for the control of public expenditure with its responsibilities as an employer.

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<sup>1</sup> NICS<sup>1</sup>HR is the NICS' centralised human resources function. It falls under the responsibility of the Department of Finance

## Health and safety

The Agency is committed to providing an environment, that is, as far as possible, safe and free from risk to health for staff, young people and visitors. The Agency accepts the responsibilities as outlined within the scope of the Health and Safety at Work (Northern Ireland) Order 1978 and does all it can to ensure the full commitment at all levels of management and the cooperation of all members of staff in order to meet its obligations under this legislation. The Agency has developed an effective management system based on the HSG65 management model issued by the Health and Safety Executive for Northern Ireland (HSENI). This system ensures that legislative requirements are met and relies on the commitment of management and staff at all levels. Within our custodial environment the governance and delivery of health and safety requirements is further supported at an operational level by the establishment of a Health and Safety Committee. This well-established forum assists the Director and Senior Management Team in the discharge of their health and safety responsibilities specific to Woodlands, Juvenile Justice Centre. The Agency also continues to work closely with the HSENI on related matters.

The programme of health and safety inspection audits across the core estate continues on a rolling basis. The aim of these audits is to ensure proactive monitoring of health and safety, and to inform management of legal requirements and best practice. The audits also provide valuable information that contributes to policy development. To complement the inspection programme, the Agency continues to monitor performance through the health and safety management checklist, which is used at both a local and corporate level to improve the management of health and safety within the Agency.

Basic health and safety training continues to be provided via e-learning including Fire Safety, Office Safety and Display Screen Equipment Awareness. Completion of this suite of courses is mandatory for all staff. Additional training for specialist roles and training needs identified by the risk assessment process will continue to be provided by NICSHR L&D.

The Agency has had to adapt its workplaces in response to the Covid-19 pandemic in order to accommodate the changes required under associated legislation. This has had a significant impact upon our staff and particularly their resilience in developing safer, healthier ways of delivering our services to children and their families. Our safe system of work shows we have embraced the 'virtual environment' and reconfigured our office spaces to comply with social distancing requirements. Our custodial environment has been transformed with medical led Covid-19 infection control measures to the fore. The use of virtual technology has enabled us to maintain a safe and secure environment while also allowing children, their families, legal representatives and courts to interact in a safe manner.

**Expenditure on consultancy**

The Agency incurred no expenditure on consultancy during 2021-22 or 2020-21.

**Off-payroll engagements**

There were no off-payroll engagements requiring disclosure during 2021-22 or 2020-21.

**Reporting of Civil Service and other compensation schemes - exit packages**

There were no exit packages requiring disclosure during 2021-22 or 2020-21.

**ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT****ASSEMBLY ACCOUNTABILITY DISCLOSURES****Regularity of expenditure**

*[Audited information]*


***Losses and special payments***

There were no losses or special payments that require disclosure in 2021-22 or 2020-21.

**Remote contingent liabilities**

In addition to contingent liabilities reported within the meaning of International Accounting Standard (IAS) 37 *Provisions, Contingent Liabilities and Contingent Assets*, the Agency is required to report liabilities for which the likelihood of economic benefit in settlement is too remote to meet the definition of a contingent liability. The Agency has no such liabilities.

Note 15 provides further details regarding the contingent liabilities that are included within the financial statements.

**ACCOUNTABILITY REPORT**

**Stephen Martin**  
**Chief Executive and Accounting Officer**  
**29 June 2022**

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

### Opinion on financial statements

I certify that I have audited the financial statements of the Youth Justice Agency for the year ended 31 March 2022 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Youth Justice Agency's affairs as at 31 March 2022 and of the net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

### Opinion on regularity

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

### Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Youth Justice Agency in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

### Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Youth Justice Agency's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Youth Justice Agency's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Youth Justice Agency is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

### Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)****Opinion on other matters**

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I report by exception**

In the light of the knowledge and understanding of the Youth Justice Agency and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.



## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

### Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Youth Justice Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Youth Justice Agency will not continue to be provided in the future.

### Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Youth Justice Agency through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included governing legislation and any other relevant laws and regulations identified;
- making enquires of management and those charged with governance on the Youth Justice Agency's compliance with laws and regulations;

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)**

- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Youth Justice Agency's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate; and
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business.

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)**

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

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

**Report**

I have no observations to make on these financial statements.



K J Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office

1 Bradford Court  
Galwally  
BELFAST  
BT8 6RB

30 June 2022

## **FINANCIAL STATEMENTS**

### **Statement of Comprehensive Net Expenditure**

#### **For the year ended 31 March 2022**

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	<b>Note</b>	<b>2021-22 £000</b>	<b>2020-21 £000</b>
Revenue from contracts with customers	4	(2)	(2)
Other operating income	4	(107)	(110)
<b>Total operating income</b>		<b>(109)</b>	<b>(112)</b>
Staff costs	2	10,935	11,421
Purchase of goods and services	2	4,412	3,971
Depreciation and impairment charges	2	755	683
Provisions expense	2	(251)	(60)
<b>Total operating expenditure</b>		<b>15,851</b>	<b>16,015</b>
<b>Net operating expenditure</b>		<b>15,742</b>	<b>15,903</b>
Finance expense	2	14	13
<b>Net expenditure for the year</b>		<b>15,756</b>	<b>15,916</b>
<b>Other comprehensive net expenditure</b>			
Items that will not be reclassified to Net operating expenditure:			
- net (gain) on revaluation of property, plant and equipment	5	(1,262)	(227)
- net (gain) on revaluation of intangibles	6	(1)	-
<b>Comprehensive net expenditure for the year</b>		<b>14,493</b>	<b>15,689</b>

The notes on pages 84 to 103 form part of these accounts.

## Statement of Financial Position

As at 31 March 2022

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

	Note	2022 £000	2021 £000
<b>Non-current assets</b>			
Property, plant and equipment	5	20,435	19,751
Intangible assets	6	14	19
<b>Total non-current assets</b>		<b>20,449</b>	<b>19,770</b>
<b>Current assets</b>			
Trade and other receivables	9	198	180
Cash and cash equivalents	8	2	2
<b>Total current assets</b>		<b>200</b>	<b>182</b>
<b>Total assets</b>		<b>20,649</b>	<b>19,952</b>
<b>Current liabilities</b>			
Trade and other payables	10	(2,109)	(2,249)
Provisions	11	(166)	(482)
<b>Total current liabilities</b>		<b>(2,275)</b>	<b>(2,731)</b>
<b>Total assets less current liabilities</b>		<b>18,374</b>	<b>17,221</b>
<b>Non-current liabilities</b>			
Provisions	11	(364)	(326)
<b>Total non-current liabilities</b>		<b>(364)</b>	<b>(326)</b>
<b>Total assets less total liabilities</b>		<b>18,010</b>	<b>16,895</b>
<b>Taxpayers' equity and other reserves</b>			
General Fund		12,313	12,212
Revaluation Reserve		5,697	4,683
<b>Total equity</b>		<b>18,010</b>	<b>16,895</b>



**Stephen Martin**  
Chief Executive and Accounting Officer

**29 June 2022**

The notes on pages 84 to 103 form part of these accounts.

## Statement of Cash Flows

### For the year ended 31 March 2022

The Statement shows the changes in cash and cash equivalents of the Agency during the reporting period. The statement shows how the Agency generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Agency. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Agency's future public service delivery.

	Note	2021-22 £000	2020-21 £000
<b>Cash flows from operating activities</b>			
Net expenditure for the year		(15,756)	(15,916)
Adjustment for non-cash transactions	3	1,224	1,265
(Increase) in trade and other receivables	9	(18)	-
(Decrease) in trade and other payables	10	(191)	(55)
<i>Less movement in payables relating to items not passing through the SCNE</i>		(38)	64
Use of provisions	11	(41)	(55)
<b>Net cash outflow from operating activities</b>		<b>(14,820)</b>	<b>(14,697)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(132)	(319)
Purchase of intangible assets	6	(1)	-
<b>Net cash outflow from investing activities</b>		<b>(133)</b>	<b>(319)</b>
<b>Cash flows from financing activities</b>			
Net Assembly Funding		14,902	15,017
<b>Net financing</b>		<b>14,902</b>	<b>15,017</b>
<b>Net (decrease)/increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>		<b>(51)</b>	<b>1</b>
Receipts due to the Consolidated Fund		168	7
Payments of amounts due to the Consolidated Fund		(168)	(7)
<b>Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>(51)</b>	<b>1</b>
<b>Cash and cash equivalents at the beginning of period</b>	8	<b>(20)</b>	<b>(21)</b>
<b>Cash and cash equivalents at the end of period</b>	8	<b>(71)</b>	<b>(20)</b>

The notes on pages 84 to 103 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

### For the year ended 31 March 2022

This statement shows the movement in the year on the different reserves held by the Agency, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of the Agency, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
<b>Balance at 31 March 2020</b>		<b>12,283</b>	<b>4,654</b>	<b>16,937</b>
Net Assembly Funding		15,017	-	<b>15,017</b>
Comprehensive net expenditure for the year		(15,916)	227	<b>(15,689)</b>
Auditor's remuneration	2	18	-	<b>18</b>
Other notionals	2	612	-	<b>612</b>
Transfer between reserves		198	(198)	-
<b>Balance at 31 March 2021</b>		<b>12,212</b>	<b>4,683</b>	<b>16,895</b>
Net Assembly Funding		14,902	-	<b>14,902</b>
Comprehensive net expenditure for the year		(15,756)	1,263	<b>(14,493)</b>
Auditor's remuneration	2	19	-	<b>19</b>
Other notionals	2	687	-	<b>687</b>
Transfer between reserves		249	(249)	-
<b>Balance at 31 March 2022</b>		<b>12,313</b>	<b>5,697</b>	<b>18,010</b>

The notes on pages 84 to 103 form part of these accounts.

## Notes to the Accounts

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FReM) issued by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Youth Justice Agency Northern Ireland for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Agency are described below. They have been applied consistently in the year and the preceding year in dealing with items considered material in relation to the accounts unless otherwise stated.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and certain financial assets and liabilities.

The accounts are stated in sterling, which is the Agency's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

#### 1.2 Property, plant and equipment

Expenditure on property, plant and equipment of over £1,000 is capitalised. Where material the grouping of a range of property, plant and equipment has also been undertaken in respect of some personal computers, printers, office furniture and equipment.

In compliance with IAS 16 Property, Plant and Equipment, subsequent expenditure on an asset which does not meet the criteria of enhancement or improvement is treated as revenue spend.

On initial recognition property, plant and equipment are measured at cost including any expenditure, such as installation, directly attributable to bringing them into working condition. Items classified as 'under construction' are recognised in the Statement of Financial Position to the extent that money has been paid or a liability has been incurred.

All property, plant and equipment are carried at fair value.

Land and buildings are subject to professional valuation at least once every five years and are re-valued using indices in the intervening years. Properties regarded by the Agency as operational are valued on the basis of existing use, or where this cannot be assessed because there is no market for the property, its depreciated replacement cost. Properties regarded by the Agency as non-operational are valued on the basis of open market value, and where a sale is probable, disclosed as Assets Held for Sale.



### 1.3 Intangible assets

Expenditure on computer software licenses lasting more than one year and costing more than £1,000 is capitalised and classified as intangible assets.

All intangible assets are carried at fair value. Software licences are revalued annually using appropriate indices provided by the Office for National Statistics.

### 1.4 Revaluation Reserve

Upward revaluations are credited to the Revaluation Reserve and permanent reductions in the value of property, plant and equipment are charged to the Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense.

### 1.5 Depreciation and amortisation

All property, plant and equipment and intangible assets are depreciated/amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point when the asset is brought into use.

Estimated useful lives, which are reviewed regularly, are:

<b>Asset category</b>	<b>Useful Life</b>
Land	No depreciation
Buildings	Up to 55 years
Vehicles, plant and machinery	4 - 15 years
Information Technology	3 - 10 years
Intangible Assets	5 years

### 1.6 Realised element of depreciation from Revaluation Reserve

Depreciation is charged to expenditure on the revalued amount of property, plant and equipment. An element of depreciation therefore arises due to the increase in valuation and is in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to this excess is a realised gain on disposal and is transferred from the Revaluation Reserve to the General Fund.

### 1.7 Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant and equipment and intangible assets. VAT is recoverable on a Departmental basis.

## 1.8 Provisions

Provision is made for legal or constructive obligations, which are of uncertain timing or amount at the reporting date, on the basis of the best estimate of the expenditure required to settle the obligation.

The Agency is required to account for the cost of paying pensions of employees who retire early from the date of their retirement until they reach normal pensionable age and in some cases for the lifetime of the retired staff member and his/her spouse. For all new early retirement cases, the Agency provides in full for the cost of meeting pensions up to normal retirement age. The total cost is recognised in the year the decision is taken.

## 1.9 Contingent liabilities

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the Agency discloses as contingent liabilities, potential future obligations arising from past obligating events where the existence of such obligations remain uncertain pending the outcome of future events outside the Agency's control, unless their likelihood is considered to be remote.

In addition, the Agency discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

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

## 1.10 Third-party assets

Third-party assets are assets for which the Agency acts as custodian or trustee, but in which neither the Agency nor Government more generally has a direct beneficial interest. Third-party assets are not public assets, and hence are not recorded in the primary financial statements. In the interests of general disclosure and transparency, details of the Agency's third-party assets are provided in Note 17.

## 1.11 Financing

The Agency is primarily resourced by funds approved by the Assembly through the annual Supply process. Resources are drawn down each month to meet expenditure requirements and are credited to the General Fund.

## 1.12 Classification of Income and Expenditure

The Statement of Comprehensive Net Expenditure for the Agency only includes programme income and expenditure. The classification of income or expenditure as programme follows the definition set by the Department of Finance (DoF).

## 1.13 Income

### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Agency is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Agency: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

### *Sale of goods and services*

Revenue from the sale of goods and services is recognised either:

- at the point in time when the customer obtains control of the goods, which is generally at the time of delivery; or
- over time as the services are rendered based on either a fixed price or an agreed rate.

### Other operating income

Other operating income is income which relates directly to the operating activities of the Agency. It includes both income classified as Accruing Resources and income due to the Consolidated Fund, which in accordance with the FReM, is treated as operating income.

### *Rental income*

Rent revenue from properties is recognised on a straight-line basis over the lease term.

### *Other income*

Other revenue is recognised when it is received or when the right to receive payment is established.

## 1.14 Staff costs

Under IAS19 (revised) Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any untaken leave as at the reporting date.

### **1.15 Pension costs**

Employees of the Agency are covered by the provisions of the NICS pension arrangements.

The NICS pension arrangements are defined benefit schemes which are unfunded. The Agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the NICS pension arrangements of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the NICS pension arrangements. In respect of defined contribution schemes, the Agency recognises the contributions payable for the year.

Further details are contained in the Staff Report and Note 2 to the Accounts.

### **1.16 Operating leases**

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

### **1.17 Notional charges**

Notional charges, in respect of services received from other Government departments and agencies, are included to reflect the full economic cost of services.

### **1.18 Segmental reporting**

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

## 1.19 Financial instruments

### Recognition and de-recognition of financial assets and financial liabilities

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognised when the Agency becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Agency no longer has rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

#### Financial assets

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term (held for trading) or if so designated by management. Financial assets held in this category are initially recognised and subsequently measure at fair value, with changes in value recognised in the income statement in the line which most appropriately reflects the nature of the item or transaction.

#### *Trade and other receivables*

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest rate method less provisions for doubtful receivables. Provisions are made specifically where there is objective evidence of a dispute or inability to pay.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and have an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents are as defined above net of outstanding bank overdrafts.

#### *Impairment of financial assets*

The Agency assesses at each reporting date whether a financial asset or group of financial assets are impaired. Where there is objective evidence that an impairment loss has arisen on assets carried at amortised cost, the carrying amount is reduced with the loss being recognised in the Statement of Comprehensive Net Expenditure.

#### Financial liabilities

#### *Trade and other payables*

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount, and subsequently carried at amortised cost using the effective interest rate method.

## 1.20 Critical accounting estimates and key judgements

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

### ***Post-retirement benefits***

The Agency accounts for post-retirement benefits in accordance with IAS 19 *Employee Benefits*. In determining the provision a number of assumptions are used which include the discount rate, salary growth, price inflation and mortality rates.

### ***Depreciation of property, plant and equipment and amortisation of intangible assets***

Depreciation and amortisation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.5.

### ***Impairment of property, plant and equipment***

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

Other than as noted above, no material accounting estimates or judgements were made by the Agency in preparing these accounts.

## 1.21 Accounting standards, amendments, interpretations or other updates that were issued and effective for the 2021-22 financial year

The Agency has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for the Agency's accounting periods beginning on or after 1 April 2021 or later periods, but which the Agency has not adopted early. The Agency considers that these are not relevant or material to its operations.

## 1.22 Accounting standards, interpretations and amendments to published standards not yet effective

The Agency has considered those new standards, interpretations and amendments to existing standards which have been published and are mandatory for the Agency's accounting periods beginning on or after 1 April 2022 or later periods, but which the Agency has not adopted early. Other than as outlined below, the Agency considers that these standards are not relevant or material to its operations.

<b>Standard</b>	IFRS 16 Leases (replaces IAS 17 Leases and related interpretations)
<b>Effective date</b>	January 2019 (EU endorsed 31 October 2017)
<b>FReM application</b>	2022-23
<b>Description of revision</b>	<p>The IASB issued IFRS 16 in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application is permitted for those entities applying IFRS 15. IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases, unless they qualify for low value or short-term exemptions. In addition, there are updated disclosure requirements.</p> <p>The lessor accounting model is generally unchanged from IAS 17 but entities should be aware of the introduction and impacts of IFRS 9 Financial Instruments, enhanced disclosure requirements and that a sub-lessor now determines whether a lease is finance or operating based on the right of use asset it subleases.</p>
<b>Comments</b>	<p>IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.</p> <p>The Agency has undertaken a preliminary assessment of the potential impact of IFRS 16 on its future financial statements. It is currently considered that approximately £1.029m of leases will be capitalised on the Statement of Financial Position in 2022-23 and it is not expected to have a material impact on the Statement of Comprehensive Net Expenditure.</p>

## 1.23 Financial reporting - future developments

The Agency has considered the accounting initiatives identified by HM Treasury covering amendments or interpretations from the 2018-20 Annual Improvement cycle, and projects where standards, amendments or interpretations are in development. The Agency considers that these changes are not relevant or material to its operations.

## 2. Programme expenditure

	Note	2021-22 £000	2020-21 £000
<b>Staff costs*</b>			
Wages and salaries		7,887	8,234
Social security costs		807	852
Other pension costs		2,241	2,335
		<b>10,935</b>	<b>11,421</b>
<b>Purchase of goods and services</b>			
Accommodation costs, maintenance and utilities		1,333	1,143
IT, communications and office services		96	104
Consumables, equipment and transport costs		35	36
Contracted out and managed services		458	455
Professional and consultancy costs		91	46
Client and other programme operating costs		1,032	943
Rentals under operating leases		431	435
Staff related costs		229	176
Other costs		1	4
		<b>3,706</b>	<b>3,342</b>
<b>Non-cash items:</b>			
(Profit) on disposal of non-current assets		–	(1)
Auditor's remuneration		19	18
Notional charges		687	612
		<b>706</b>	<b>629</b>
		<b>4,412</b>	<b>3,971</b>
<b>Depreciation and impairment charges</b>			
Depreciation	5	748	676
Amortisation	6	7	7
		<b>755</b>	<b>683</b>
<b>Provisions expense</b>			
Provided in year	11	40	70
Written back in year	11	(291)	(130)
		<b>(251)</b>	<b>(60)</b>
<b>Finance expense</b>			
Borrowing costs on provisions	11	14	13
		<b>14</b>	<b>13</b>
<b>Total programme expenditure</b>		<b>15,865</b>	<b>16,028</b>

\* Further analysis of Staff costs is located in the Staff Report within the Accountability Report.



**3. Non-cash costs**

	<b>Note</b>	<b>2021-22 £000</b>	<b>2020-21 £000</b>
Purchase of goods and services	2	706	629
Depreciation and impairment charges	5, 6	755	683
Provisions expense	11	(251)	(60)
Finance expense	11	14	13
		<b>1,224</b>	<b>1,265</b>

**4. Income**

	<b>2021-22 £000</b>	<b>2020-21 £000</b>
<b>Revenue from contracts with customers</b>		
Sales of goods and services	2	2
	<b>2</b>	<b>2</b>
<b>Other operating income</b>		
Rental income	106	107
Other non-trading income	1	3
	<b>107</b>	<b>110</b>
<b>Total operating income</b>	<b>109</b>	<b>112</b>

## 5. Property, plant and equipment

2021-22

	Land £000	Buildings £000	Vehicles, Plant and Machinery £000	Information Technology £000	Total £000
<b>Cost or valuation</b>					
At 1 April 2021	300	19,021	1,576	166	<b>21,063</b>
Additions	–	113	43	14	<b>170</b>
Disposals	–	–	(2)	–	<b>(2)</b>
Revaluation	–	565	45	2	<b>612</b>
<b>At 31 March 2022</b>	<b>300</b>	<b>19,699</b>	<b>1,662</b>	<b>182</b>	<b>21,843</b>
<b>Depreciation</b>					
At 1 April 2021	–	–	1,162	150	<b>1,312</b>
Charged in year	–	673	69	6	<b>748</b>
Disposals	–	–	(2)	–	<b>(2)</b>
Revaluation	–	(673)	21	2	<b>(650)</b>
<b>At 31 March 2022</b>	<b>–</b>	<b>–</b>	<b>1,250</b>	<b>158</b>	<b>1,408</b>
<b>Carrying amount at 31 March 2022</b>	<b>300</b>	<b>19,699</b>	<b>412</b>	<b>24</b>	<b>20,435</b>
<b>Carrying amount at 31 March 2021</b>	<b>300</b>	<b>19,021</b>	<b>414</b>	<b>16</b>	<b>19,751</b>
<b>Asset financing:</b>					
Owned	300	19,699	412	24	20,435
<b>Carrying amount at 31 March 2022</b>	<b>300</b>	<b>19,699</b>	<b>412</b>	<b>24</b>	<b>20,435</b>

Property, plant and equipment are held at fair value in accordance with IAS16. The Agency owns all of its assets and has no finance leases or PFI contracts.

Land and Buildings are independently valued by the Land and Property Service (LPS) at least every five years, in accordance with the Appraisal and Valuation Standards (the Red Book 5th edition) of the Royal Institution of Chartered Surveyors. The last full valuation was carried out by LPS as at 31 March 2022. LPS valued the land and building at Juvenile Justice Centre at depreciated replacement cost using BCIS indices.

Other plant and equipment are adjusted to their current value by reference to the appropriate indices compiled by the Office for National Statistics.

## 5. Property, plant and equipment (continued)

2020-21	Land £000	Buildings £000	Vehicles, Plant and Machinery £000	Information Technology £000	Total £000
<b>Cost or valuation</b>					
At 1 April 2020	300	19,304	1,437	159	21,200
Additions	-	89	156	10	255
Disposals	-	-	(5)	(3)	(8)
Reclassification	-	18	(18)	-	-
Revaluation	-	(390)	6	-	(384)
<b>At 31 March 2021</b>	<b>300</b>	<b>19,021</b>	<b>1,576</b>	<b>166</b>	<b>21,063</b>
<b>Depreciation</b>					
At 1 April 2020	-	-	1,106	149	1,255
Charged in year	-	613	59	4	676
Disposals	-	-	(5)	(3)	(8)
Revaluation	-	(613)	2	-	(611)
<b>At 31 March 2021</b>	<b>-</b>	<b>-</b>	<b>1,162</b>	<b>150</b>	<b>1,312</b>
<b>Carrying amount at 31 March 2021</b>	<b>300</b>	<b>19,021</b>	<b>414</b>	<b>16</b>	<b>19,751</b>
<b>Carrying amount at 31 March 2020</b>	<b>300</b>	<b>19,304</b>	<b>331</b>	<b>10</b>	<b>19,945</b>
<b>Asset financing: Owned</b>	<b>300</b>	<b>19,021</b>	<b>414</b>	<b>16</b>	<b>19,751</b>
<b>Carrying amount at 31 March 2021</b>	<b>300</b>	<b>19,021</b>	<b>414</b>	<b>16</b>	<b>19,751</b>

**6. Intangible assets**

	<b>2021-22</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>
<b>Cost or valuation</b>		
At 1 April	33	39
Additions	1	-
Disposals	-	(6)
Revaluation	3	-
<b>At 31 March</b>	<b>37</b>	<b>33</b>
<b>Amortisation</b>		
At 1 April	14	13
Charged in year	7	7
Disposals	-	(6)
Revaluation	2	-
<b>At 31 March</b>	<b>23</b>	<b>14</b>
<b>Carrying amount at 31 March</b>	<b>14</b>	<b>19</b>
<b>Asset financing:</b>		
Owned	14	19
<b>Carrying amount at 31 March</b>	<b>14</b>	<b>19</b>

Intangible assets are adjusted to their current value by reference to the appropriate indices compiled by the Office for National Statistics.

## 7. Financial instruments

As the cash requirements of the Youth Justice Agency are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the Agency's expected purchase and usage requirements and the Agency is therefore exposed to little credit, liquidity or market risk.

## 8. Cash and cash equivalents

	<b>2021-22</b> <b>£000</b>	<b>2020-21</b> <b>£000</b>
Balance at 1 April	(20)	(21)
Net change in cash and cash equivalent balances	(51)	1
<b>Balance at 31 March</b>	<b>(71)</b>	<b>(20)</b>
The following balances at 31 March are held at:		
NI banking pool	(73)	(22)
Cash in hand	2	2
<b>Balance at 31 March</b>	<b>(71)</b>	<b>(20)</b>

Balances for Cash and cash equivalents are disclosed in the Statement of Financial Position as follows:

	<b>Note</b>	<b>2021-22</b> <b>£000</b>	<b>2020-21</b> <b>£000</b>
Current assets		2	2
Current liabilities	10	(73)	(22)
<b>Total</b>		<b>(71)</b>	<b>(20)</b>

## 9. Trade receivables, financial and other assets

	<b>2021-22</b> <b>£000</b>	<b>2020-21</b> <b>£000</b>
<b>Amounts falling due within one year:</b>		
VAT recoverable	79	75
Trade receivables	7	7
Other receivables	56	42
Prepayments and accrued income	56	56
	<b>198</b>	<b>180</b>

**10. Trade payables, financial and other liabilities**

	Note	2021-22 £000	2020-21 £000
<b>Amounts falling due within one year:</b>			
Bank overdraft	8	73	22
Trade payables		20	34
Other payables		857	862
Accruals and deferred income		1,159	1,331
		<b>2,109</b>	<b>2,249</b>

**11. Provisions for liabilities and charges**

	Early retirement	Legal claims	2021-22 £000 Total
Balance at 1 April 2021	281	527	808
Provided in the year	8	32	40
Provisions not required written back	(4)	(287)	(291)
Provisions utilised in the year	(17)	(24)	(41)
Borrowing costs	14	-	14
<b>Balance at 31 March 2022</b>	<b>282</b>	<b>248</b>	<b>530</b>

	Early retirement	Legal claims	2020-21 £000 Total
Balance at 1 April 2020	312	599	911
Provided in the year	-	70	70
Provisions not required written back	(25)	(106)	(131)
Provisions utilised in the year	(19)	(36)	(55)
Borrowing costs	13	-	13
<b>Balance at 31 March 2021</b>	<b>281</b>	<b>527</b>	<b>808</b>

### 11.1 Analysis of expected timing of discounted flows

			2021-22 £000
	Early retirement	Legal claims	Total
Not later than one year	19	147	166
Later than one year and not later than five years	70	101	171
Later than five years	193	-	193
<b>Balance at 31 March 2022</b>	<b>282</b>	<b>248</b>	<b>530</b>

			2020-21 £000
	Early retirement	Legal claims	Total
Not later than one year	20	462	482
Later than one year and not later than five years	74	65	139
Later than five years	187	-	187
<b>Balance at 31 March 2021</b>	<b>281</b>	<b>527</b>	<b>808</b>

### 11.2 Early retirement costs - £0.282m (2020-21: £0.281m)

This provision relates to inherited pension costs associated with the early departure of staff in the years prior to the creation of the Agency and benefits payable in respect of loss of earning capacity (or loss of support in respect of a death).

The pension costs are payable to NILGOSC and are payable over the lifetime of the retired staff member and his/her spouse (where applicable).

All benefits payable under the Civil Service Injury Benefit Scheme (Northern Ireland) are charged to the Agency by Civil Service Pensions (Northern Ireland) on a monthly basis. The allowance is payable to the former employee for life. Provision is made for the costs of providing injury awards to employees based on the current number of injury awards and the estimated life expectancy.

### 11.3 Legal claims - £0.248m (2020-21: £0.527m)

This provision relates to potential compensation payments and associated legal costs of staff personal injury claims and industrial tribunal cases against the Agency.

#### **Other legal issues**

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for June 2021 but this has subsequently been adjourned and re-listed for December 2022. The 2021-22 Holiday Pay provision has been estimated by NICS HR and covers the period from November 1998 to 31 March 2020.

### 11.3 Legal claims - £0.248m (2020-21: £0.527m) (continued)

There are still some very significant elements of uncertainty around this estimate for a number of reasons:

- the appeal to the Supreme Court (as detailed above);
- lack of accessible data for years previous to 2011;
- ongoing negotiations with Trade Unions; and
- obtaining relevant approvals.

## 12. Leases

### Operating leases

£0.431m (2020-21: £0.435m) was included as an expense on operating leases in the Statement of Comprehensive Net Expenditure.

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

	2022-21 £000	2020-21 £000
<b>Obligations under operating leases comprise:</b>		
<i>Land and buildings</i>		
Not later than one year	383	414
Later than one year and not later than five years	519	550
	<b>902</b>	<b>964</b>

## 13. Capital commitments

	2022-21 £000	2020-21 £000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment	-	45
<b>Total</b>	<b>-</b>	<b>45</b>



#### 14. Other financial commitments

The Agency has entered into non-cancellable contracts (which are not lease or PFI contracts) for reception, security duties and planned maintenance at the Juvenile Justice Centre and service fees relating to its leasehold properties. Total future commitments are shown in the table below analysed according to the period in which the payments fall due.

	2021-22 £000	2020-21 £000
Not later than one year	383	463
Later than one year and not later than five years	591	533
<b>Total</b>	<b>974</b>	<b>996</b>

#### 15. Contingent liabilities

The Agency's contingent liabilities have been outlined below on the basis that amounts have not been recognised as provisions because their existence will only be confirmed by the occurrence of one or more uncertain future events, not wholly within the Agency's control.

The Agency is currently contesting a number of personal injury or industrial tribunal claims brought by staff or young people. Provision has been made in these financial statements for cases where it is considered probable that payment may be made in the future (see Note 11 for further details). However, there are cases which have not been provided for as the Agency does not consider it likely that payment will be made e.g. because it expects that the Agency will be able to successfully defend these cases.

#### 16. Related party transactions

The Youth Justice Agency is an Executive Agency of the Department of Justice. During the year, the Agency had various material transactions with the Core Department and other agencies within the Department including Forensic Science Northern Ireland, Northern Ireland Prison Service and Northern Ireland Courts and Tribunals Service.

The Agency also had various material transactions with other entities for which the Department of Justice is regarded as the parent Department including Probation Board for Northern Ireland. In addition, the Agency had various transactions with other government departments and central government bodies. Most of these transactions have been with the Department of Health (DoH) and Department of Finance (DoF).

None of the members of the Management Board or key management of the Agency had any material personal transactions with the Agency. A Non-Executive Member is also a Non-Executive Director of the Southern Health and Social Care Trust. During 2021-22, the Agency paid £27,500 (2020-21: £26,137) to the Trust. All transactions were conducted at arm's length.

**17. Third-party assets*****Youth Conference Compensation***

Where a youth conference plan requires a young person to compensate a victim, the money is collected by the Agency and held in a separate bank account until it is paid over to the victim. The Youth Conference Compensation Account has a balance of £3,488 as at 31 March 2022 (2020-21: £2,852).

***Young Persons Cash***

The young people in custody have a private cash facility for the lodgement of their pocket money and for funding tuck-shop purchases. When the young people are discharged, they are paid in full the balance on their account in cash. The balance held at 31 March 2022 is £666 (2020-21: £141).

***Young Person Trust Account***

The Trust Account was set up with donations for the benefit of young people. The donations were invested in a Trust Account, which has a balance of £444 at 31 March 2022 (2020-21: £310).

***Assets held***

The monies noted above are not included within the Agency's assets as they do not belong to the Agency. The assets held at the reporting period date to which it was practical to ascribe monetary values are set out in the table below:

	<b>31 March 2021 £000</b>	<b>Gross Inflows £000</b>	<b>Gross Outflows £000</b>	<b>31 March 2022 £000</b>
Monetary assets such as bank balances	3	16	(15)	4

**18. Events after the reporting period**

There were no events after the reporting period date that required adjustment to or disclosure in these financial statements.

**Date for authorisation of issue**

The Accounting Officer authorised these financial statements for issue on 30 June 2022.

**OTHER**

**Addresses and contact details**

Telephone: 028 9031 6400  
 Website: [www.justice-ni.gov.uk](http://www.justice-ni.gov.uk)  
 E-mail: [info@yjani.gov.uk](mailto:info@yjani.gov.uk)

<b>Youth Justice Agency Headquarters</b>	<b>Youth Justice Services Area Teams</b>
<p>41 Waring Street                      Belfast                      BT1 2DY                      Tel: (028) 9031 6452</p>	<p><b>Belfast Area Team</b>                      41 Waring Street                      Belfast                      BT1 2DY                      Tel: (028) 9031 6418</p>
<p><b>Woodlands Juvenile Justice Centre</b>                      1 Mosswood Close                      Mosswood Avenue                      Rathgael Road                      Bangor                      BT19 1TA                      Tel: (028) 9185 4600</p>	<p><b>Eastern Area Team</b>                      36 Frances Street                      Newtownards                      BT23 7DN                      Tel: (028) 9182 5884</p>
	<p><b>Northern Area Team</b>                      7 Springwell Street                      Ballymena                      BT43 6AT                      Tel: (028) 2566 2222</p>
	<p><b>Southern Area Team</b>                      15 Castlewellan Road                      Banbridge                      BT32 4AX                      Tel: (028) 4062 1043</p>
	<p><b>Western Area Team</b>                      4<sup>th</sup> Floor Embassy Building                      3 Strand Road                      Derry/Londonderry                      BT48 7BH                      Tel: (028) 7131 0787</p>