

Victims and Survivors Service Limited

**Annual Report and Accounts
For the year ended 31 March 2016**

Laid before the Northern Ireland Assembly under the statutory provision for the Victims and Survivors Service Limited, the Budget Act (Northern Ireland) 2015,
by The Executive Office

on

20 December 2016

COMPANY NUMBER: NI 611922

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Any enquiries related to this publication should be sent to us at the Victims and Survivors Service Limited, First Floor, Seatem House, 28-32 Alfred Street, Belfast, BT2 8EN, or email: enquiries@vssni.org.

This publication is also available for download from our website at www.victimsservice.org.

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Foreword

Foreword

I am pleased to present the Victims and Survivors Limited Annual Report and Accounts for the 2015/16 financial year.

We started the year, in April 2015 by welcoming four new Board members. This has increased the membership of the previous Board of three directors and has helped us to make significant progress on our new vision of **improving the health and well being of victims and survivors**.

As a Board, we have had the privilege of witnessing the improvements made in supporting victims and survivors to access services which are both flexible and responsive to their individual needs. This has been driven by our own dedicated and committed workforce within the VSS and our partners within the community and voluntary sector.

I also want to acknowledge the support provided to us by The Executive Office, the Commission for Victims and Survivors, and the Victims and Survivors Forum. This partnership approach undoubtedly adds value to how we deliver services.

In particular, the Collaborative Design Programme, led by The Executive Office has taken forward a new innovative partnership approach to design improved 'victim centred' services and support to victims and survivors. This has included pilots in the areas of personalised budgets, caseworker approaches and work force development plans in addition to outcomes based monitoring and evaluation.

I am also encouraged by preparatory work undertaken in respect of the PEACE IV Programme which will add value to our existing services by investing in cross-border health and well-being services. This will develop proven expertise within the region and increase the capacity and the quality of care in the sector for victims and survivors and their families from April 2017.

The year has not been without challenges. There have been operational challenges including the continuing increase in the numbers of victims and survivors coming forward for support. This has presented challenges in terms of the sustainability of current service delivery models and pressures on our staff and those within our partners in the community and voluntary sector.

We have made significant changes to ensure that we are victim centred in our approach, focusing on addressing real and pressing needs and achieving real and meaningful outcomes. At times, this has not been easy to balance with public sector governance requirements and this is evident in the operation of the Financial Assistance means tested scheme. Lessons learnt from this scheme specifically have been a key

Foreword

element of the co-design programme and have directly impacted on policy advice and service delivery models since April 2016.

In conclusion, I am proud of what we have achieved this year.

We intend to build upon the work of the co-design programme, evaluating the pilots we have carried out to date and rolling out best practice across the sector in partnership with our stakeholders including victims and survivors themselves.

The one certainty is that the coming year will again be one which brings challenges. However, I am confident that we will deliver on our commitment to **improving the health and well being of victims and survivors.**



Oliver Wilkinson
Chairman

Date: 13 December 2016

Strategic Report for the year ended 31 March 2016

Overview

The Victims and Survivors Service Limited is the delivery body named in the ten-year Strategy for Victims and Survivors 2009-2019 published by the Office of the First Minister, now known as The Executive Office. It is responsible for providing support and services to victims and survivors on behalf of The Executive Office. “Victims and Survivors” has the meaning ascribed by the Victims and Survivors (Northern Ireland) Order 2006, as amended by the Commission for Victims and Survivors (Northern Ireland) Act 2008. This definition has two distinctive dimensions, as follows:

- (1) *In this Order references to “victim and survivor” are references to an individual appearing to the Commission to be any of the following-*
 - (a) *someone who is or has been physically or psychologically injured as a result of or in consequence of a conflict-related incident;*
 - (b) *someone who provides a substantial amount of care on a regular basis for an individual mentioned in paragraph (a); or*
 - (c) *someone who has been bereaved as a result of or in consequence of a conflict-related incident.*

- (2) *Without prejudice to the generality of paragraph (1), an individual may be psychologically injured as a result of or in consequence of—*
 - (a) *witnessing a conflict-related incident or the consequences of such an incident; or*
 - (b) *providing medical or other emergency assistance to an individual in connection with a conflict-related incident.*¹

Formation and Status

The Victims and Survivors Service Limited was established under the direction of The Executive Office and the Victims and Survivors Service Limited was incorporated on 27 March 2012 as a private company limited by guarantee.

The location of the Victims and Survivors Service Limited in the first quarter of 2015-16 was in Millennium House, 25 Great Victoria Street, Belfast, BT2 7AQ. In June 2015, the organisation completed a premises move to 1st Floor Seatem House, 28-32 Alfred Street, Belfast, BT2 8EN.

¹ Victims and Survivors (Northern Ireland) Order 2006, available at: <http://www.legislation.gov.uk/nisi/2006/2953/contents>

Organisational Structure

At 31 March 2016, the Senior Management Team members were as follows:

Table 1: Senior Management Team

Name	Grade	Post Title	Date Appointed
Margaret Bateson	G6	Acting Chief Executive and Accounting Officer	7 August 2014
Brendan Smith	G7	Head of Corporate Services	21 September 2015
Geraldine Hamilton	G7	Head of Health and Well-Being	1 February 2016
Caroline Armstrong	DP	Finance and Governance Manager	1 July 2014
Brian Mullan	DP	Programmes Manager	1 October 2013

Pending recruitment of the Chief Executive position, the two vacant Grade 7 positions were temporarily filled during 2015-16. Brendan Smith was appointed as Head of Corporate Services on 21 September 2015 and Geraldine Hamilton was appointed as Head of Health and Well-Being on 1 February 2016. The Senior Management Team meet on a monthly basis to review management information, oversee the operational management of the service and prepare for reporting to the Victims and Survivors Service Limited Board and Audit and Risk Committee.

Margaret Bateson was appointed as Chief Executive and Accounting Officer on 11 July 2016. Margaret Bateson had been Acting Chief Executive and Accounting Officer since 7 August 2014.

At 31 March 2016, the Victims and Survivors Service Limited had 26 employees in post (25.02 Full Time Equivalent). The average permanent staff number was 24.28 during this period as outlined in the Staff Report on page 20.

The organisation structure at [Appendix 1](#) shows the key teams within the Victims and Survivors Service Limited, including Programmes, Client Services, Corporate Services and their respective functions.

Strategic Priorities

The Strategy for Victims and Survivors 2009-2019 emphasises the strategic focus of the Victims and Survivors Service Limited on the following three priorities:

1. Delivering a needs-based approach to allocating resources and defining services;
2. Ensuring the highest standard of service provision for those in need; and
3. Measuring outcomes associated with the allocation of resources and services.

These priorities underpin the work of the Victims and Survivors Service Limited in delivering two programmes of support.

Programmes

Support for Individuals: the Individual Needs Programme

The Victims and Survivors Service Limited aims to provide support that is responsive to the particular needs of the individual, and that respects the dignity and personal choices of each victim and survivor.

Assistance for individuals is delivered under the Individual Needs Programme, and is informed by advice given by the Commission for Victims and Survivors in relation to the needs of victims and survivors. It includes:

- Support for individuals living with physical and psychological injuries to access services and goods that contribute to improved wellbeing and quality of life.
- Support for primary carers and for the bereaved to access services, goods, and respite that contribute to improved wellbeing and quality of life.
- Direct financial assistance for certain victims and survivors who have particularly low incomes.
- In certain circumstances: support for individuals to access education and training opportunities.

Funding for Organisations: the Victims Support Programme

The Victims and Survivors Service Limited delivers funding to organisations that provide services and support to victims and survivors across Northern Ireland. The work funded through the Victims Support Programme within these organisations meets the Victims and Survivors Service Limited aims and objectives (outlined below) and is informed by advice given by the Commission for Victims and Survivors regarding the needs of victims and survivors.

The services and support delivered by organisations funded through the Victims Support Programme include:

- Services that support and maintain resilience among victims and survivors.
- Welfare advice and support for victims and survivors, and opportunities and activities focused on personal and professional development.
- Advocacy support for victims and survivors in relation to historical investigations and inquiries.
- Support and activities for young people affected by the impact of trauma in families and communities.
- Counselling and complementary therapies that improve the mental, emotional and physical wellbeing of victims and survivors, and that enhance their quality of life.

Peace IV Programme

The PEACE IV Programme is a unique cross-border initiative, financed through the European Regional Development Fund (ERDF) of the European Union and managed by the Special EU Programmes Body (SEUPB). Designed to support peace and reconciliation in Northern Ireland and the Border Region of Ireland it also contributes to the promotion of social and economic stability. The programme is scheduled to commence on 1 April 2017.

In recognition of the needs of those who have suffered from the trauma of the troubles and conflict, the Victims and Survivors Service Limited was identified in November 2015 as the single lead partner to develop the capacity for services to meet the needs of victims and survivors under Objective 3 of the Programme: Shared Spaces and Services.

The PEACE IV Programme will add value to the existing Victim Support Programme by investing in cross-border health and well-being services that develop proven expertise within the region and increase the capacity and the quality of care in the sector for victims and survivors and their families from April 2017.

This includes:

- Advocacy support to include practical support for victims and survivors engaging with institutions, historical process and inquiries (23 Advocacy Support workers);
- Development of qualified Case Managers and Health and Wellbeing (HWB) Case Workers to identify and address the needs of victims and survivors (5 Case Managers, 25 HWB Case Workers);
- A resilience programme to address existing gaps and meet the individual needs of victims and survivors based on the Take 5 Framework for Health & Wellbeing <http://www.publichealth.hscni.net/publications/take-5-steps-wellbeing>;
- Development of the capacity of the sector through training and development (to meet national and regional standards), research and improved regulation.

Victims and Survivors Service Limited

In December 2015, the Victims and Survivors Service Limited Board carried out a strategic review of the vision, mission and values of the organisation.

OUR VISION

To improve the health and well being of victims and survivors

OUR MISSION

We work to ensure that victims and survivors, and the wider community, are aware of the VSS

We work to support victims and survivors to access quality services

We listen to and learn from victims and survivors and others

OUR VALUES

TRUST

Working confidentially, impartially and respectfully with victims and survivors and others to develop and sustain an open and honest relationship

UNDERSTANDING

Listening to and learning from victims and survivors and others

RESPONSIVE

Continually developing our people and services through growth and innovation

ACCOUNTABLE

Applying good corporate and clinical governance to all that we do

These principles are underpinned by the objectives and future strategic direction as outlined on page 44.

Stakeholders and Key Relationships

The Victims and Survivors Service Limited aims to support victims and survivors as they engage with the diverse services, agencies, and other parts of society that contribute to the full and healthy life of the individual.

To achieve this, the organisation needs and values a strong network of partners with whom it can communicate and work with in the interests of victims and survivors.

Partnership-Level Stakeholders

The Victims and Survivors Service Limited is supported in its efforts to deliver on its aims and objectives by The Executive Office, the Commission for Victims and Survivors, and the Victims and Survivors Forum. This is illustrated in Diagram 1 below:-

Diagram 1: Partnership-level Stakeholders



The 2009-19 Strategy for Victims and Survivors outlines the relationship between these four key bodies as follows:

Strategic Report for the year ended 31 March 2016

Government is responsible for setting policy for victims and survivors, and is ultimately accountable for resourcing the victim/survivor sector.

The Commission for Victims and Survivors is responsible for the strategic assessment of need and for the oversight of the Forum. On the basis of these functions, it is responsible for ensuring that the correct structures are in place to meet assessed need, and for advising Government on victims' and survivors' issues. A memorandum of understanding is in place between The Victims and Survivors Service Limited and the Commission for Victims and Survivors.

The Victims and Survivors Forum acts as an advisory body to the Commission, focusing on three areas of work: the development of appropriate services to meet needs; dealing with the past; and building for the future.

The Victims and Survivors Service Limited is the delivery vehicle within this arrangement, responsible for providing support to individuals and groups by commissioning appropriate services and distributing funding in response to assessed and agreed need.

During 2015-16, the Victims and Survivors Service Limited participated in the meetings and working groups listed below. This engagement was undertaken in order to maintain and improve relationships with these partner organisations and groups, in the interest of delivering better services for victims and survivors.

The Monthly Trilateral Meeting

The Monthly Trilateral Meeting was established in 2012-13 and continues to facilitate ongoing communication and information-sharing between The Executive Office, the Commission for Victims and Survivors, and the Victims and Survivors Service Limited.

Table 2 below lists the attendees of the Monthly Trilateral Meeting.

Table 2: Monthly Trilateral Meeting Members

Name	Organisation	Position
Margaret Bateson	Victims and Survivors Service Limited	Chief Executive and Accounting Officer
Brendan Smith	Victims and Survivors Service Limited	Head of Corporate Services
Geraldine Hamilton	Victims and Survivors Service Limited	Head of Health and Well Being
Caroline Armstrong	Victims and Survivors Service Limited	Finance and Governance Manager
John Beggs	Commission for Victims and Survivors	Secretary to the Commissioner
Peter Mann	Commission for Victims and Survivors	Policy Officer
Patricia McIntyre	Victims and Survivors Unit, The Executive Office	Principal, Finance, Strategic Planning & Social Change
Marie Matthews	Victims and Survivors Unit, The Executive Office	Deputy Principal, Finance, Strategic Planning & Social Change
Linda Mervyn	Victims and Survivors Unit, The Executive Office	Deputy Principal, Finance, Strategic Planning & Social Change

The Forum Services Working Group

The Forum Services Working Group is a sub-group of the Victims and Survivors Forum. The Forum is convened by the Commission for Victims and Survivors to enable consultation and discussion with victims and survivors of the Conflict/Troubles. The Forum currently consists of 23 members, all of whom meet the definition of a victim as detailed in the Victims and Survivors (Northern Ireland) Order 2006.

The Forum Services Working Group meets on a regular basis to discuss the provision of services and funding for victims and survivors, and the levels of satisfaction in relation to service delivery. On occasion, The Victims and Survivors Service Limited and/or a Victims and Survivors Service Limited Board member is invited to attend these meetings, to update the Forum Services Working Group on current developments and to take the Working Group's feedback on an ongoing basis.

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The Victims and Survivors Service Limited met the Forum Services Working Group three times in 2015-16. This engagement has been invaluable to the Victims and Survivors Service Limited Board and Senior Management team of the Victims and Survivors Service Limited in hearing the views of victims and survivors and taking these into account when making decisions on the allocation of funding and support.

The Victims and Survivors Practitioners' Working Group

The Victims and Survivors Service Limited convenes the Victims and Survivors Practitioners' Working Group. This Working Group is a forum of practitioners from the statutory and community/voluntary sectors who work in the trauma field, initially piloting in the Belfast area.

The aims of the Victims and Survivors Practitioners Working Group are:

- To provide community/voluntary/statutory perspectives on working with victims and survivors of the Troubles
- To share/improve good practice to benefit service providers and users
- To support collaborative working
- To provide Victims and Survivors Service Limited with evidence of needs of victims/survivors
- To assist Victims and Survivors Service Limited understanding of the barriers to participation
- To enable effective signposting of users to services
- To inform policies and strategies relevant to support for victims and survivors

A review of the operations of the Victims and Survivors Practitioners Working Group was undertaken in September 2015. As a result, the structure of the Working Group was changed to provide three Regional Working Groups based in Belfast, the North West and the Southern area of Northern Ireland.

A revised Terms of Reference for each Victims and Survivors Practitioners Working Group was agreed with practitioners. A key change reflected in the Terms of Reference is that the Victims and Survivors Practitioners Working Groups focus on strategic rather than operational issues of concern to the Victims and Survivors Sector. In addition, the Victims and Survivors Practitioners Working Groups are project-led with each Victims and Survivors Practitioners Working Group developing an Action Plan to deliver priority projects. As examples the Southern Region Victims and Survivors Practitioners Working Group produced an Advice Paper on monitoring and evaluation of social support work within Victims and Survivors sector and the Belfast Victims and Survivors Practitioners Working Group directly contributed to a CVS Policy Paper on resilience work within Victims and Survivors sector.

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The meetings of Victims and Survivors Practitioners Working Groups held in 2015-16 are listed in Table 3 below.

Table 3: Victims and Practitioners Working Groups Meetings

Victims and Survivors Practitioners Working Group	Meetings Held
Belfast	14 April 2015
	11 June 2015
	15 September 2015
	28 January 2016
Southern Region	20 October 2015
	26 November 2015
	29 January 2016
	24 March 2016
North West Region	20 October 2015
	18 November 2015
	27 January 2016
	23 March 2016

External Stakeholders

In addition to the partnership-level stakeholders discussed above, the Victims and Survivors Service Limited has a large number of external stakeholders. Most important among these are victims and survivors themselves, and the organisations that have emerged over the past number of years to deliver dedicated services and support for them, funded by The Executive Office.

Maintaining and further developing and improving relationships with these stakeholders continues to be a key priority for the Victims and Survivors Service Limited.

Strategic Developments Impacting Programmes Delivery and Stakeholder Engagement

The Victims and Survivors Service Limited is working to continually improve the services and support that it delivers to victims and survivors. The Victims Practitioners Working Groups as outlined above, in conjunction with an on-going programme of collaborative design is instrumental in taking forward this work.

Victims and Survivors Service Limited Co-Design Programme (Ongoing)

The Collaborative Design Programme, led by The Executive Office in conjunction with the Commission for Victims and Survivors and the Victims and Survivors Service Limited, was established in early 2015 to take forward a new innovative partnership approach to design improved 'client centred' services and support to victims and survivors.

To date incremental improvements have been made with the aim of having a revised service delivery model for victims and survivors from April 2017.

Significant work and improvements have been made on the following:

- Stakeholder Engagement Programme with the Victims Sector;
- Pilots on Personalised Budgets, Case Worker Approach and Revised Assessment Tool;
- Outcomes focused Monitoring and Evaluation Framework;
- Partnership and Collaborative Working across the Sector;
- Review of the Victims and Survivors Strategy; and
- Workforce training and development plan.

The Stormont House Agreement (SHA) in December 2014 also included a number of commitments which specifically related to victims and survivors namely:

- Establishment of Mental Trauma Service;
- Development of a Pension for the Severely Injured;
- Access to Advocate Counsellor Assistance; and
- High Quality Services (including Funding Outside the Jurisdiction).

During 2015, the Department brought forward initial discussion papers on each of the victims' commitments at the request of Stormont House Implementation Group (SHIG) prior to the publication of "A Fresh Start" in November 2015. "A Fresh Start" advises that the UK and Irish Governments are reflecting on options for a process to enable the outstanding legacy issues to be resolved. The outcomes arising from these discussions and key policy areas will also need to be considered and used to inform the future direction of travel for the new victims and survivors service delivery model.

Additionally significant work has been undertaken on the key independencies which will influence the strategic direction to the delivery of support and services for victims and survivors namely the PEACE IV Programme and Welfare Reform.

The Victims and Survivors Limited Co-Design Programme Team members are listed in Table 4 below.

Table 4: Victims and Survivors Limited Co-Design Programme Team Meeting

Name	Organisation	Position
Ricky Irwin	Victims and Survivors Unit, The Executive Office	Director, Equality Victim, Human Rights and Developing Social Change
Patricia McIntyre	Victims and Survivors Unit, The Executive Office	Head of Victims Unit
John Beggs	Commission for Victims and Survivors	Secretary to the Commissioner
Adrian McNamee	Commission for Victims and Survivors	Head of Policy
Margaret Bateson	Victims and Survivors Service Limited	Chief Executive and Accounting Officer
Bertha McDougall	Victims and Survivors Service Limited	Board Member
Geraldine Hamilton	Victims and Survivors Service Limited	Head of Health and Well Being Services
Brendan Smith	Victims and Survivors Service Limited	Head of Corporate Services

From early 2015, there has been extensive engagement with the sector on how services can be improved including 3 collaborative design workshops held by the Department, in conjunction with the CVS and the Victims and Survivors Service Limited.

By 31 March 2016 the Co-Design Programme team had also met five times.

Statement on Performance

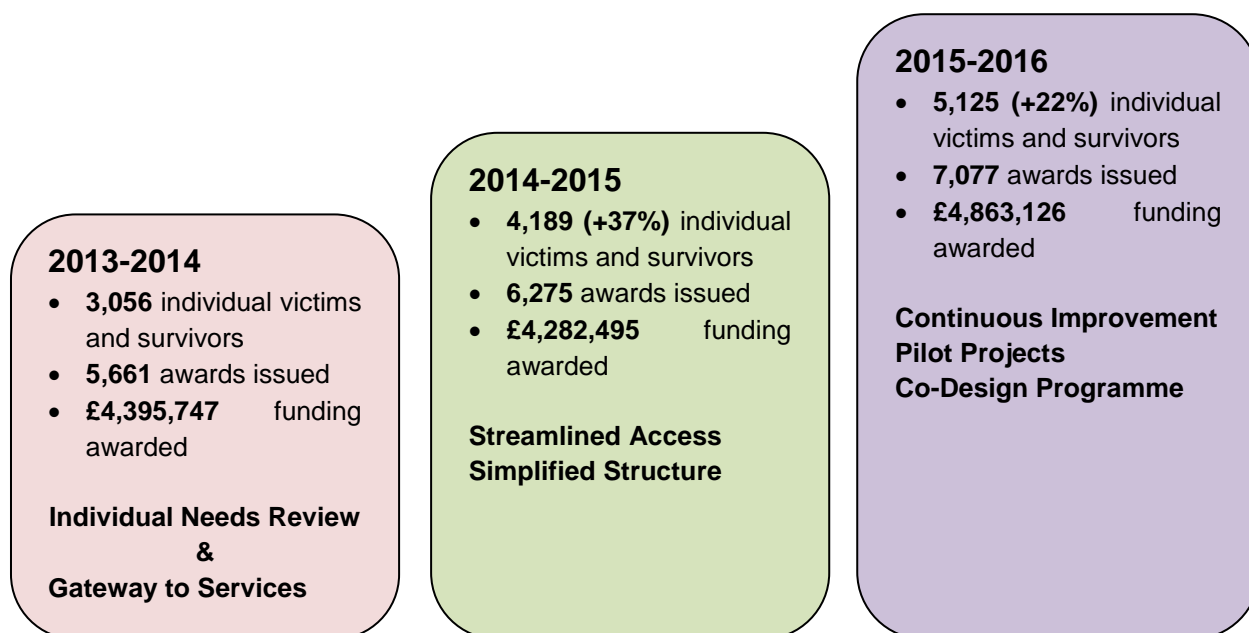
The overview above outlines the changing strategic context within which the Victims and Survivors Service Limited is operating.

A number of operational challenges have been faced this year, the most significant being the continuing increase in the numbers of victims and survivors coming forward for support and the sustainability of current service delivery models.

Strategic Report for the year ended 31 March 2016

A stable budget position for 2015-16 was welcomed. However, the growing levels of demand, illustrated in Diagram 2 below, presented challenges for individual victims and survivors in addition to pressures internally on staff within the Victims and Survivors Service Limited and our partners in the community and voluntary sector.

Diagram 2: Level of Demand



Financial Performance

Payments to Suppliers

The Victims and Survivors Service Limited is committed to the prompt payment of bills for goods and services received in accordance with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998 as amended. The Victims and Survivors Service Limited follows Dear Accounting Officer (Department of Finance and Personnel) (DAO) 12/08 *Supporting Businesses prompt payment of Invoices* which introduced a prompt payment of ten days, with effect from December 2008.

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Table 5 below shows the average number of days taken to pay invoices in each month over the year 2015-16.

Table 5: Payments 2015-16

Month	Percentage of invoices paid within 10 days	Percentage of invoices paid within 30 days	Average days taken to pay invoices per month
Apr-2015	77%	99%	11
May-2015	68%	99%	10
Jun-2015	77%	97%	13
Jul-2015	89%	97%	10
Aug-2015	74%	97%	12
Sep-2015	78%	95%	17
Oct-2015	64%	98%	12
Nov-2015	90%	99%	8
Dec-2015	64%	91%	16
Jan-2016	82%	99%	7
Feb-2016	88%	97%	8
Mar-2016	82%	96%	12

Overall for 2015-16, 79% of invoices were paid within 10 days and 97% within 30 days. On average 11 days were taken to pay invoices during 2015-16. This is a significant improvement on 2014-15 when 47% were paid within 10 days, 95% within 30 days and an average of 13 days overall.

Financial Position and Resources

The Victims and Survivors Service Limited is funded by its sponsor Department, The Executive Office. This is financed by resources voted annually by the Assembly. It is, therefore, not exposed to significant liquidity risks. In addition, the Victims and Survivors Service Limited does not access funds from commercial sources and so is not exposed to significant interest rate risks.

Strategic Report for the year ended 31 March 2016

The Executive Office has indicated that it intends to continue to fund the organisation for the foreseeable future and has provided indicative budgets to the end of the financial year 2016-17. The organisation has the staff resources required to achieve its current business objectives and has a proposed staffing structure with consideration currently being given regarding the Senior Management Team and future business objectives.

The opening budget position for 2015-16 was communicated to the Victims and Survivors Service Limited in January 2015 as £13.245m. Following the June 2015 Monitoring Round, this position was increased to £13.361m. At that time, a capital budget of £116k was allocated in respect of the proposed new Management Information System (MIS).

A further £331k was allocated following the November 2015 Monitoring Rounds primarily to alleviate budget pressures on the Individual Needs Programme in relation to new clients coming forward across all schemes and to support trauma training as part of the Workforce Training Plan.

The Victims and Survivors Service Limited planned to procure a new Management Information system in 2015-16. However, this was deferred pending discussions at Co-Design regarding service delivery models. An easement of £9k was, therefore, declared in the January 2016 Monitoring Round.

The financial results for the period as set out on page 84 indicate that the company had grant in aid budget allocation of £13,683,000.

The Statement of Financial Position on page 85 shows the company had net assets of £577,964 as at 31 March 2016, and cash at bank of £841,109.

Staff Report

Senior Civil Service Staff

The Victims and Survivors Service had no senior civil service (or equivalent) staff in 2015-16

Staff Composition

The table below illustrates the breakdown of staff by gender and grade.

Table 6: Breakdown of Victims and Survivors Service Limited Board and staff by gender and grade

Board		Grade 6 (SMT)		DP (SMT)		SO		EO1		EO2		AO	
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
4	3	0	1	1	1	1	9	0	2	1	1	5	4

The overall breakdown of staff is 12 male and 21 female.

Absence Data

Table 7 below shows the sick absence results for the Victims and Survivors Service Limited for the year ended 31 March 2016.

Table 7: Sickness Absence

	Working days lost 2015-16	Average days lost per WTE member of staff
Including long-term absence	337	13.87*
Excluding long-term absence	81	3.33*

*Based on an average WTE of 24.3 permanent employees over the full year.

This compares to 291 days absence (including long term absence) in 2014-15, an average of 12.32 working days lost per member of staff during that period.

Excluding long term absence, this compares to 82 days absence in 2014-15, an average of 3.45 working days lost per member of staff during that period.

Employee Policies

The Victims and Survivors Service Limited is committed to the development of its staff and to policies that enable them to contribute to the performance and long-term effectiveness of the organisation.

In particular the company:

- Follows the Northern Ireland Civil Service policy that all eligible persons have equal opportunity for employment and advancement on the basis of their ability, qualification and aptitude for work;
- Gives equality of opportunity when considering applications from disabled persons, in compliance with all existing legislation in regard to disabled employees;
- Recognises the benefit of keeping employees informed of the progress of the business and of involving them in the company's performance through regular Staff Planning days and briefings; and
- Regularly provides employees, through meetings and notices, with information regarding the external factors affecting the performance of the company and other matters of concern to them.

Specific staff policies which are in place include:

- Disabled Persons

The Victims and Survivors Service Equal Opportunities policy applies to the employment of people with a disability. The Victims and Survivors Service is committed to ensuring that its policies and practices comply with the requirements of the Disability Discrimination Act 1995.

- Equal Opportunities

As an Equal Opportunity employer the Victims and Survivors Service is fully committed to the elimination of all forms of discrimination, harassment and victimisation. It has an obligation under Fair Employment legislation to ensure that it carries out its various functions having due regard to the need to promote equality of opportunity.

- Employee Involvement

The Victims and Survivors Service places considerable reliance on engagement and involvement of its employees. It makes every effort to ensure that staff are kept informed of plans and developments through a formal team briefing process, staff brief, intranet, circulars and publication of corporate and business plans.

- Learning and Development

During 2015-16 there was significant emphasis on improving leadership and management. A high uptake of learning & development opportunities was maintained across the Victims and Survivors Service.

Strategic Report for the year ended 31 March 2016

- Health and Safety

The Victims and Survivors Service is committed to applying all existing health and safety at work legislation and regulations to ensure that staff and visitors enjoy the benefits of a safe environment.

Expenditure on Consultancy

The Victims and Survivors Service spent £0 on consultancy in 2015-16.

Off-Payroll Engagements

The Victims and Survivors Service Limited does not have any 'off-payroll' engagements at a cost of over £58,200 per annum during 2015-16.

Exit Packages

There were no redundancies or ill health retirements costs in the year to 31 March 2016.

Performance against Business Plan Objectives

The principal activities of the Victims and Survivors Service Limited in this year have been outlined above. In addition, the objectives and **47** key performance indicators were agreed with The Executive Office.

Strategic Report for the year ended 31 March 2016

The achievement of these targets was monitored on a monthly basis and as at 31 March 2016, summary progress against all **47** targets was as follows:

Achievement Status		Number of Targets	Status Description
BLUE		44	Completed
GREEN		1	Achieved or on track for delivery
GREEN/AMBER		0	Broadly on track and there is <i>justifiable</i> confidence of getting close to targeted outcomes
AMBER		2	Progress less than planned. Significant doubt around the achievement of targeted outcomes
RED		0	Commitments not achieved or not expected to be achieved within the current PfG period

Further details are outlined in [Appendix 2](#).

Key progress in 2015-16 against these key objectives is outlined below. Specific risks and issues managed throughout the year in order to achieve these objectives are outlined on page 56. In addition, the key issues and risks facing The Victims and Survivors Service Limited are also disclosed in the Governance Statement on page 49.

Performance Analysis

The Victims and Survivors Service Limited is responsible for delivering funding and resources for victims and survivors in two key ways:

- 1. The Victims Support Programme (2013-16)** provides funding to organisations to enable them to deliver services and support to victims and survivors. This Programme is delivered in two streams: funding for Health and Wellbeing services, and funding for Social Support services.
- 2. The Individual Needs Programme (2015-16)** delivers funding and funded services directly to individuals who have been affected by Conflict/Troubles related incidents in the following ways:

Strategic Report for the year ended 31 March 2016

- Individuals who have been **physically or psychologically injured** and the injury has an ongoing impact in their day-to-day life;
- Individuals **bereaved** of a parent, child, or spouse/partner; and/or
- Individuals who **care** for someone who has been injured, for 35 hours or more per week.

Over the year 2015-2016, the Victims and Survivors Service Limited delivered support to a total of 5,125 individuals through the Individual Needs Programme, and to **12,266** individuals engaged with services provided by the 64 groups supported through the Victims Support Programme. This is outlined further in the review of activities below.

VICTIMS SUPPORT PROGRAMME (2013-16)

Aims and Objectives of the Victims Support Programme

Over the whole period 2013-16, funding was delivered to organisations under the Victims Support Programme in two ways:

1. Grants to applicant organisations who applied **before** 17 December 2012 (Usually for more than £75,000 per annum)
2. Grants to applicant organisations who applied **after** 17 December 2012 (Maximum award £75,000 per annum)

As outlined above, these grants fund Health and Wellbeing and Social Support services delivered by the applicant organisations. The aims and objectives of the Health and Wellbeing and Social Support funding streams are detailed in Table 8 below.

Table 8: Aims and Objectives of the Health and Wellbeing and Social Support Programmes

Health and Wellbeing	
Aim	<ul style="list-style-type: none"> To contribute to the wellbeing of victims/survivors by providing treatment and/or care appropriate to the individual
Objectives	<ul style="list-style-type: none"> To provide packages of treatment or care designed for specific individuals To provide high quality care for individuals through direct support and referrals to organisations that work to professional best practice standards To monitor progress made by individuals
Social Support	
Aims	<ul style="list-style-type: none"> To support and maintain the resilience of victims and survivors To assist victims and survivors to address the legacy of the past To assist victims and survivors to build a shared and better future
Objectives	<ul style="list-style-type: none"> To provide a two-year funding programme from 1 April 2013 to 31 March 2015 (reviewed after year 1) for services and activities aimed at group activity and informal engagement with victims and survivors To provide services and activities to support the needs of individual victims and survivors for which there is an evidence base and using best practice standards To monitor and evaluate progress made by individuals

Applications to the Victims Support Programme in 2015-2016

In 2015-16, the Victims and Survivors Service Limited delivered grant funding to 64 organisations: Large Grants to 40 organisations across the region and Small Grants to a further 24 organisations.

Access to the Victims Support Programme for the period 2013-2015 was by paper application. This involved applicant organisations providing evidence as to:

1. How their proposed projects met the aims and objectives of the Victims Support Programme; and
2. How their proposed activities met an evidenced need among victims and survivors who would access the funded services.

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In December 2014, a one year extension was offered to Victims Support Programme organisations to continue delivering their services into 2015-2016, subject to the achievement of key objectives and the provision of monitoring and evaluation information. This would provide a further year for Co-Design consultation and to align a new Victims Support Programme with the opportunities presented by Peace IV.

In December 2015 and January 2016, the Victims and Survivors Service Limited was able to make further funding available to VSP funded groups for additional critical health and wellbeing support to alleviate waiting lists and reduce risks in counselling and complementary therapies, purchase much needed capital equipment as well as additional Social Support activities.

For a full list of organisations in receipt of funding through the Victims Support Programme, please refer to the Victims and Survivors Service Limited website – www.vssni.org

Monitoring and Evaluation

Since December 2014, the Victims and Survivors Service Limited has been developing an outcomes based monitoring and evaluation framework in consultation with the sector.

During 2015-16, this started to become operational and in October 2015, the Victims and Survivors Service Limited established a dedicated Monitoring and Evaluation and MIS team to take this forward.

This has initially focused on Health and Wellbeing programmes.

MYMOP (Measure Yourself Medical Outcome Profile)

Following a period of scoping and engagement, in November 2015 MYMOP was implemented for all organisations delivering complementary therapies. MYMOP is a client-generated, or individualised, outcome questionnaire. It is problem-specific but includes general wellbeing and is applicable to all clients presenting with symptoms, whether these are physical, emotional or social.

A MYMOP training workshop was held in December 2015 for all the Victim and Survivors Service Limited funded organisations delivering complementary therapies to victims and survivors.

The prototype of the Victims and Survivors Service Limited MYMOP version went out to consultation with organisations during December 2015 with feedback received and incorporated into the final version which went live at the beginning of January 2016.

CORE Net - Clinical Outcomes in Routine Evaluation

CORE Net is a web-based system to record outcome measures which monitors the progress of individuals accessing counselling services.

In February 2016, a Hearts and Minds workshop was delivered to all organisations delivering counselling services. The workshop was an introduction to outcome measurement in the counselling practice and outlined the benefits of CORE measurement to the client and to the practitioner.

In March 2016, CORE Net training was delivered to representatives from each counselling organisation with the view to cascading the training throughout their own organisation. Following on from the training, a CORE Net test/pilot site was made available to all organisations and their practitioners. The site allows organisations and practitioners to explore the system and use it as a practice/training tool in preparation for the live CORE Net site which was implemented in August 2016.

Measuring Outputs

Whilst Monitoring and Evaluations systems are currently going through a transition period, the existing monitoring tools continued to be operational, enabling the Victims Survivors Service Limited to continue to collect quantitative information in relation to the implementation of the Victims Support Programme.

7,955 unique individuals access 24,389 Social Support Interventions, including respite support, befriending, information and formal classes, drop-in and outreach support services, welfare advice, advocacy support and youth activities, were accessed by clients/members of funded organisations. It should be noted however, that this does not represent unique individuals accessing services.

In addition, a total of **4,311 unique** individuals accessed health and wellbeing services, with **2,703** individuals accessing counselling support and **3,704** individuals accessing complementary therapies throughout the year.

INDIVIDUAL NEEDS PROGRAMME (2015-2016)

Aims and Objectives of the Individual Needs Programme

The aims and objectives of the Individual Needs Programme are detailed in Table 9 below.

Table 9: Aims and Objectives of the Individual Needs Programme

Individual Needs Programme	
Aims	<ul style="list-style-type: none">• In line with Health and Wellbeing and Social Support, as per the Victims Support Programme
Objectives	<ul style="list-style-type: none">• To provide services and packages of support that respond to the individual's needs, on the basis of confirmed eligibility for services under the Programme• To monitor progress made by individuals

The Individual Needs Programme was made available to victims and survivors who:

- a) have been **physically or psychologically injured** and the injury has an ongoing impact in their day-to-day life;
- b) have been **bereaved** of a parent, child, or spouse/partner; or
- c) **care** for someone who has been injured, for 35 hours or more per week.

Background to the delivery of the Individual Needs Programme 2015-2016

The Individual Needs Programme 2015-2016 was delivered within the context of the ongoing Co-Design Programme (see page 15 above), which aims to address a range of issues in consultation with the sector's key stakeholders, in order to deliver improved services for victims and survivors. To ensure continuity of service provision and to manage client and stakeholder expectations during this period of ongoing consultation, the Individual Needs Programme 2015-2016 was delivered in line with the previous year's Programme framework.

Taking the above into account, Table 10 below outlines the support that was made available to individuals through the Individual Needs Programme 2015-2016.

Table 10: The Delivery of the Support Schemes and the Financial Assistance Scheme within the Individual Needs Programme 2015-16

Scheme	Support available	Eligible individuals
SUPPORT SCHEMES		
Education & Training	Assistance of up to £500 towards the cost of education and training.	Limited to existing clients engaged in long-term accredited courses to which Victims and Survivors Service Limited had previously committed support. Closed to new applicants.
Care for Carers	A cash payment of £500.	<ul style="list-style-type: none"> • Primary carers of individuals living with injuries.
Support for the Injured 1	Assistance of up to £500 towards the costs of services, aids, and adaptations used by people living with injuries.	<ul style="list-style-type: none"> • Individuals who receive DLA Middle Rate Care Component (or equivalent level of benefit) as a result of physical and/or psychological injuries from a Conflict/Troubles-related incident.
Support for the Injured 2	Assistance of up to £1,500 towards the costs of services, aids, and adaptations used by people living with injuries.	<ul style="list-style-type: none"> • Individuals who receive DLA High Rate Care Component (or equivalent level of benefit) as a result of physical and/or psychological injuries from a Conflict/Troubles-related incident.
Support for the Injured 3	Assistance towards the costs of services that help individuals to manage chronic pain.	<ul style="list-style-type: none"> • Individuals living with injuries (both psychological and physical) who have previously been assessed, and their associated treatment plans specific to chronic pain needs extended.
Support for the Bereaved	Assistance of up to £500 towards costs associated with respite breaks, home heating, or complementary therapies.	<ul style="list-style-type: none"> • Bereaved partners/spouses, bereaved parents, or children who have lost a parent.
Disability Aids (Pilot)	Assistance towards the costs of disability aids and adaptations	<ul style="list-style-type: none"> • Individuals living with physical injuries
FINANCIAL ASSISTANCE SCHEME		
Financial Assistance	Direct financial assistance offered to certain individuals on the basis of a financial means test: cash payment of £820.	<ul style="list-style-type: none"> • Individuals living with injuries. • Carers of individuals living with injuries. • Bereaved partners/spouses, bereaved parents, or children who have lost a parent.

Application Process: Support Schemes

As in 2014-2015, the Victims and Survivors Service Limited sought to deliver the Support Schemes in 2015-2016 with minimum delay and bureaucracy for individual victims and survivors. Access to the Support Schemes was managed as follows:

- **Existing clients** whose eligibility for the relevant Schemes had already been determined were contacted directly and issued with Award Letters. This correspondence was streamlined and improved on the basis of lessons learned in previous years and in consultation with the Commission for Victims and Survivors.
- **New clients** were invited to complete a simple Registration Form and provide the relevant supporting information to confirm their eligibility for the Schemes. Award Letters were issued on receipt of the completed Registration Form and supporting documentation, confirmed eligibility and budget availability.

In 2015-16 the Victims and Survivors Service Limited was able to support clients in cases where all relevant supporting documentation was received by 31 March 2016.

Application Process: Financial Assistance

As in previous years, this Scheme is the only means-tested measure within the Individual Needs Programme. The sole exception to the means-testing rule is in relation to those Seriously Injured applicants who could provide evidence that they were in receipt of Disability Living Allowance High Rate Care Component or the equivalent as a result of Conflict/Troubles-related injuries.

The *Strategic Report for the year ended 31 March 2015* outlined the process and subsequent issues associated with delivering *Financial Assistance* in two phases in 2014-2015. In light of this experience, and on the basis of recommendations made by the *Independent Assessment of the Victims and Survivors Service Limited* (Commission for Victims and Survivors, February 2014), steps were taken in 2015-2016 to further reduce bureaucracy and improve the client-centred approach to delivering this Scheme as follows:

- **The Self Declaration process introduced for existing clients in 2014-2015 was continued.** This allowed previous recipients of the Scheme to advise the Victims and Survivors Service Limited whether or not their financial circumstances had changed, and to access the Scheme using tailored paperwork on that basis. For clients whose circumstances were unchanged, access to the Scheme was by signing a Self Declaration form confirming this; for clients whose circumstances had changed, and for new applicants, access to the Scheme was by full application subject to the financial means test.

- **Information was publicised in relation to the Scheme's structure and application period.** The Victims and Survivors Service Limited made it known via communication issued to clients and via its website and funded organisations that the *Financial Assistance Scheme* would remain open for applications for a six-week period, after which it would close on a stated deadline. It was also explained that the total budget for the Scheme would be divided equally between all eligible applicants.

In order to minimise delays for eligible applicants, as Self Declarations and applications were received and assessed the Victims and Survivors Service Limited issued an initial payment of £500 in each case. Once all eligible applications had been assessed, it was established that the remaining budget would allow for a second payment of £320 in each case, bringing the total value of the award to £820. In 2015-2016 the total award was of a lesser value than that made in previous years due to the increased level of demand for support under this Scheme. The Victims and Survivors Service Limited anticipated potential frustration from clients on account of this; however, no significant issues were raised and the payments were positively received in general. This may have been in part due to the relatively quick payment turnaround time facilitated by the streamlined access via Self Declaration, which reduced both:

- the volume of internal processing required to deliver the Scheme; and
- the volume of client queries regarding the Scheme's paperwork, and the associated resources required to handle this client engagement.

The Victims and Survivors Service Limited successfully issued the second and final payment on target by 11 July 2015.

Spot Check of Applications for Financial Assistance made by Self Declaration

In 2015-2016 the Victims and Survivors Service Limited was required by The Executive Office to conduct a 10% spot check in relation to the use of Self Declarations, to ensure that the Scheme's requirements continued to be met. The *Annual Governance Statement for the year ended 31 March 2015* explained the background to this control, and the reason for its suspension in 2014-2015, namely, the need to minimise distress and confusion for clients following the postponement and reduction of certain Schemes within the reduced budgetary and staffing environment at that time.

The 10% spot check involved contacting individuals that applied via Self Declaration to request up to date bank statements and details of income and outgoings, to enable a full means test calculation. The detailed findings of the spot check are outlined in the Governance Statement on page 66.

Implications for the delivery of Financial Assistance in 2016-2017

The spot check demonstrated a need for a significant change to the delivery mechanism for this Scheme. An Options Paper was prepared by the Victims and Survivors Service Limited, and presented to the Co-Design Programme, the Victims and Survivors Service Limited Board and Audit and Risk Committee and a hybrid mechanism was agreed which would balance the need for a victim-centred approach with the need to meet the relevant regularity governance requirements by ensuring that payments are made for the purposes intended by the Northern Ireland Assembly.

In 2016-2017, this approach was implemented as follows:

- Where the Victims and Survivors Service Limited has on record that the client is in receipt of indefinite or current Disability Living Allowance High Rate Care Component or the equivalent, no further information was requested. Updated information was sought for those not on indefinite or current awards.
- For existing clients in receipt of state benefits, as these individuals have already been means tested by the Department for Communities, only a Self Declaration was required along with up to date supporting information to demonstrate their current benefit allowance. This group relates to approximately 80% of applicants to the Scheme.
- For existing clients in employment or in receipt of a pension, a Self Declaration was sought, requesting supporting information to show the household income and outgoings. This group relates to approximately 20% of applicants to the Scheme.

In designing the Scheme's paperwork, i.e. Application and Self Declaration Forms, the Victims and Survivors Service Limited consulted with the Commission for Victims and Survivors and with experienced welfare officers within the sector. This approach is considered proportionate and satisfactory from a governance perspective.

Pilot Projects delivered as part of the Individual Needs Programme

Within the broader context of the Co-Design Programme, the Victims and Survivors Service Limited implemented a number of pilot measures under the Individual Needs Programme to test new ways of delivering support that are flexible and responsive to individual needs.

PILOT 1: Personalised Budget and Caseworker Approach

The Personalised Budget and Caseworker Approach Pilot officially commenced on 23 July 2015. Its key feature is facilitated client engagement via designated Caseworkers with relevant skills and experience, to explore individual needs and support access to services via not only the Individual Needs Programme, but also via signposting and referral to Victims Support Programme organisations and other appropriate service providers. The overall aim of this process was to deliver an improved client experience and ready access to relevant support and services, including by approving more flexible use of awards available to the client under the Individual Needs Programme.

This Pilot created an important opportunity for pursuing the Victims and Survivors Service Limited's corporate objective: 'Strengthening the Network', by developing a bank of 18 Caseworkers based within the organisations funded under the Victims Support Programme. Two further Caseworkers based within the Victims and Survivors Service Limited coordinated the delivery of the Pilot.

Client engagement was facilitated using an *Individual Needs Consultation* form proposed by the Commission for Victims and Survivors, designed to capture the individual's needs and document proposed solutions. The team of Caseworkers collaboratively reviewed and adapted this to establish and agree an assessment process for the Pilot.

Personalised Budget and Caseworker Approach – Evaluation of Outcomes and Impact

CVS commissioned PACEC (Public and Corporate Economic Consultants) to independently evaluate the Pilot. The Final Report was published in February 2016. At that time, 18 Caseworkers and 410 clients had participated in the Pilot.

The overall findings suggest that the Pilot was successful in meeting both the expectations of service users and the guiding principles. Pilot participants provided positive feedback on all three aspects of the pilot, namely:

- The personalised budget approach and the flexibility this offered;
- The Case Worker approach and the support received; and
- The assessment of their needs through the Individual Needs Consultation.

Strategic Report for the year ended 31 March 2016

Based on the feedback and evaluation, the Personalised Budget and Caseworker Approach Pilot continues in 2016-2017. At the time of preparing this report, the network of Caseworkers based in Victims Support Programme organisations has grown considerably from 18 in 2015-2016 to 28. The increased appetite for this needs-led approach within organisations underlines its success and relevance, and in light of this the format and mainstream implementation of this approach is part of the 2016-17 Co-Design work programme.

PILOT 2: Disability Aids Pilot Scheme

The Victims and Survivors Service Limited is committed to continually improving its understanding of the needs of victims and survivors, and to finding better ways to meet those needs. The Disability Aids Pilot Scheme was implemented by the Victims and Survivors Service Limited over the period one February 2016 – 31 March 2016 as an extraordinary measure under the Individual Needs Programme. It was launched in direct response to needs being expressed by victims and organisations who support victims, which exceeded current provision under the Support for the Injured Scheme.

The Pilot aimed to assess an individual's needs with the objective of enhancing and/or maintaining independent living, quality of life, and improved health and wellbeing of victims and survivors living with Conflict/Troubles-related injuries. It sought to:

- Understand the needs of individuals in relation to physical aids and adaptations;
- Remove or resolve barriers limiting access to statutory support; and
- Provide, where appropriate, equipment that is deemed to be of a specification that enhances quality of life but avoids duplication and is not currently funded under the provision of the National Health Service or other statutory bodies.

In January 2016, the Victims and Survivors Service Limited established the boundaries within which the pilot would operate. At the same time, a designated records system was established in line with Data Protection Principles, and relevant paperwork to support the delivery of the Pilot was developed, including templates to facilitate necessary engagement with clients' General Practitioners. An Occupational Therapist and Fold Housing Association were procured and appointed to carry out assessments of clients in their home environment to ensure the provision of any equipment or any recommendation for adaptations was safe and appropriate.

A total of 36 individual victims and survivors came forward to discuss their specialised disability needs under the Pilot. Table 11 below outlines the allocation of the dedicated budget to the 28 individual applications which progressed to awards under the Pilot Framework.

Table 11: Applications to the Disability Aids Pilot Scheme 2015-2016

	Number of Individuals	Value
Applications progressed to award	28	
Applications not eligible / not progressed to award	5	
Applications deferred to 2016-2017 pending further information	3	
TOTAL	36	£84,568

Disability Aids Pilot Scheme – Evaluation of Outcomes and Impact

In June 2016, the Victims and Survivors Service Limited conducted an internal evaluation of the Pilot, to inform the long term sustainability of this model. The evaluation report identified key challenges associated with the delivery of the Pilot, specific positive outcomes and long-term impacts, and learning for future engagement with housing and structural adaptations providers in the interests of victims and survivors.

Notable positive outcomes identified included:

- Improved quality of life for victims and their families. Specific examples reported by participants included: improved mobility, enhanced independence, and enhanced capacity to engage in meaningful and productive activity.
- Partnership and collaboration between Caseworkers based in the Victims and Survivors Service Limited, and those in funded organisations, re-affirming the value and relevance of the Caseworker Approach.
- The creation of a depository of knowledge and peer support in relation to understanding challenges associated with living with disabilities and relevant solutions to the same.

A specific long-term benefit delivered by the Pilot was the facilitated engagement/re-engagement of a number of individual victims and survivors with statutory services in order to have certain aspects of their needs met. These clients are now more meaningfully engaged or re-engaged with the National Health Service, and are no longer reliant on the Victims and Survivors Service Limited to meet all of their needs.

The evaluation report was presented to the Co-Design Programme Team, with the recommendation that the Pilot should continue to be delivered as a core activity under the Individual Needs Programme 2016-2017.

Awards and Payments made under the Individual Needs Programme 2015-2016

Under the Individual Needs Programme 2015-16, the Victims and Survivors Service Limited issued 5,125 individuals with Award Letters.

The final outturn of the Individual Needs Programme in 2015-16 was £4.86m. Table 12 below outlines the total number of awards and the values of payments made to individuals.

Table 12: Awards and Payments made under the Individual Needs Programme in 2015-16

Scheme	Number of Awards made	Value of Payments £'000
Disability Aids	28	85
Education and Training	24	7
Financial Assistance	2,670	2,186
Support For Carers	511	248
Support for the Injured	1,204	1,111
Support for the Injured (Chronic Pain)	45	26
Support for the Bereaved	2,595	1,200
TOTALS	7,077	4,863

7,077 awards were issued to 5,125 individuals.

Individual Needs Programme

- The Victims and Survivors Service Limited engaged directly with individual victims and survivors to make available to them appropriate services and support. As at 31 March 2016, the Victims and Survivors Service Limited had engaged with 5,125 individuals in this way.
- The Victims and Survivors Service Limited exceeded its target figures for the delivery of support to individuals under the Individual Needs Programme.

The Victims and Survivors Service Limited continues to engage with, listen to, and provide support to individuals on a daily basis.

7,077 awards were made for support representing 5,125 individuals receiving support through the *Support for the Injured, Bereaved, Carers* or *Financial Assistance* Schemes.

During 2015-16, telephone calls averaged 480 per week, and on average 106 individuals called into the Victims and Survivors Service Limited in person per week.

Victims Support Programme

- Over the period April 2015 to March 2016, the Victims and Survivors Service Limited delivered funding to a total of 64 groups, the majority of which will continue to receive funding in 2016-17 with the extension of the Programme for a period of one year.
- Due to additional funding becoming available later in the year, additional support was made available to organisations through open calls for additional health and wellbeing, training, capital and social support activities.
- The delivery of Befriending and Befriending Coordinator Training was delivered to 19 organisations.
- Following significant research and a review of skills and capacity, a Workforce Training Plan to enhance their skills and capacity was developed for delivery in 2015-16. This has been continued into 2016-2017 with a focus on widening opportunities to further develop the skills and capacity of the Victims and Survivors Service Limited groups delivering social support activities.
- Consultation with funded organisations in relation to the development of improved outcomes and impact-focused monitoring and evaluation, continued into 2015-2016. An agreed framework of MYMOP for measuring outcomes in relation to the delivery of Complementary Therapies and CORE net for measuring outcomes in relation to the delivery of Counselling activities was developed.

Corporate Governance

- The Victims and Survivors Service Limited Annual Report and Accounts for the period ending 31 March 2015 was certified by the Comptroller and Auditor General and submitted to Companies House.
- The Victims and Survivors Service Limited Internal Audit Plan was implemented, with an Annual Assurance level of *Satisfactory* agreed.
- All funding for 2015-16 was fully committed.
- An Interim Senior Management Team was established and met on a monthly basis to manage strategic and operational risks and ensure clear communication between functions.
- The Victims and Survivors Service Limited Board reached its full complement with the addition of four new members.

Clinical Governance

- The Victims and Survivors Service Limited has established a robust framework of protocols to support its commitment to improving the health and wellbeing of Victims and Survivors.

Strategic Report for the year ended 31 March 2016

- For individual clients, this includes policies and protocols in relation to the identification of risk and challenging behaviour. Signposting and referral protocols and pathways have been strengthened for individual clients requiring psychological support and interventions provided through organisations funded under the Victims Support Programme, other non-funded organisations and statutory services.
- The health and well-being of staff within the service is of significant importance, and the Victims and Survivors Service Limited recognises the impact upon staff in dealing with vulnerable clients. Staff training in relation to policies and protocols on clinical risk identification and management, lone working, engaging with vulnerable adults and self-care have continued to be developed and delivered. Staff supervision and clinical supervision are provided on a regular basis.
- A Workforce Training Plan to enhance the skills and capacity across the sector for those delivering psychological interventions to individual clients commenced in March 2015. The purpose of the Workforce Training Plan is to build upon existing standards across the sector and promote and develop best practice in the care of individual clients' health and wellbeing.

Complaints Handling

The Victims and Survivors Service Limited has a complaints procedure in place to ensure that individual clients, funded organisations and all other stakeholders can express any dissatisfaction that may arise, and make improvements and changes to services based on such feedback. The Complaints Policy and Procedure has been developed in consultation with the Commission for Victims and Survivors, and is available in a user-friendly leaflet format as well as on the Victims and Survivors Service Limited website.

The organisation takes all complaints and feedback very seriously and actively monitors themes and response times. In 2015-2016, for the first time, the complaints handling process was subject to Internal Audit Review as part of the review of Communications. A Satisfactory audit rating was obtained.

Complaints outstanding at the end of 2014-2015

At the end of 2014-2015, three complaints remained unresolved. These concerned cases referred to the Police Service of Northern Ireland for investigation. As at March 2016, three investigations were still ongoing internally, notwithstanding the ongoing police investigation, with one referred to the Northern Ireland Public Services Ombudsman.

At the time of preparing this report, the Victims and Survivors Service Limited has not been notified of any conclusion to this investigation.

Complaints handled in 2015-2016

In 2015-2016, the Victims and Survivors Service Limited recorded 13 complaints. This represented a decrease of 57 complaints on the total of 70 received in 2014-2015.

All except one of these complaints were resolved as at 31 March 2016. On 1 October 2015, the Victims and Survivors Service Limited was notified that the Northern Ireland Public Services Ombudsman had commenced an investigation into this one complaint. The Victims and Survivors Service Limited has cooperated with all requests for information in this regard. At the time of preparing this report, the Victims and Survivors Service Limited has not been notified of any conclusion to this investigation, and therefore this complaint remains open.

Table 13 below provides a summary of the complaints handled in 2015-2016.

Table 13: Summary of Complaints 2015-16

Category	Number	Notes
Number of complaints upheld	4	Key themes: <i>Records Management Issues</i> and <i>Communication Issues</i> .
Number of complaints partially upheld	4	Key themes: <i>Policy and Budget Concerns</i> and <i>Processing Timescales</i> .
Number of complaints not upheld	4	Key themes: <i>Policy and Budget Concerns</i> and <i>Other Concerns</i> .
Number of complaints unresolved/still open at year end	1	This is in relation to a notification from the Northern Ireland Public Services Ombudsman that it is investigating a complaint on behalf of an individual (see narrative above).
Total complaints received to year ended 31 March 2016	13	

Positive feedback and messages of thanks received in 2015-2016

In 2015-2016, the Victims and Survivors Service Limited began recording positive feedback and messages of thanks received from individual clients. These included emails, cards, and telephone calls made specifically to express thanks for the support offered under the Individual Needs Programme. Over the whole period, the organisation recorded **92** such messages.

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Recording this positive feedback provides a qualitative insight into the impact of the support provided under the Individual Needs Programme for individuals who are injured, bereaved, and care for others living with injuries.

Sustainability Report

The Victims and Survivors Service Limited is committed to The Executive Office's Sustainable Development Strategy. Policies and practices have been introduced within the Victims and Survivors Service Limited to encourage efficiency in the use of resources.

The Victims and Survivors Service Limited have carried out a review of physical resources. This has resulted in the continued use of 100% recycled paper, multifunction printing/copying devices are set to duplex printing by default and the provision of desktop printers has been reviewed and numbers reduced.

The Victims and Survivors Service Limited carried out a review of accommodation and as a result made the decision to relocate both the Belfast and Dungannon Outreach office.

The relocation of the Belfast office to Seatem House took place in June 2015 and provided a reduction in square footage. Designing the layout to NICS office standards has reduced the number of cellular offices and introduced an open plan layout. In addition utilities are restricted to control usage, for example both heating and light operate automatically within set parameters.

The relocation of the Dungannon Outreach office will take place in 2016-17 and will also provide a substantial reduction in square footage and reduce the heating and lighting usage.

The Seatem House office is located within Belfast City Centre close to public transport links, allowing staff and clients to travel to and from the office in a sustainable manner.

The Victims and Survivors Service Limited has also, in order to reduce its carbon footprint, pursued a policy of enabling staff to work with flexibility in their start and finish times allowing staff to travel to and from work at non-peak traffic times.

The Victims and Survivors Service Limited is aware of its responsibility to progress its work associated with sustainable development targets within the Implementation Plan emanating from the first Northern Ireland Sustainable Development Strategy.

Strategic Report for the year ended 31 March 2016

Going Concern

The accounts are prepared on a going concern basis as it is assumed that the parent Department, The Executive Office, will continue to fund the organisation's activities. The Victims and Survivors Service Limited three year Corporate Plan 2016-19 was approved by the Department in July 2016 and by Ministers in September 2016.



Oliver Wilkinson
Chairman



Margaret Bateson
Chief Executive and
Accounting Officer

Date: 13 December 2016

Director's Report for the year ended 31 March 2016

The Victims and Survivors Board was augmented by 4 new members on 1 April 2015. The Directors during 2015-16 were as follows:

Oliver Wilkinson – Chair appointed 1 April 2015 (previously Director appointed 13 December 2013, Interim Chair appointed 30 June 2014)

Bertha McDougall – Director appointed 5 December 2013

Richard Solomon – Director appointed 5 December 2013

Beverley Clarke – Director appointed 1 April 2015

Patricia Haren – Director appointed 1 April 2015

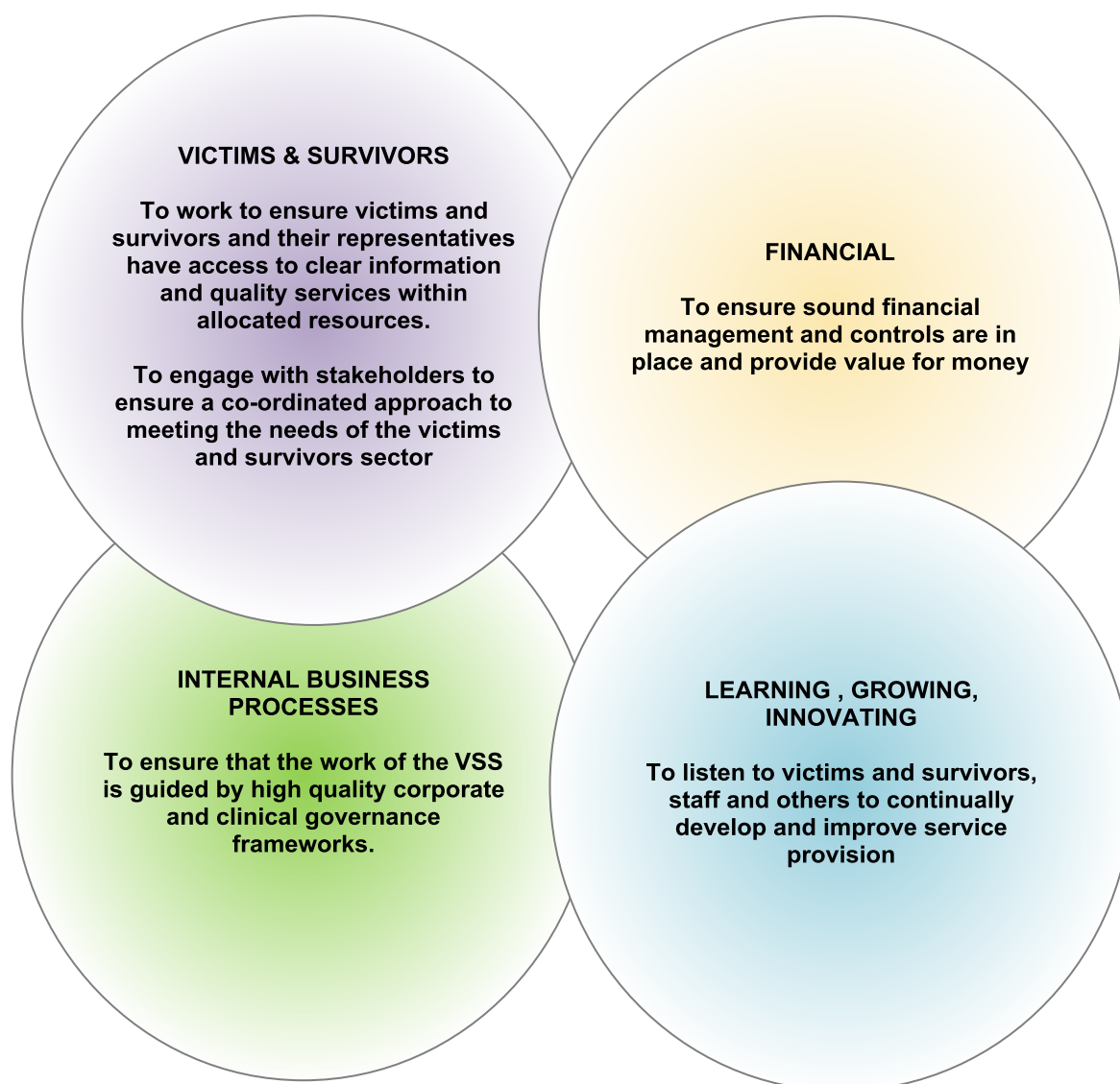
Séamus Magee – Director appointed 1 April 2015

Stephen McIlveen – Director appointed 1 April 2015

Following a period of induction and strategic planning sessions, The Victims and Survivors Service Limited drafted its *Corporate Plan 2016-19* in January 2016 and submitted the final version to The Executive Office in March 2016.

The Corporate Plan 2016-19 details four key strategic objectives for the years ahead as presented at Diagram 3 below.

Diagram 3: Strategic Objectives for 2016 and Beyond



These are consistent with objectives presented in the Corporate Plan for 2015-18 submitted to the Department in the previous year, as reflected the *Directors' Report for the year ended 31 March 2015*.

In developing these priorities the Victims and Survivors Service Limited has listened closely to our stakeholders, who have emphasised the need for a client-centred service that is responsive to need, easy to understand and access, and that enables the development of networks of support.

The Victims and Survivors Service Limited *Action Plan 2016-17* details the measurable targets and steps that will be taken over the next financial year to work towards these objectives. Progress against this Plan is monitored on an ongoing basis and reported on monthly to the Victims and Survivors Service Limited Board.

Director's Report for the year ended 31 March 2016

The ongoing work of the Co-Design Programme Team, described previously, is integral to this Plan, and the policy and practice recommendations that flow from it will inform the shape of the organisation's strategic objectives in 2016 and beyond.

Share Capital

The company is limited by guarantee and has no share capital.

Data Protection and Freedom of Information

The Victims and Survivors Service Limited is required to report on personal data related incidents and accordingly has a control system to meet these responsibilities under the Data Protection Act 1998 and the Freedom of Information Act 2000.

The control system has been established to ensure the appropriate handling of personal data and information used for operational and reporting purposes through the development of appropriate strategy and policy. This includes a Publication Scheme, which is publicly available on the Victims and Survivors Service Limited website at www.victimsservice.org.

In 2015-2016 the Victims and Survivors Service Limited received eight Freedom of Information requests. All received responses within the recommended timeframe.

In addition, over this period, the Victims and Survivors Service Limited proactively published new information relevant to its activities on its website at www.victimsservice.org. This information included:

- Details of services and support available to individual victims and survivors, both under the Individual Needs Programme and via regional organisations funded under the Victims Support Programme, and how to access this assistance.
- Details of funding available to organisations under the Victims Support Programme, and how to access the same.
- Minutes of the Victims and Survivors Service Limited Board and Audit and Risk Committee meetings.

There were no instances of personal data loss during the year under review.

Senior Management Team

The permanent head of the Victims and Survivors Service Limited is the Chief Executive and Accounting Officer. This position was held during 2015-16 by Margaret Bateson who was appointed Interim Chief Executive and Accounting Officer on 7 August 2014, and subsequently appointed Chief Executive and Accounting Officer following a public recruitment process on 11 July 2016.

Director's Report for the year ended 31 March 2016

During 2015-16, the composition of the Interim Senior Management Team was as follows:

- Margaret Bateson, Interim Chief Executive (Appointed: August 2014)
- Caroline Armstrong, Finance and Governance Manager (Appointed: July 2014)
- Brian Mullan, Programmes Manager (Appointed: October 2013)
- Jane Simms, Psychologist (Appointed: May 2013. Resigned: January 2016)
- Brendan Smith, Head of Corporate Services (Appointed: September 2015)
- Geraldine Hamilton, Head of Health and Well Being (Appointed: February 2016)

Related Parties

Details of the Victims and Survivors Service Limited related parties are set out in Note 19 to the financial statements.

Register of Interests

The Chair, the Victims and Survivors Service Limited Board, the Chief Executive and Accounting Officer and Senior Management Team are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgment.

The register of interests is available for public inspection by contacting the Victims and Survivors Service Limited, 1st Floor, Seatem House, 28-32 Alfred Street, Belfast, BT2 8EN.

Charitable Donations

The Victims and Survivors Service Limited made no charitable or political donations during this period.

Important Events occurring after the year-end

As part of the Fresh Start Agreement in November 2015 the number of Northern Ireland Departments reduced from 12 to 9 and also involved the renaming of new departments. The Victims and Survivors Service Limited's Sponsoring Department is now referred to as The Executive Office (TEO) with effect from 9th May 2016.

The United Kingdom government held a vote on membership of the EU on the 23rd June 2016. As a result of the European Referendum, the UK voted to leave the EU. This has no impact on the 2015-16 account but does introduce a level of uncertainty in relation to PEACE IV EU funding, both in terms of value and longevity.

Statement of Accounting Officer's and Directors' Responsibilities

Under the Companies Act 2006, the Directors are required to prepare for each financial period, a statement of accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Victims and Survivors Service Limited during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Victims and Survivors Service Limited and of its Net Comprehensive Expenditure, application of resources, changes in taxpayer's equity and cash flows for the financial year.

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

- Observe the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on the going concern basis.

The Accounting Officer and Directors' are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 2006. The Accounting Officer has a general responsibility for taking steps as are reasonably available to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Accounting Officer and Directors' are required to confirm that, as far as she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer and Directors' are required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

Directors' Report for the year ended 31 March 2016

The Executive Office has appointed the Chief Executive as the Accounting Officer of the Victims and Survivors Service Limited. The responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Victims and Survivors Service Limited assets are set out in Managing Public Money Northern Ireland.

Governance Statement for the year ended 31 March 2016

Introduction

The Victims and Survivors Service Limited is a company limited by guarantee, owned by The Executive Office and functioning as an Arm's Length Body. It is financed through The Executive Office's Departmental Expenditure Limit (DEL). The Board of the Victims and Survivors Service Limited report directly to The Executive Office.

This statement is given in respect of the Victims and Survivors Service Limited's accounts for 2015-16. The Governance Statement comprises two broad elements. First, the Statement describes the Victims and Survivors Service Limited's governance framework, identifying responsibilities and explaining the functions of its constituent elements. Second, the Statement reports my assessment as Accounting Officer of the effectiveness of the framework during the reporting period. The report identifies any significant governance issues and concludes with a review of the Victims and Survivors Service Limited conformance with the Code of Good Practice (NI) 2013.

The Purpose of the Governance Statement

The purpose of the Governance Statement is to report publicly on the extent to which the Victims and Survivors Service Limited complies with the Code of Good Practice (NI) 2013. The process of preparing the Governance Statement itself adds value to the effectiveness of the corporate governance and internal control framework.

Overview of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Victims and Survivors Service Limited is directed and controlled.

The system of internal control is a significant part of this framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve the Victims and Survivors Service Limited's aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The governance framework within which the Victims and Survivors Service Limited operated for the year ended 31 March 2016 comprises:

- The Accounting Officer;
- The Victims and Survivors Service Limited Board;
- The Victims and Survivors Service Limited Audit and Risk Committee;
- The Internal Audit function.
- The Policy and Resources Committee

Directors' Report for the year ended 31 March 2016

These structures, together with an overview of their responsibilities and performance in year, are set out in the relevant sections below.

The governance framework also includes a number of additional elements that contribute to the effective governance of the organisation. These comprise:

- The Management Statement and Financial Memorandum (signed September 2014);
- The Executive Office Oversight Arrangements;
- The Corporate Plan 2015-18 and Business Plan 2015-16 (agreed by Ministers in October 2015);
- The Performance Management Framework (signed November 2012, updated May 2014);
- The Risk Management Framework (signed July 2013, updated May 2014);
- Financial Policies and Procedures (signed July 2013, updated July 2015);
- Whistle-blowing Policy (signed July 2013, updated September 2016); and
- Anti-Fraud Policy and Fraud Response Plan (signed December 2014, updated September 2016).

These elements, together with an assessment of their effectiveness in the period, are described in the relevant sections below.

Review of Effectiveness

The Accounting Officer

I was appointed as Interim Accounting Officer on 7 August 2014 and as Accounting Officer on 11 July 2016.

As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the aims and objectives of the Victims and Survivors Service Limited. I also have responsibility for the propriety and regularity of the public finances allocated to the Victims and Survivors Service Limited and for safeguarding public funds and assets, in accordance with the responsibilities assigned to me in the Code of Good Practice (NI) 2013 and Managing Public Money Northern Ireland.

In my role as Accounting Officer, I function with the support of the Board of the Victims and Survivors Service Limited (the Board). This includes highlighting to the Board specific business risks and, where appropriate, the measures that could be employed to manage these risks.

The Board

The Board is chaired by a non-executive Director. It supports the delivery of effective Corporate Governance in keeping with the Code of Good Practice (NI) 2013.

The Board takes an objective long-term view of the business of the organisation, leading its strategic planning process and assisting the Chief Executive and Accounting Officer in setting and meeting its corporate aims and objectives.

Under the general guidance and direction of the Ministers of The Executive Office, the key aspects of the Board's role include:

- Setting the strategic direction for the organisation, including its vision, values and strategic objectives;
- Overseeing the implementation of its corporate and business plans, monitoring performance against objectives and supervising its budget;
- Leading and overseeing the process of change and encouraging innovation, to enhance the organisation's capability to deliver;
- Overseeing the strategic management of staff, finance, information and physical resources, including setting training and health and safety priorities;
- Establishing and overseeing the implementation of the corporate governance arrangements of the Victims and Survivors Service Limited, including risk management; and
- Overseeing and monitoring progress against all of its equality of opportunity and good relations obligations.

The previous three person Board was augmented in April 2015 with the appointment of four additional members. Table 14 below lists the Board members.

Table 14: Victims and Survivors Service Limited Board Membership

Name	Position
Oliver Wilkinson	Director appointed 13 December 2013 Appointed Interim Chair 30 June 2014; appointed Chair 1 April 2015
Bertha McDougall	Director appointed 4 December 2013
Richard Solomon	Director appointed 5 December 2013
Beverley Clarke	Director appointed 1 April 2015
Patricia Haren	Director appointed 1 April 2015
Séamus Magee	Director appointed 1 April 2015
Stephen McIlveen	Director appointed 1 April 2015

The Board met 10 times in 2015-16. Table 15 below details the attendance of Board members at the meetings.

Table 15: Board Meeting Attendance

Date	Oliver Wilkinson	Bertha McDougall	Richard Solomon	Séamus Magee	Stephen McIveen	Beverley Clarke	Patricia Haren
8 June 2015	✓	✓	✓	✓	✓	✓	✓
21 July 2015	✓	✓	✓	✓	✓	X	✓
18 Aug 2015	✓	X	✓	X	✓	X	✓
15 Sept 2015	✓	✓	✓	✓	✓	✓	✓
20 Oct 2015	✓	✓	✓	✓	X	✓	X
17 Nov 2015	✓	✓	✓	✓	✓	✓	✓
15 Dec 2015	✓	✓	✓	X	✓	✓	✓
19 Jan 2016	✓	✓	✓	✓	✓	✓	✓
16 Feb 2016	✓	✓	✓	✓	✓	✓	✓
15 Mar 2016	✓	✓	✓	✓	✓	✓	✓

In addition to the key considerations outlined above, at these meetings the Board addressed the following standing agenda items:

- Minutes of Previous Meeting;
- Chief Executive and Accounting Officer Update;
- Progress Against Budget;
- Progress against business and corporate plan and risks in achieving stated objectives;
- Progress reports on Programmes, Client Services and Communications.

The Board operates as a collegiate forum under the leadership of the Chair. It ensures that the appropriate strategic planning processes are in place and that there is effective operational management of their implementation. Day-to-day operational matters are my responsibility and that of senior staff.

Directors' Report for the year ended 31 March 2016

Each Non-Executive Board Member participates in the high-level corporate decision-making process as a member of the Board, contributes to the operation of corporate governance arrangements within the organisation, and supports me in my role of Chief Executive and Accounting Officer.

As Chief Executive, I am responsible for organising the agenda for monthly Board meetings and ensuring the Chair and Board members are provided with timely information to support full discussion at each meeting.

The Board receives written reports from me on key areas: Programmes, Client Services, and Communications.

I provide reports on the status of delivery against business plan objectives; expenditure against budget; requests made under the Freedom of Information Act; press reporting of the Victims and Survivors Service Limited; usage of the Victims and Survivors Service Limited website; Assembly Questions relevant to the Victims and Survivors Service Limited; and absence management.

A review of all management reporting was completed in 2015-16 to adapt to a strengthened Board of seven members and the strategic direction of the organisation. This resulted in the development of a suite of reports for the Board which focus on providing Board members with information of particular strategic relevance. This approach is designed to improve the Board's ability to provide effective strategic stewardship of the Victims and Survivors Service Limited.

The Board maintains a Register of Interests. This lists, for each Director, all commercial and other relevant interests. A similar register is maintained by senior management within the Victims and Survivors Service Limited. Directors and Senior management are required to report any significant changes as they occur. Each Board and committee meeting begins with those present declaring any conflicts of interest that may arise from agenda items. In the event of a conflict of interest arising, the Director or committee member concerned is required to withdraw from any discussion of the relevant matter and to abstain from any associated vote.

The Board reviewed its own effectiveness by carrying out a self assessment in February 2016. The overall conclusion was that the Board performed well in 2015-16. The actions of this will be taken forward in 2016-17, and include:

- The Board obtaining a stakeholder perspective on the Victims and Survivors Service Limited's performance, strengths and areas for development;
- A review of the Victims and Survivors Service Limited risk appetite;
- The Chair of the Audit and Risk Committee to submit a report to the Victims and Survivors Service Limited Board following each meeting of the Audit and Risk Committee;

Directors' Report for the year ended 31 March 2016

- Building upon existing skills and experience through training, induction and development; and
- Continual review of performance and best practice.

The Audit and Risk Committee

The Audit and Risk Committee and its Chair are appointed by the Board. The Chair is independent and is not a member of the Victims and Survivors Service Limited's Board.

The Audit and Risk Committee's terms of reference set out its purpose as being to support me as Accounting Officer in monitoring risk, control and governance systems (including financial reporting). Additionally the Committee will advise the Board and the Accounting Officer on the adequacy of audit arrangements (internal and external) and on the implications of assurances provided in respect of risk and control. The Audit and Risk Committee does not have executive powers.

Table 16 below lists the Audit and Risk Committee members.

Table 16: Audit and Risk Committee Membership

Name	Position
Colm Doran	Committee Member - Chair from October 2013
Oliver Wilkinson	Committee Member from 13 December 2013 / Resigned: 15 June 2015
Bertha McDougall	Committee Member from 13 December 2013
Richard Solomon	Committee Member from 13 December 2013
Séamus Magee	Committee Member from 15 June 2015

In addition to its members, the following officers normally attend the Committee:

- The Accounting Officer of the Victims and Survivors Service Limited;
- The Head of Corporate Services
- The Finance and Governance Manager (Secretary of the Committee);
- Representative(s) from the Northern Ireland Audit Office as observer(s);
- Observers from the Victims Unit in The Executive Office;
- Internal Audit.

The Audit and Risk Committee met four times in 2015-16. Table 17 below shows dates of and attendance at each of these meetings.

Table 17: Audit and Risk Committee Meeting Dates and Attendance

Committee Members	15.6.15	15.9.15	15.12.15	1.3.16
Colm Doran	✓	X	✓	✓
Bertha McDougall	✓	X	✓	✓
Richard Solomon	✓	✓	✓	✓
Séamus Magee	✓	✓	X	✓

Following the Self Assessment of the Audit and Risk Committee on 30 March 2015, and with the augmented Board members, it was determined that the Chair of the Board should not also sit on the Audit and Risk Committee. On this basis, Oliver Wilkinson resigned on 15 June 2015. The last Committee meeting he attended was in the previous financial year on 18 March 2015.

With the exception of the Chair of the Audit and Risk Committee, the remaining members are Board members. For this reason, additional reports were not provided from the Audit and Risk Committee to the Board for the most of 2015-16. However, this action was taken forward following the Audit and Risk Committee in March 2016. The Chair of the Audit and Risk Committee prepared an Update Report to the Board on 15 March 2016. This has continued following each Audit and Risk Committee.

In line with best practice set out in the Department of Finance and Personnel's Audit and Risk Assurance Handbook, the Chair of the Audit and Risk Committee has approved an agreed agenda of work for its meetings, which will include standing agenda items and annual agenda items including:

- The review of the corporate risk register;
- Scrutiny of the annual accounts;
- Consideration of internal and external audit strategy;
- Review of internal and external audit findings;
- Consideration of fraud;
- Consideration of any Directly Awarded Contracts;
- The annual self-assessment of the Audit and Risk Committee; and
- The monitoring of residual audit recommendations.

The Audit and Risk Committee reviewed its own effectiveness by carrying out a self assessment in February 2016. The overall conclusion was that the Audit and Risk Committee was performing well. The actions of this will be taken forward in 2016-17, and include:

- A review of the Terms of Reference to include the role of the Audit and Risk Committee members and the quorum. The Terms of Reference should also be reviewed by Internal Audit to ensure alignment with good practice.

Directors' Report for the year ended 31 March 2016

- The Victims and Survivors Service Limited Corporate Governance Framework document to be reviewed and should set out the role of the Audit and Risk Committee members
- The Chair of the Audit and Risk Committee to submit a report to the Board following each meeting
- Build upon existing skills and experience through induction, training and development.

Risk Management Strategy

The Victims and Survivors Service Limited Risk Management Strategy was presented to the Audit and Risk Committee in March 2013 and adopted formally in the financial year 2013-14. This was updated again in May 2014 and September 2016. This sets out the process whereby the Victims and Survivors Service Limited methodically identifies, assesses and responds to the risks attaching to its activities. It assigns responsibility and accountability for risk management; defines the processes for risk review and reporting; describes a format for the organisation's corporate risk register; and explains the organisation's approach to training in risk management.

A risk register has been in operation on a monthly basis throughout 2015-16 and risks identified and managed during the reporting period included:

- Victims not receiving support through lack of agreement on health and wellbeing model;
- Insufficient time in 15/16 to establish, through the Co Design process, the policy, service delivery models and monitoring and evaluation frameworks for 2016-17 and beyond
- Victims and other stakeholders not understanding the scope of support available through the Victims and Survivors Service Limited, giving rise to (a) misplaced expectations, and in some cases (b) the opposite, i.e. poor uptake of support;
- Increased margin for error/duplication of effort due to lack of end to end consolidated on-line management information system;
- Potential conflict between personalised caseworker and victims centred approach currently being piloted by the Victims and Survivors Service Limited and requirements in terms of level of internal controls and checks

In 2015-16 there were no instances where the committee determined that risk(s) lay outside the organisation's risk appetite and were thus unacceptable. The Board will continue to keep this matter under review in 2016-17.

It should be further noted that no 'ministerial directions' have been issued to the Victims and Survivors Service Limited and there have been no reported lapses of protective security.

Directors' Report for the year ended 31 March 2016

The Audit and Risk Committee has reviewed all instances of suspected fraud and irregularities. Further details are outlined in the Fraud and Counter-Fraud Section on page 59. Standing agenda items include all Direct Award Contracts (DAC) and a procurement register.

Internal Audit

The primary role of Internal Audit is to provide the Accounting Officer and the Board with an independent and objective opinion on risk management, control and governance by measuring and evaluating their effectiveness in achieving the organisation's agreed objectives.

The Victims and Survivors Service Limited appointed an independent Internal Audit Service, Capita Consulting in January 2014, with re-appointment on 25 February 2016 and a strategic audit plan has been agreed for a three year period.

Capita Consulting has developed an internal audit charter which meets the requirements of Public Sector Internal Audit Standards. This was reviewed and confirmed by the Head of Internal Audit of The Executive Office.

Table 18 below outlines the internal audit programme that was carried out relating to 2015-16.

Table 18: Internal Audit 2015-16

Date	Scope	Audit Rating	Status
Nov 2015	Communications	Satisfactory	Final Report
Jan 2016	Financial Controls	Satisfactory	Final Report
Apr 2016	ICT	Satisfactory	Final Report
Jul 2016	Victims Support Programme	Satisfactory	Final Report
Aug 2016	Victims Support Programme - Compliance	Satisfactory	Final Report
Sept 2016	Client Services – Individual Needs Programme	Limited	Final Report
Jul 2016	Follow Up	N/A	Final Report

The 2015-16 fieldwork was completed in July 2016 with all reports finalised by September 2016.

Directors' Report for the year ended 31 March 2016

The internal auditor's overall assurance rating for 2015-16 was Satisfactory, in line with the previous financial year. In considering their overall opinion for 2015-16, the internal auditor considered the balance of their work undertaken throughout the course of the year and considered, and gave weight to, the previous year's assurance rating. In this context, the internal auditor notes the history of controls within the Victims and Survivors Service Limited and determined that during the 12 month period ending 31 March 2016, the Victims and Survivors Service Limited's systems in relation to risk management, control and governance were, on balance, adequate and operated effectively thereby providing Satisfactory assurance in relation to the effective and efficient achievement of the Victim and Survivors Service Limited's objectives.

A Substantial assurance level denotes that there is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.

A Satisfactory assurance level denotes that there is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and/or effectiveness of risk management, control and governance.

A Limited assurance level denotes that there is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.

23 recommendations were made across the six areas, one was identified as priority one, 13 were identified as priority two, and 9 as priority three. This is a significant improvement on the number of recommendations (36) made in 2014-15 and evidences the Victims and Survivors Service Limited commitment to continually strengthening internal governance.

In addition, the Follow Up report confirmed that 34 of the 36 recommendations made in 2014-15 were implemented in full or partially implemented during 2015-16. This is a result of enhanced monitoring and reporting procedures in relation to internal audit recommendations, assigning responsibility and timeframes for follow up. Of the two recommendations not implemented, one cannot be tested until the Victims Support Programme re-opens and another cannot be implemented until the new Management Information System is in place. Both these are expected to be closed in 2016-17.

Key recommendations from Internal Audit include:

Corporate Communications and ICT Functions

- The Business Continuity Plan should be updated and enhanced to include a series of mock scenarios;
- Further access restrictions to the Management Information System should be introduced;

Directors' Report for the year ended 31 March 2016

- A number of ICT related policies should be updated.

Corporate Finance Functions

- The ongoing review of the Contracts Register should be completed to ensure it accurately reflects the status of all current and expired contracts;
- The ongoing review of contract files should be completed to ensure evidence of the evaluation process and tender competitions are centrally located;
- The draft Business Case and Procedures should be finalised;
- Budgetary Control and Reporting procedure should be developed;
- The ongoing review of the Fixed Asset Register and file should be completed.

Victims Support Programme and Compliance

- Timely collation of funded organisations' Annual Financial Statements;
- The proposed risk based approach to verification should be implemented as soon as possible;
- Ensure adherence to Verification procedures pending development and implementation of the new risk based methodology for verification;

Client Services - Individual Need Programme

As outlined previously, the Limited assurance provided in respect of Client Services – Individual Needs Programme is given due to the Financial Assistance Scheme, particularly in respect of the irregular expenditure identified as part of the spot check exercise.

Key recommendations from Internal Audit were:

- Conclude the 2015-16 Financial Assistance spot check to identify extent of irregular expenditure and determine next steps;
- Progress liaison with the Social Security Agency to explore mechanisms for sharing information regarding Disability Living Allowance;
- Ensure client files contain the relevant documentary evidence to support client eligibility for assistance to the Support Schemes and to ensure payments are made in line with eligibility criteria;

External Audit

The Comptroller and Auditor General has the statutory responsibility for the audit of Victims and Survivors Service Limited under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. There were no payments made to the Northern Ireland Audit Office in the year in respect of non audit work.

Directors' Report for the year ended 31 March 2016

The Northern Ireland Audit Office is independent of Government and is tasked by the Assembly to hold the Northern Ireland Departments and their Agencies to account for their use of public money.

The Comptroller and Auditor General works closely with the Assembly's Public Accounts Committee which can require Accounting Officers and senior officials to account for their actions in relation to the management of public funds.

A representative from the Northern Ireland Audit Office attends as an observer at Victims and Survivors Service Limited Audit and Risk Committee meetings.

The Executive Office Oversight Arrangements

Within The Executive Office, the Victims and Survivors Unit is the sponsoring Division for the Victims and Survivors Service Limited. The Victims and Survivors Unit, in consultation as necessary with the Accounting Officer of The Executive Office, is the primary source of advice to Ministers on the discharge of their responsibilities in respect of the Victims and Survivors Service Limited, and the primary point of contact for the Victims and Survivors Service Limited in dealing with the Department.

In order to discharge its duties on behalf of the sponsor Department, the Victims and Survivors Unit administers the following oversight controls:

- Monthly Tri-Lateral Meetings between the Commission for Victims and Survivors Limited, the Department and the Victims and Survivors Service Limited (attended by the Chief Executive and Accounting Officer and senior Victims and Survivors Service Limited staff); see Table 2 above.
- Accountability and Oversight Meetings (attended by the Chief Executive and Accounting Officer and senior Victims and Survivors Service Limited staff); see Table 17 below.
- Quarterly Stewardship Statements; see Table 18 below.
- Management Statement and Financial Memorandum updated September 2014.
- Performance Monitoring against Business Plan and preparation of Corporate Plan 2015-18 submitted to the Department in February 2015.

Accountability Meetings and Monthly Oversight Meetings

The Accounting Officer and senior staff attended five Accountability Meetings during the year with the Accounting Officer of The Executive Office or his deputy and senior staff from the Department. The dates of each of these meetings are provided in Table 19 below.

Table 19: Accountability Meetings 2015-16

Meeting	Date
1	22 April 2015
2	7 July 2015
3	27 August 2015
4	16 November 2015
5	21 January 2016

A review of the items discussed including the Stewardship Statement, performance management, financial monitoring and progress against business plan targets are outlined in detail below.

Senior Victims and Survivors Service Limited staff and the Chief Executive and Accounting Officer have operated a 'no surprises' policy in respect of ensuring that officials in the Department are aware of all material events, transactions and other issues that could be considered contentious or attract public comment, whether positive or negative. Month end management reporting is shared as standard, in addition to further reporting outlined below.

Stewardship Statements

The Quarterly Stewardship statement, prepared under the direction of and signed by the Chief Executive and Accounting Officer, provides information and assurance in the following areas:

- Risk management
- Business Planning;
- Legislative authorities;
- Budget cover, business cases, database and post project evaluations;
- Monitoring of expenditure;
- Procurement;
- Consultancy;
- Information/data management and assurance;
- Staff management;
- Arm's Length Bodies;
- Internal, external audit and PAC reports/recommendations; and
- Other significant issues

The former Accounting Officer and current Accounting Officer have submitted four Stewardship Statements to The Executive Office as requested by the Department, as shown in Table 20 below.

Table 20: Stewardship Statements

Effective Date	Duration
1 April 2015 – 30 June 2015	3 months
1 July 2015 – 30 September 2015	3 months
1 October 2015 – 31 December 2015	3 months
1 January 2016 – 31 March 2016	3 months

The Management Statement and Financial Memorandum

The Management Statement and Financial Memorandum is a key control document setting out the broad framework within which the Victims and Survivors Service Limited will operate. This was drafted and in operation from November 2012 and formally adopted in January 2013. This document defines:

- The Victims and Survivors Service Limited's overall aims, objectives and targets;
- The rules and guidelines relevant to the exercise of the Victims and Survivors Service Limited functions, duties and powers;
- The conditions under which any public funds are paid to the Victims and Survivors Service Limited; and
- How the organisation is to be held to account for its performance.

In March 2014, it was identified that the document needed to be updated in line with:

- Current procurement guidance;
- Chartered Institute of Public Finance and Accountancy recommendations from the review commissioned by the Commission for Victims and Survivors; and
- Current month end management information and reporting systems.

These changes were approved by The Executive Office in September 2014 and considered by the Board in November 2014.

Corporate Plan 2015-18 and Business Plan 2015-16

The Victims and Survivors Service Limited three year Corporate Plan 2016-19 was approved by the Department in July 2016 and is currently awaiting Ministerial approval.

The Chief Executive has monitored the Victims and Survivors Service Limited's performance against the targets set out in its 2015-16 Business Plan, included at [Appendix 2](#). This was agreed with the Department in February 2015 and subsequent reports have included status of internal work streams; delivery of business plan objectives; expenditure against plan; resource inputs by project; requests made under the Freedom of Information Act; Assembly Questions relevant to the Victims and Survivors Service Limited; absence management; recruitment and communications.

Directors' Report for the year ended 31 March 2016

Key achievements and emerging activities carried out in 2015-16 are further outlined under Performance against Objectives on page 23.

The Board is satisfied as to the quality of data and information provided by the Chief Executive and Accounting Officer who gained assurance through reports provided by senior staff in 2015-16. Information and reporting was improved in 2015-16 taking into account the expanded and strengthened Board, significant improvements made to the Management Information System, the development of a Senior Management Team and new targeted actions developed as a result of the Co-Design Programme.

Financial Management

Responsibility for ensuring that an effective system of internal financial control is maintained and operated rests with the Accounting Officer. The systems of internal financial control provide reasonable but not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or will be detected within a timely period. Internal financial control is based on a framework of management information, financial regulations and administrative procedures, which include the segregation of duties, management supervision and a system of delegation and accountability.

The implementation of the Victims and Survivors Service Limited financial management process in 2015-16 included:

- The setting of annual Grant in Aid;
- Monitoring of actual income and expenditure against the annual budget;
- Setting and management of expenditure profiles;
- Monthly reporting of the Victims and Survivors Service Limited financial position to the Board;
- A clearly defined system of expenditure authority delegations;
- Clear processes for the authorisation of expenditure and the payment of invoices; and
- Four in-year monitoring bids submitted to The Executive Office.

The Victims and Survivors Service Limited has established Financial Policies and Procedures that address areas of risk as well as operational efficiency and effectiveness. These documents act as a reference point detailing all Financial Policies and Procedures that have been approved by the Board. Plans are in place and a qualified accountant is in post to further develop cost centre accounting and more detailed and strengthened variance analysis.

Directors' Report for the year ended 31 March 2016

The Victims and Survivors Service Limited has developed, in consultation with its sponsor Department, a suite of other policies, processes and procedures that cover the full range of its activities. All staff are briefed on these policies during their induction and at regular staff meetings. Any needs identified are addressed through the Victims and Survivors Service Limited's annual training and development plan.

Fraud and Counter-Fraud

The Victims and Survivors Service Limited Policy and Procedures on fraud sets out the responsibilities of staff with regard to fraud prevention, what staff should do if they suspect fraud, and the action that will be taken by management in such circumstances in line with the Victims and Survivors Service Limited Anti-Fraud Policy and Fraud Response Plan.

The Victims and Survivors Service Limited investigated ten cases of suspected fraud in 2015-16, four of which were newly identified during 2015-16. Two cases were closed during 2015-16 following a full investigation. Payment was released in respect of one case as no evidence of fraud was detected. In respect of the second case, payment was not released against the documentation presented and the remaining funding in relation to 2015-16 was with-held. The investigation of the remaining eight cases is ongoing, five of which are with the PSNI.

As part of all investigations, the Victims and Survivors Service Limited routinely seek advice from the Government Fraud Investigation Service.

Whistle-blowing

The Victims and Survivors Service Limited Whistleblowing Policy provides staff with a procedure for reporting concerns about unlawful conduct, fraud, dangers to the public or the environment, or other malpractice. The aim of this policy is to reassure them that they can feel confident in exposing wrongdoing without any risk to themselves.

There were two instances of whistle-blowing within the Victims and Survivors Service Limited in the year to 31 March 2016. Both cases were investigated and with one being resolved by 31 March 2016. The remaining case, reported in March 2016, was closed in November 2016.

Training

The Victims and Survivors Service Limited implemented a Training and Development Policy in January 2016. This policy is set in the context of the Victims and Survivors Service Limited recognising the need for well motivated and highly skilled staff.

Directors' Report for the year ended 31 March 2016

This was further strengthened with the development of a competency framework in January 2016.

The Victims and Survivors Service Limited is committed to ensuring that all staff have access to learning, development and training opportunities which enable them to be suitably knowledgeable and skilled to carry out their role and to develop in ways that fit with the strategic framework.

Victims and Survivors Service Limited has made a significant investment in staff training and development through commissioning training in line with employee Personal Development Plans. This has included increasing technical competencies in project, information, financial and staff management.

In addition, the Victims and Survivors Service Limited commissioned the delivery of a bespoke middle-management training programme which included the following management modules:

- Coaching skills
- Business communication skills
- Conflict Management
- Management and Leadership Training; and
- Change Management

In this period, the Victims and Survivors Service Limited provided training in Fire Awareness and First Aid in order to meet mandatory Health and Safety requirements. Each newly recruited employee received induction training. The induction training provides information relating to the wider organisational context, internal policies and key procedures including training in Freedom of Information and Data Protection.

To build upon staff self-care and resilience, the following employee workshops were delivered in this period:

- Take 5 and Personal Effectiveness Workshop;
- Mindfulness Workshop

In addition, the Victims and Survivors Service Limited introduced a staff Health and Wellbeing week in December 2015. This involved Victims and Survivors Service Limited staff carrying out a range of wellbeing activities structured under the HSC Take 5 initiative: www.makinglifebettertogether.com/take5

Significant Governance Issues

Significant progress was made operationally in the implementation of Internal and External Audit Recommendations in relation to embedding documented processes and procedures. The overall Internal Audit assurance rating was satisfactory.

Directors' Report for the year ended 31 March 2016

I have outlined below a number of governance issues which emerged throughout the year.

Qualified Finance Professional – Victims and Survivors Service Limited Board

The Board does not currently have a member with a specific finance qualification. This is an outstanding Commission for Victims and Survivors review recommendation. While the Board does have members with significant finance, Board and Audit and Risk Committee experience, a qualified accountant will be recruited in 2016/17.

Spot Checks on Self Declarations for Financial Assistance

The Financial Assistance scheme provides direct payment to victims and survivors with low incomes based on a financial means test.

Following advice from the Commission for Victims and Survivors, and within the context already outlined previously, in 2014-15, applications to Financial Assistance by existing clients could be made by Self Declaration (i.e. rather than a full application, clients submitted a financial means test statement to confirm that their circumstances had not changed since the previous year). Total payments of £2.2m were made in 2014-15 under this scheme of which £1.8m related to previous victims and survivors self declarations. The Executive Office requested that the Victims and Survivors Service Limited undertake a 10% spot check of applications in order to confirm that the means testing continued to be valid.

It was the intention of the Victims and Survivors Service Limited to carry out the 10% spot check of Self Declarations in July 2014 following the closure of the Financial Assistance Scheme. This was later deferred.

The decision to defer the 10% spot checks “in light of current pressures the Victims and Survivors Service Limited (was) facing” was made at the Board Meeting on 12 January 2015. These pressures included a reduced budgetary environment, reduced staffing numbers and the need to ensure there was no further distress to victims and survivors following the postponement or reduction of all other schemes during this period. Therefore, no spot checks were performed for 2014-15. The likelihood of changes in financial circumstances was also considered to be low.

The spot checks for 2015-16 commenced in September 2015.

The Victims and Services Service Limited issued 2,664 Financial Assistance awards during 2015-16, a breakdown of which is provided in Table 21 below.

Table 21: Breakdown of 2015-16 Financial Assistance awards

Directors' Report for the year ended 31 March 2016

Method of Testing	Method Application	of Number Awards	of Sample
High Rate DLA	New Application	200	200 (100%)
	Self Declaration	201	20 (10%)
Means Tested	New Application	351	351 (100%)
	Self Declaration	1,912	196 (10%)
		2,664	

The spot check was carried out in 2 stages: a 10% desk review of the 201 client files who self declared as remaining on High Rate Disability Living Allowance followed by a 10% sample of the 1,912 clients who self declared that their financial circumstances had not changed from previous years. These clients were selected for written follow-up.

100% assurance was placed on the 551 new applications made as a means test had already been carried out to confirm eligibility. Therefore, a spot check was not carried out on these records.

Following a desk review of all those clients on DLA High Rate Component, all 20 client files (10%) were found to hold the necessary information with an applicable expiry date at the time of self declaring.

On 8 December 2015, the Victims and Survivors Service Limited wrote to 196 means tested clients to request further financial information to facilitate verification of eligibility to Financial Assistance in 2015-16. The response to these requests is detailed in Table 22 below.

Table 22: Response to Request for Further Information

Client Response	Number
Number of clients who have returned information	189
Number of clients who have not provided a response	7
	196
Number of clients who presented complete information	175
Number of clients who presented incomplete information	14
	189

Directors' Report for the year ended 31 March 2016

Following a review of all information presented, the Victims and Survivors Service Limited determined that 14 of the 189 clients who returned complete information were not eligible for a Financial Assistance award in 2015-16. This represents actual irregular expenditure of £11,480, which when extrapolated equals £111,944 (7.14%, 14 out of 196).

However, as sufficient supporting documentation was not provided by a further 21 clients (7 who did not respond and 14 who presented incomplete information) this expenditure has also been deemed irregular from a governance perspective. This represents a further potential additional extrapolated error of £167,916 (10.71%).

The maximum potential extrapolated error is, therefore, £279,860 (17.86% / 35 out of 196).

Numeracy and literacy issues are evident in this client population and this is not reflected in the error rates above. Individuals have been deemed potentially ineligible due to missing documentation, and not due to the financial reality of their circumstances.

The Victims and Survivors Service Limited has worked closely with The Executive Office to find a balance between a victims centred approach and one which can fully fulfil governance requirements. As a result, the Victims and Survivors Service Limited has introduced additional paperwork requirements for this scheme in 2016-17 to fully satisfy governance requirements. However, the high levels of rejected incomplete applications in 2016-17 has further evidenced the ongoing difficulties in numeracy and literacy and the inability of the most vulnerable to access this funding.

Direct Award Contracts

Given the number of pilots carried out by the Victims and Survivors Service Limited in 2015-16, it was appropriate for a small number of short term Direct Award Contracts to be utilised.

A Direct Award Contract was made in respect of the COREnet system (see page 23) Many of the organisations funded by the Victims and Survivors Service Limited were already using this system and a procurement exercise had already been carried out by the Belfast and Social Care Trust.

The development of the Mental Health Trauma service also reinforces the importance of the community, voluntary and statutory sectors using a consistent outcomes based monitoring and evaluation system for counselling and talking therapies.

Directors' Report for the year ended 31 March 2016

Advice was sought from the Central Procurement Directorate and in this instance, they believed that there were insufficient reasons to justify the Direct Award Contract. The costs were within the delegated limit of the Accounting Officer of the Victims and Survivors Service Limited and the contract proceeded. The Executive Office was notified of the disagreement with the Central Procurement Directorate.

A Direct Award Contract was also made in respect of a sensitive and urgent human resources matter. The expenditure was initially projected to cost less than £5,000, in which case advice from the Central Procurement Directorate is not required. However, the engagement continued for a longer period than had been initially expected with a total cost of £8,670. The Victims and Survivors Service Limited liaised with the Central Procurement Directorate who were unable to provide advice because it had been requested retrospectively.

I am content that expenditure in both these areas is regular and eligible.

Corporate Business Case – Retrospective Approval

On 19 January 2012, the Victims and Survivors Service Limited received business case approval ***which covered grant and corporate expenditure*** until 31 March 2015.

On 25 March 2015 the Victims and Survivors Service Limited received business case approval which ***covered grant expenditure only***. Administratively, this meant that a separate business case for all corporate areas including rent, heat, light and so on should have been prepared despite the contracts and procurement for each of the areas still being valid. Internal controls discovered that this was not carried out at the time.

This is a one off issue which was rectified in September 2016 with the completion of retrospective business cases for each of these areas. I have retrospectively approved those within my delegated limit. Two business cases relating to IT services, primarily IT Assist, and Internal Audit were greater than the Victims and Survivors Service Limited delegated limit of £30,000 and, therefore, were submitted to The Executive Office for approval in October 2016. This totals £85,296. Approval was received in November 2016.

Conformance with Code of Conduct

The Victims and Survivors Service Limited, like other public bodies, has a duty to conduct affairs in a responsible and transparent way, and to take into account the standards in public life set out by the Nolan Committee and the Code of Good Practice (NI) 2013. Where appropriate, the Victims and Survivors Service Limited has taken account of additional good practice documented in the 2013 edition of the Code.

Directors' Report for the year ended 31 March 2016

The Victims and Survivors Service Limited is not a Central Government Department and cannot, therefore, comply with those parts of the code that are only applicable to such Departments. However, the corporate governance arrangements of the Victims and Survivors Service Limited have been established in such a way as to conform broadly to these standards. In doing so, these arrangements reflect the Code's recommendation that for bodies such as the Victims and Survivors Service Limited "the code should be applied with adjustments to suit their scale, responsibilities and accountability chains".

Throughout the year to 31 March 2016, the Victims and Survivors Service Limited has complied with all relevant 2013 Code provision, apart from the requirement to have a qualified finance professional on the Victims and Survivors Service Limited Audit and Risk Committee.

Conclusion

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review of the effectiveness of the system of internal governance is informed by the work of the Internal Auditors and senior staff within the organisation who have responsibility for the development and maintenance of the internal control framework.

I also consider the comments made by the Northern Ireland Audit Office in its management letter and other reports.

I understand the implications of the result of my review of the effectiveness of the system of internal governance.

The system of accountability on which I rely as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI has continued to develop throughout 2015-16. Significant work has been undertaken in increasing the capacity of the Board and Senior Management Team and in ensuring the structure of the organisation is appropriate to meet the organisation's business and corporate plans. Investment has been made in management information systems and outcomes focused monitoring and evaluation frameworks to improve how we deliver, monitor and evaluate the quality of services.

A more robust follow up system of audit recommendations has been in place throughout 2015-16 and significant progress has been made in this area. Any weaknesses identified internally by management, the Board, the Audit and Risk Committee, and Internal and External Audit have been considered with immediate action undertaken on priority findings and an implementation plan in place for longer term developments.

Directors' Report for the year ended 31 March 2016

I am confident that the technical issue in relation to the business case cover for ongoing corporate expenditure was one off and plans are in place to ensure this does not re-occur.

In addition, immediate action was taken to ensure a strengthened governance system was in place specifically around the means tested Financial Assistance scheme.

However, there are still challenges in balancing governance requirements with the need to be victim centred in meeting the needs of victims and survivors in a personalised and bespoke way. These challenges, alongside longer term delivery models continue to drive the Co-Design process.

Assembly Accountability Report for the year ended 31 March 2016

Fees and Charges (audited)

The Victims and Survivors Service Limited incurred no fees or charges during 2015-16.

Remote Contingent Liabilities (audited)

There are no remote contingent liabilities.

Losses and Special Payments (audited)

The delegated limit, as outlined in the Management Statement Financial Memorandum, for cash losses is up to £1,000 per case/incident.

The Victims and Survivors Service Limited wrote to The Executive Office on 7 January 2016 to request write off for two expenditure items which materialised in 2015-16 in respect of:

- ineligible Financial Assistance Scheme payments: £2,240
 - In July 2015, seven Victims and Survivors Service Limited clients were incorrectly issued with a payment of £320 within the Financial Assistance Scheme. These clients were not eligible for a Financial Assistance award. The error was administrative. Enhanced checks have since been introduced to avoid a re-occurrence of this error.
- unsuccessful debt recovery: £5,801.33
 - A debt of £5,801.33 materialised in respect of a group funded through the Strategic Support Fund which has been initially administered by the Community Relations Council and transferred mid-year to the Victims and Survivors Service Limited in November 2012. The Victims and Survivors Service Limited had exhausted all debt recovery proceedings in an effort to recover this debt including liaison with the group's committee members via legal representation.

Approval for write off was received from The Executive Office in April 2016.

In addition to the above, a number of payment recoveries may be required in respect of ongoing suspected fraud cases. These are expected to be finalised during 2016-17.

Long Term Expenditure Trends

During the year, the Victims and Survivors Service Limited has provided the Department with a financial analysis of budget versus expenditure and cash on a month end basis, to identify any significant variances and take management action to address.

The budget was utilised within the tolerant level of 1.5% as outlined in the Overview section above. General Financial Management arrangements in addition to those outlined as part of the Departmental oversight are outlined in further detail below.

The long term expenditure profile of the Victims and Survivors Service Limited is outlined below.

Table 23: Long Term Expenditure Spending

	Out-turn	Out-turn	Out-turn
	2013-14	2014-15	2015-16
	£000	£000	£000
Total Resource DEL	12,814	12,483	13,489
Of Which			
Programme	10,666	10,363	11,567
Staff Costs	1,358	1,227	1,170
Administration	790	893	753
Total Capital DEL	21	30	17
Of Which			
Tangible Assets	18	30	8
Intangible Assets	3	0	9
Total AME	0	0	0
Total Spending	12,835	12,514	13,507



Oliver Wilkinson
Chairman



Margaret Bateson
Chief Executive and
Accounting Officer

Date: 13 December 2016

Remuneration Report for the year ended 31 March 2016

Remuneration Policy

Remuneration of all staff members, including the Chief Executive and Accounting Officer and senior staff are set out in their contracts of employment and is subject to review under Northern Ireland Civil Service pay remit guidelines. Such a review requires the approval of the Department of Finance and Personnel.

The appointment and remuneration of the Victims and Survivors Service Limited's Board is determined by The Executive Office.

Service Contracts

Victims and Survivors Service Limited appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointments to be made on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made. Further information can be found in the Victims and Survivors Service Limited Recruitment and Selection Policy.

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

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

Salary and Pension Entitlements

The following sections provide details of remuneration and pension interests of the Directors and the Chief Executive and Accounting Officer in the Victims and Survivors Service Limited.

Directors' Report for the year ended 31 March 2016

Remuneration (including salary) and Pension Entitlements (Audited Information)

Officials	2015-16					2014-15				
	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Pension Benefits* (to nearest £1000)	Total £'000	Salary £'000	Bonus Payments £'000	Benefits in kind (to the nearest £100)	Pension Benefits (to nearest £1000)	Total £'000
Mrs Margaret Bateson, Chief Executive and Accounting Officer.	50-55	-	-	13	75-80	35-40 (full-year equivalent 50-55)	-	-	13	55-60
Mr Oliver Wilkinson, Board Member Interim Chair	5-10				5-10	5-10				5-10
Mrs Bertha McDougall, Board Member	0-5				0-5	0-5				0-5
Mr Richard Solomon, Board Member	0-5				0-5	0-5				0-5
Mr Séamus Magee, Board Member. Appointed 1 April 2015	0-5				0-5	0				0
Ms Patricia Haren, Board Member. Appointed 1 April 2015	0-5				0-5	0				0
Ms Beverley Clarke, Board Member. Appointed 1 April 2015	0-5				0-5	0				0
Mr Stephen McIlveen, Board Member. Appointed 1 April 2015	0-5				0-5	0				0
Band of Highest Paid Director's Total Remuneration	50-55				50-55	60-65				60-65

Directors' Report for the year ended 31 March 2016

Median Total Remuneration	23,969	23,969	23,108	23,108
Range of Staff Remuneration		14,844-53,939		14,844-53,939
Ratio	2.3	2.3	2.3	2.3

* 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 include increases due to inflation and any increase or decrease due to a transfer of pension rights.

The following members have been appointed to the Victims and Survivors Service Limited Board effective from 1 April 2015:

- Oliver Wilkinson, Chair
- Beverley Clarke
- Stephen McIlveen
- Patricia Haren
- Séamus Magee

Salary

'Salary' includes gross salary; overtime; recruitment and retention allowances; and any other relevant allowances to the extent that it is subject to UK taxation and any gratia payments.

Non-Cash Benefits

No non-cash payments were paid to Directors or employees in 2015-16.

Benefits in Kind

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

No Benefits in Kind were paid during the year.

Bonuses

Bonuses are not payable to Victims and Survivors Service Limited Directors or employees. There were no ex-gratia payments made to current Directors or employees.

Directors' Report for the year ended 31 March 2016

Pension Benefits (Audited Information)

	Accrued Pension as at March 2016 & related lump sum £'000	Real increase in pension & lump sum at pension age		CETV at 31 March 2016		CETV at 31 March 2015		Real increase in CETV		Employer contribution to partnership pension account Nearest £100
		PCSPS	ALPHA	PCSPS	ALPHA	PCSPS	ALPHA	PCSPS	ALPHA	
Mrs Margaret Bateson, Chief Executive and Accounting Officer	5-10 (£0 lump sum)	0	4	22	31	20	0	(4)	31	-

Victims and Survivors Service Limited Pension Arrangements

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

A new pension scheme, Alpha, was introduced for new entrants from 1 April 2015. The majority of existing members of the NICS pension arrangements have also moved to

Directors' Report for the year ended 31 March 2016

Alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age did not move to Alpha 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. Alpha is also 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 the scheme membership. The rate will be 2.32%. CARE pension benefits are increased annually in line with increases to the CPI.

Increases in public service pensions are the responsibility of HM Treasury. Pensions are reviewed each year in line with the cost of living. Increases are applied from April and are determined by the CPI figure for the preceding September. The CPI in September 2015 was negative (-0.1%) and HM Treasury has announced that there will be no increase to public service pensions from April 2016. Therefore public service pensions will remain at their current level.

Employee contribution rates for all new members for the period covering 1 April 2016 – 31 March 2017 are as follows:

Scheme Year 1 April 2016 to 31 March 2017

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates – Classic members or classic members who have moved to Alpha.	Contribution rates – All other members.
From	To	From 1 April 2015 to 31 March 2016	From 1 April 2016 to 31 March 2017
£0	£15,000.99	3.8%	4.6%
£15,001.00	£21,210.99	4.6%	4.6%
£21,211.00	£48,471.99	5.45%	5.45%
£48,472.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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.

Directors' Report for the year ended 31 March 2016

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 14.7% (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).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic**, **premium**, and **classic plus** and 65 for members of **nuvos**. The normal pension age in Alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension arrangements can be found at the website <https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>.

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 at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 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.

Directors' Report for the year ended 31 March 2016

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 year. The actuarial factors used to calculate CETVs changed during the 2015-16 year and, consequently, CETV figures increased even without any further pension accrual. However the real increase calculation uses common actuarial factors and focuses only on increase that is funded by the employer.

Compensation on early retirement or for Loss of Office

No Directors or Officers were compensated for early retirement or loss of office in 2015-16.

Fees to Third Parties

Only remuneration and expenses were paid to Directors of the Victims and Survivors Service Limited in 2015-16. The Victims and Survivors Service Limited Board of Directors has received the following remuneration, reflected in the 2015-16 financial statements:

	Remuneration Rate	Year end 31 March 2016 (£)	Year end 31 March 2015 (£)
O Wilkinson, Board Chair	£8,200 p.a (from 1 April 2015)	8,260	5,325
P Gay, Board chair	£5,600 p.a.	0	1,400
B McDougall, Board Member	£125 per day	4,493	2,750
R Solomon, Board Member	£125 per day	3,281	2,906
P Haren, Board Member	£125 per day	3,095	0
S Magee, Board Member	£125 per day	4,795	0
S McIlveen, Board Member	£125 per day	2,017	0
B Clarke, Board Member	£125 per day	4,053	0
Total		29,994	12,381

Directors' Report for the year ended 31 March 2016

Expenses reimbursed to/incurred in respect of non-executive Directors were as follows:

	Year end 31 March 2016 (£)	Year end 31 March 2015 (£)
O. Wilkinson, Member/Interim Board Chair	1,159	1,121
P. Gay, Board Chair	0	360
B. McDougall, Board Member	622	183
R. Solomon, Board Member	0	30
P. Haren, Board Member	74	0
S. Magee, Board Member	1,128	0
S. McIlveen, Board Member	0	0
B. Clarke, Board Member	642	0
Total	3,625	1,694

No further remuneration or expenses were paid to non-executive Directors in 2015-16.



Oliver Wilkinson
Chairman



Margaret Bateson
Chief Executive and
Accounting Officer

Date: 13 December 2016

The Certificate and Report of the Comptroller and Auditor General to the members of the Victims and Survivors Service Limited

The Certificate of the Comptroller and Auditor General to the members of the Victims and Survivors Service Limited

I certify that I have audited the financial statements of the Victims and Survivors Service Limited for the year ended 31 March 2016 under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration Report and the Assembly Accountability Report that is described in that report as having been audited.

Respective responsibilities of Accounting Officer, directors and auditor

As explained more fully in the Accounting Officer and Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Companies (Public Sector Audit) Order (Northern Ireland) 2013. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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.

Basis for qualified opinion on regularity arising from payment of ineligible grant awards

Grant payments under the Financial Assistance scheme made on the basis of self declarations amounted to £1.7m of which an estimated £279,860 was ineligible. Ineligible grant payments are irregular, as the expenditure has not been applied in accordance with the purposes intended by the Northern Ireland Assembly.

The Certificate and Report of the Comptroller and Auditor General to the members of the Victims and Survivors Service Limited

I have therefore qualified my opinion on the regularity of grant expenditure because of the level of ineligible payments which have not been applied to the purposes intended by the Northern Ireland Assembly.

Qualified Opinion on regularity

In my opinion, except for £279,860 of ineligible grant expenditure referred to above, 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.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report and Assembly Accountability Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual; and
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Details of the qualification of my audit opinion are explained more fully in my Report at Appendix 3 of these financial statements.



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

19 December 2016

Financial Statements

Statement of Comprehensive Net Expenditure

Financial Statements

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2016

	Note	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Income			
Grant in Aid from Sponsor Department	4	13,683,000	12,662,998
Other Operating Income	4	0	0
		13,683,000	12,662,998
Expenditure			
Staff Costs	2	1,169,609	1,227,161
Programme Costs	3a	11,566,844	10,363,086
Operating Costs	3c	690,859	808,863
Depreciation	3c	6,160	19,624
Loss on Fixed Asset Disposal	3c	53,551	43,380
Provision provided for in period	3c	2,465	21,250
Total Expenditure		13,489,488	12,483,364
Net (Deficit) / Surplus for the year			
2016		193,512	179,634
Other Comprehensive Net Expenditure			
Total Comprehensive Net Expenditure		193,512	179,634
Amount Transferred to Reserves		193,512	179,634

Notes 1 to 27 on pages 89 to 113 form part of these financial statements.

Financial Statements

Statement of Financial Position

31 March 2016

	Note	As at 31-Mar-16 £	As at 31-Mar-15 £
Non-current assets:			
Property, Plant and Equipment	5	12,943	63,455
Intangible Assets	6	8,418	1,556
Total non-current assets		21,361	65,011
Current assets:			
Trade and other receivables	10	505,645	455,381
Cash and cash equivalents	11	841,109	781,485
Total current assets		1,346,754	1,236,866
Total assets		1,368,115	1,301,877
Current liabilities			
Trade and other payables	12	748,151	868,574
Non-current assets less net current liabilities		619,964	433,303
Non-current liabilities			
Provision for liabilities and charges	13	42,000	48,851
Total assets less liabilities		577,964	384,452
Taxpayers Equity			
General Reserve (Income and Expenditure)		577,964	384,452

Notes 1 to 27 on pages 89 to 113 form part of these financial statements.

Financial Statements

In the view of the Board of the Victims and Survivors Service Limited an exemption from the audit requirements of Part 16 of the Companies Act 2006 is available under section 482 of that Act, since the company meets the Department of Finance and Personnel's definition of a non-profit making company and is subject to audit by the Comptroller and Auditor General for Northern Ireland which is performed under Companies (Public Sector Audit) Order (Northern Ireland) 2013. The Victims and Survivors Service Limited therefore claims this exemption.

The Victims and Survivors Service Limited Board and the Accounting Officer acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

The financial statements were reviewed by the Accounting Officer on 13 December 2016.



Margaret Bateson
Chief Executive and Accounting Officer

Date: 13 December 2016

The financial statements were approved by the Board on 13 December 2016 and were signed on its behalf by:



Oliver Wilkinson
Chairman

Date: 13 December 2016

Financial Statements

Statement of Cash Flow

For the year ended 31 March 2016

	Note	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Cash flows from operating activities			
Surplus / (Deficit) for the period		193,512	179,634
Adjustments for non-cash transactions			
Depreciation	3c	5,189	18,949
Amortisation	3c	972	675
Loss on Fixed Asset Disposal	3c	53,551	43,380
Provision provided in period	3c	2,465	21,250
Decrease / (Increase) in trade receivables and other current assets	10	(50,264)	971,708
(Decrease) / Increase in trade payables and other current liabilities	12	(120,423)	(647,938)
Increase / (Decrease) in provisions	13	(9,316)	(4,269)
Net cash outflow from operating activities		75,686	583,389
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(8,142)	(30,498)
Purchase of intangible assets	6	(8,940)	0
Proceeds on Fixed Asset Disposal		1,020	0
Net cash outflow from investing activities		(16,062)	(30,498)
Cash flows from financing activities			
		0	0
Increase / (Decrease) in cash and cash equivalents in the period		59,624	552,891
Cash and cash equivalents at the beginning of the year	11	781,485	228,594
Cash and cash equivalents at the end of the year	11	841,109	781,485

Notes 1 to 27 on pages 89 to 113 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2016

	General Reserve £000	Total Reserves £000
Opening Balance 2012-13	0	0
Changes in Taxpayers' Equity 2012-13		
Total Comprehensive Net Expenditure for the year	206,041	206,041
Balance at 31 March 2013	206,041	206,041
Changes in Taxpayers' Equity 2013-14		
Total Comprehensive Net Expenditure for the year	(1,223)	(1,223)
Balance at 31 March 2014	204,818	204,818
Changes in Taxpayers' Equity for 2014-15		
Total Comprehensive Net Expenditure for the year	179,634	179,634
Balance at 31 March 2015	384,452	384,452
Changes in Taxpayers' Equity for 2015-16		
Total Comprehensive Net Expenditure for the year	193,512	193,512
Balance at 31 March 2016	577,964	577,964

Notes 1 to 27 on pages 89 to 113 form part of these financial statements.

Notes to the Financial Statements

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the accounting and disclosure requirements of Companies Act 2006, the 2015-16 Government Financial Reporting Manual (FReM) and the Accounts Direction issued by The Executive Office. Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Victims and Survivors Service Limited for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Victims and Survivors Service Limited are described below. These have been applied consistently in dealing with items that are considered material to the accounts. It should be further noted that FReM is not applied to the treatment of Grant in Aid (see Note 1.2). Financing and disclosures as required under FReM are outlined in Note 24.

1.1. Accounting Convention

These accounts have been prepared in accordance with the historical cost convention. The Directors do not consider the current costs of any of the transactions or closing balances to be materially different from the historical cost.

Modifications to account for the revaluation of property, plant and equipment, intangible assets and inventories are not considered to be material.

1.2. Basis of Accounting

Income and expenditure are treated on the accruals basis of accounting. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 2006 and Accounting Standards issued or adopted by the Accounting Standards Board and accounting and disclosure requirements issued by the Department of Finance (formerly Department of Finance and Personnel).

1.3. Government Grants

Income comprises all funding provided to the company for its own purposes. Funding is provided by grant in aid from The Executive Office.

FReM requires Arms-Length Bodies to regard Grant in Aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing.

Notes to the Financial Statements

The disclosure requirements in relation to this are set out in Note 24 to these accounts.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are capitalised as if they are capable of being used for a period which exceeds one year and they:

- Individually have a cost of at least £1,000; or
- Satisfy the criteria of a grouped asset, i.e. collectively they have a cost of at least £1,000, are functionally interdependent, have broadly simultaneous purchase dates, and are anticipated to have simultaneous disposal dates.

Tangible fixed assets are stated at historical cost and are not re-valued under IAS 16 because of the immateriality of the balances involved.

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives as:

- Furniture and Fittings 10 years
- Leasehold Improvements 10 years
- Office Equipment 3 years
- IT Equipment 4 years

A full month's depreciation is charged in the month of acquisition and in the month of disposal.

1.5. Foreign Currency

The accounts are maintained and reported in Sterling. There are no foreign currency transactions in the Victims and Survivors Service Limited.

1.6. Intangible Assets

Intangible non-current assets are capitalised when they are capable of being used in the Victims and Survivors Service Limited activities for more than one year, they can be valued, and they have a cost of at least £1,000 (either individually or as a grouped asset).

Intangible assets are amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives as:

- Website Development 4 years

Notes to the Financial Statements

Purchased computer software licences will be capitalised as an intangible non-current asset where expenditure of at least £1,000 is incurred (either individually or as a grouped asset). They will be amortised over the shorter of the term of the licence and their useful economic life, typically 4 years.

1.7. Impairment

Non-current assets held for operational use will be valued at historical cost and are amortised over the estimated life of the asset on a straight-line basis. Where there is an indication that the carrying value of items of property, plant and equipment or intangibles may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

1.8. Taxation

The Victims and Survivors Service Limited is a registered company limited by guarantee and is engaged in non-profit making activities in accordance with the memorandum of understanding with The Executive Office and the memorandum and articles of association and accordingly its activities are not liable to Income and Corporation Taxes.

All of the Victims and Survivors Service Limited's incoming resources are through grant in aid funding which is outside the scope of taxation. Accordingly the Victims and Survivors Service Limited is not VAT registered and amounts in these accounts are inclusive of Value Added Tax where charged.

1.9. Pension Arrangements

The Victims and Survivors Service Limited participates in a pension scheme administered by the Northern Ireland Civil Service. The Principal Civil Service Pension Scheme (Northern Ireland) (PCSPS[NI]) is for all permanent and fixed term members of staff. The defined benefit schemes are unfunded.

The company makes pension contributions at the rates outlined in the Remuneration Report on page 74 above to the approved pension scheme. The cost of contributions for providing pensions for employees is charged to the statement of comprehensive net expenditure account as they are earned, in accordance with IAS 19 *Employee Benefits*. Seconded staff members remain members of their respective pension schemes.

Notes to the Financial Statements

1.10. Provisions

The Victims and Survivors Service Limited makes provisions for liabilities and charges where, at the date of the Statement of Financial Position, a legal or constructive liability exists (ie, a present obligation from past events exists), where the transfer of economic benefits is probable and a reasonable estimate can be made. Where the time value of money is material, Victims and Survivors Service Limited discounts the provision to its present value using a standard Government discount rate.

1.11. Grants Payable

Grants are treated as paid if they have been authorised for payment by officers at the appropriate level. Grants payable include amounts paid in the period and amounts accrued and still to be paid at the Statement of Financial Position date.

1.12. Employee Benefits

Under the requirements of IAS 19: *Employee Benefits*, staff costs must be recorded as an expense as soon as the organisation is obliged to pay them. This includes the cost of any untaken leave at the year end. This cost has been calculated using the untaken leave per staff member and applying this to their annual salary to calculate the leave balance as at 31 March 2016.

1.13. Resources Expended

Support costs include all expenditure directly relating to the objectives of the company. Administration and Management costs comprise the costs involved in complying with constitutional and statutory requirements.

Costs incurred for meetings, seminars and other specific expenditure relating to the individual programmes are classified as Programme Costs.

1.14. Operating Leases

Rentals payable under operating leases are charged on a straight line basis in the period in which they arise.

1.15. Funds

All income received by the company must be used for specific purposes which are within the overall aims of the company.

Notes to the Financial Statements

1.16. Segmental Reporting

The principal aim of the Victims and Survivors Service Limited and sole activity is the provision of services to victims and survivors as defined in the Victims and Survivors (Northern Ireland) Order 2006. The Victims and Survivors Service Limited is therefore considered to have only one operating segment. All income, expenditure, assets and liabilities relate to this sole activity and are disclosed within these financial statements in the manner reported to the chief operating decision maker, which is considered to be the Board of the Victims and Survivors Service Limited.

1.17. Changes in Accounting Policy and Disclosure

The following additional or revised accounting standards and new (or amendments to) interpretations are contained within the Government Financial Reporting Manual (FReM) 2015-16:

- Fair Value (IFRS13, IAS16)

Victims and Survivors Service Limited considers that these changes have no impact on its operations

The IASB have issued new and amended standards (IFRS10, IFRS11 and IFRS12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards are effective within EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on the Office for National Statistics (ONS) control criteria, as designated by Treasury. A similar review in NI, which will bring NI Departments under the same adaption, has been carried out but a decision has yet to be made by the Executive. Should the Executive agree to the recommendations, the accounting boundary for Departments will change and there will be an impact on Departments around the disclosure requirements under IFRS12. Arms Length Bodies (ALBs) apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

1.18. Changes in Accounting standards, interpretations and amendments to published standards not yet effective

The Victims and Survivors Service Limited has reviewed the following additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2015-16:

- Disclosure Initiative (amendment) (IAS1)
- Fair Value (IFRS13, IAS16)
- Financial Instruments (IFRS9)

Notes to the Financial Statements

- Leases (IFRS16)
- Statement of Cash Flows (IAS7)

These changes will be mandatory for accounting periods beginning on or after 1 April 2016 or later periods, but which Victims and Survivors Service Limited has not adopted early. Victims and Survivors Service Limited considers that these changes are not relevant to or will have minimal impact on its operations.

In addition, certain new standards, interpretations and amendments to existing standards have been drafted but not yet issued and will come into effect in accounting periods beginning on or after 1 April 2016. It is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

The Victims and Survivors Service Limited is compliant with all International Financial Reporting Standards.

1.19. Contingent Liabilities

Contingent liabilities are not recognised in the accounting statements; they are disclosed by way of a note if:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence of one of more uncertain events not wholly within the Victims and Survivors Service Limited's control; or
- A present obligation arises from past events but is not recognised because it is not probable that a transfer of economic benefits will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

For each class of contingent liability, the nature of the contingency, a brief description, an estimate of its financial effect, an indication of the uncertainties relating to the amount or timing of any outflow and the possibility of any reimbursement has, if applicable, been disclosed. If there is a present obligation and the transfer of economic benefit in respect of a contingent liability has become probable and a reliable estimate is available, a provision will be recognised in the financial statements.

1.20. Going Concern

The Financial Statements have been prepared on the assumption that Victims and Survivors Service Limited is a going concern and will continue in operation for the foreseeable future.

Notes to the Financial Statements

2. Staff Numbers and Related Costs

Staff costs comprise:

	Permanently employed staff	Others (Agency & Seconded)	Year ended 31-Mar-16 Total	Year ended 31-Mar-15 Total
	£	£	£	£
Wages and salaries	665,383	294,767	960,150	1,036,964
Social security costs	49,138	0	49,138	57,440
Other Pension costs	130,327	0	130,327	120,376
Board Costs	29,994	0	29,994	12,381
Sub Total	874,842	294,767	1,169,609	1,227,161
Less recoveries in respect to outward secondments	0	0	0	0
Total Net Costs*	874,842	294,767	1,169,609	1,227,161

*Of the total, £0 has been charged to capital.

Pension

The Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS (NI)] is an unfunded multi-employer defined benefit scheme but the Victims and Survivors Service Limited is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DFP Superannuation and Other Allowances Resource Accounts as at 31 March 2016.

For 2015-16, employers' contributions of £130,327 were payable to the PCSPS(NI) (2014-15 £120,376) at one of four rates in the range 18% to 25% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The scheme's Actuary reviews employer contributions every 4 years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2015-16,

Notes to the Financial Statements

the rates will range from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2015-16 to be paid out when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £nil (2014-15: £nil) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% (2014-15: 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £nil (2014-15: £nil) of pensionable pay, were payable to the PCSPS(NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

No persons (2014-15: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in year amounted to £0 (2014-15: £0).

Average Number of Persons Employed

The average number of whole-time equivalent persons employed was as follows.

	Permanently employed staff	Others (Agency & Seconded)	Year ended 31-Mar-16 Total	Year ended 31-Mar-15 Total
Administrators	12.05	6.76	18.81	17.21
Management	11.23	2.23	13.46	12.98
Senior Management	1.00	0.00	1.00	2.54
Total	24.28	8.99	33.27	32.73

Notes to the Financial Statements

3. Expenditure

a. Programme Expenditure

	Note	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Programmes Grants	3b	11,383,457	10,247,767
Provision of Client Support Services		34,185	50,515
Independent Panel Costs		1,491	7,409
Workforce Training and Development		93,041	20,927
Monitoring and Evaluation		14,238	0
Advertising		26,582	25,137
Seminars & Events		13,850	0
Increase in Bad Debt Provision		0	11,331
Total		11,566,844	10,363,086

b. Grants to Funded Organisations

	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Victims Support Programme Grants to Groups	6,520,331	5,955,152
Strategic Support Fund	0	10,120
Grants to Individuals	4,863,126	4,282,495
Total	11,383,457	10,247,767

Notes to the Financial Statements

c. Operating Expenditure

	Note	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Rents & Service Charges		148,201	314,014
Rates		24,632	107,831
IT Services		85,296	99,639
Staff Recruitment		2,191	6,639
Telephones		10,516	34,460
Heat, Light & Power		12,434	21,456
Office Expenses		28,355	35,727
NIAO Audit*		28,863	31,810
Premises Expenses**		171,198	28,540
Professional Fees		43,242	55,388
Staff Training		30,930	12,513
Travel & Subsistence		17,469	22,814
Hospitality		6,661	1,553
Postage & Carriage		26,062	21,334
Insurance		707	1,385
Increase in Bad Debt Provision		0	0
Managed Services		31,784	1,980
Office Move costs		16,983	2,592
Board Costs		5,335	1,188
The Disappeared		0	8,000
Total Operating Costs		690,859	808,863
Non-cash items:			
Depreciation	5	5,189	18,949
Amortisation	6	972	675
Loss of Fixed Asset Disposal	5	53,551	43,380
Provision provided for in period	13	2,465	21,250
Total non-cash items		62,177	84,254
Overall Total		753,036	893,117

Notes to the Financial Statements

* The audit fee in respect of 2015-16 is £28,000. The additional £863 is in respect of an under-accrual in 2014-15.

** The Victims and Survivors Service Limited inherited the lease on Millennium House in November 2012 and, therefore, became liable for any costs associated with restoring the premises to its original state. The Victims and Survivors Service Limited vacated Millennium House in June 2015. The Victims and Survivors Service Limited commissioned a building surveyor to negotiate on its behalf in respect of the assessment the charges. The dilapidation costs were agreed at £147,500.

4. Income

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Grant in Aid from Sponsor Department	13,683,000	12,662,998
Other Operating Income	0	0
	13,683,000	12,662,998

All Grant in Aid income is received from the Sponsoring Department, The Executive Office.

There was no other operating income in 2015-16.

The resource and cash budgets for the Victims and Survivors Service Limited were £13,683m and £13,500m respectively.

Notes to the Financial Statements

5. Property, Plant and Equipment

	Year ended 31-Mar-16				
	Furniture & Fittings £	Leasehold Improvements £	IT Equipment £	Office Equipment £	Total £
Cost:					
At 1 April 2015	48,268	438,539	36,001	1,560	524,368
Additions in year	5,785	0	2,357	0	8,142
Disposals	(44,503)	(412,231)	(31,604)	(1,560)	(489,898)
At 31 March 2016	9,550	26,308	6,754	0	42,612
Accumulated Depreciation:					
At 1 April 2015	37,025	412,105	11,046	737	460,913
Charge in year	862	783	3,414	130	5,189
Disposals	(36,355)	(387,148)	(12,063)	(867)	(436,433)
At 31 March 2016	1,532	25,740	2,397	0	29,669
Carrying amount at 31 March 2016	8,018	568	4,357	0	12,943
Year ended 31-Mar-16					
Asset Financing:					
Owned:	8,018	568	4,357	0	12,943
Finance Leased: On-balance sheet (SOFP) PFI (and other service concession arrangements) contracts:	0	0	0	0	0
Carrying amount at 31 March 2016	8,018	568	4,357	0	12,943

Notes to the Financial Statements

**Year
ended
31-Mar-15**

	Furniture & Fittings £	Leasehold Improvements £	IT Equipment £	Office Equipment £	Total £
Cost:					
At 1 April 2014	48,268	872,846	17,213	1,560	939,887
Additions in year	0	0	30,498	0	30,498
Disposals	0	(434,307)	(11,710)	0	(446,017)
At 31 March 2015	48,268	438,539	36,001	1,560	524,368

Accumulated Depreciation:

At 1 April 2014	35,671	794,760	13,953	217	844,601
Charge in year	1,354	8,272	8,803	520	18,949
Disposals	0	(390,927)	(11,710)	0	(402,637)
At 31 March 2015	37,025	412,105	11,046	737	460,913
Carrying amount at 31 March 2015	11,243	26,434	24,955	823	63,455

Asset Financing:

Owned:	11,243	26,434	24,955	823	63,455
Finance Leased:					
On-balance sheet (SOFP) PFI (and other service concession arrangements) contracts:	0	0	0	0	0
Carrying amount at 31 March 2015	11,243	26,434	24,955	823	63,455

Notes to the Financial Statements

6. Intangible Assets

	Year ended 31-Mar-16	
	Website Development £	Total £
Cost:		
At 1 April 2015	2,700	2,700
Additions in year	8,940	8,940
Disposals	(2,700)	(2,700)
At 31 March 2016	8,940	8,940
Amortisation:		
At 1 April 2015	1,144	1,144
Charge in year	972	972
Disposals	(1,594)	(1,594)
At 31 March 2016	522	522
Carrying amount at 31 March 2016	8,418	8,418
Asset Financing:		
Owned	8,418	8,418
Finance Leased:		
On-balance sheet (SOF) PFI (and other service concession arrangements) contracts:		
Carrying amount at 31 March 2016	8,418	8,418

Notes to the Financial Statements

	Year ended 31-Mar-15	
	Website Development	Total
	£	£
Cost:		
At 1 April 2014	2,700	2,700
Additions in year	0	0
Disposals	0	0
At 31 March 2015	2,700	2,700
 Amortisation:		
At 1 April 2014	469	469
Charge in year	675	675
Disposals	0	0
At 31 March 2015	1,144	1,144
Carrying amount at 31 March 2015	1,556	1,556
 Asset Financing:		
Owned	1,556	1,556
Finance Leased:		
On-balance sheet (SOF) PFI (and other service concession arrangements) contracts:		
Carrying amount at 31 March 2015	1,556	1,556

Notes to the Financial Statements

7. Financial Instruments

As the cash requirements of the Victims and Survivors Service Limited are met through Grant-in-Aid provided by The Executive Office, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Victims and Survivors Service Limited expected purchase and usage requirements and the Non Departmental Public Body is therefore exposed to little credit, liquidity or market risk.

8. Impairments

There have been no impairment charges for the year.

9. Inventories

The Victims and Survivors Service Limited has no inventories..

10. Trade Receivables and other Current Assets

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Amounts falling due within one year arising from Victims and Survivors Services Limited Operations:		
Programme receivables	46,967	144,265
Prepayments & accrued income	498,491	350,780
Room hire receivables	1,061	1,210
Bad debt provision	(40,874)	(40,874)
	<u>505,645</u>	<u>455,381</u>

Notes to the Financial Statements

11. Cash and Cash Equivalents

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Balance at 1 April 2015:	781,485	228,594
Net change in cash and cash equivalent balances	59,624	552,891
Balance	841,109	781,485

The above balance comprises £841,031 at the Danske Bank, Belfast in a non-interest bearing current account and £78 in petty cash held on-site.

A large bank balance was held at 31 March 2016 as The Executive Office advised the Victims and Survivors Service Limited to draw down its full 2015-16 cash allocation in recognition of a suitable risk management response to the NICS Shared Service, Account NI, being unavailable for a period of time at year end.

12. Trade Payables and Other Current Liabilities

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Amounts falling due within one year:		
Programme payables	495,148	596,125
Trade payables	43,654	91,057
Other taxation & social security	0	0
Accruals & deferred Income	209,349	181,392
	748,151	868,574

13. Provisions for Liabilities and Charges

			Year ended 31-Mar-16	Year ended 31-Mar-15
	Pension Actuarial Services £	The Disappeared £	Total £	Total £
Balance at 1 April 2015	32,851	16,000	48,851	31,870
Provided for in the year	2,465	0	2,465	21,250
Utilised in year	(9,316)	0	(9,316)	(4,269)
Provisions written back	0	0	0	0
Balance at 31 March 2016	26,000	16,000	42,000	48,851

The provision for liabilities and charges relates to Victims and Survivors Service Limited estimate for:

1 *Pension Actuarial Services*

- The provision of pension actuarial services and related advice in connection with the quantification of the pension obligations relating to staff that transferred from the Community Relations Council on 12 November 2012.

2 *The Disappeared Funeral Costs*

- At 31 March 2016, the remains of four of the Disappeared were still to be located. The Victims and Survivors Service Limited have provided for a contribution in respect of funeral costs for each of the four Disappeared as previously provided under the Northern Ireland Memorial Fund.

The provisions are not discounted as the Victims and Survivors Service Limited do not, at this time, expect the provision to be held for more than three years.

Notes to the Financial Statements

14. Capital Commitments

The Victims and Survivors Service Limited had no capital commitments in the financial year (2014-15: Nil).

15. Commitments under Leases

Total future minimum lease payments under operating leases are given in the table below.

	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Buildings:		
Not later than one year	70,066	125,643
Later than one year, and not later than five years	36,903	0
Later than five years	0	0
Total	106,969	125,643
Other:		
Not later than one year	2,515	2,515
Later than one year, and not later than five years	754	3,257
Later than five years	0	0
Total	3,269	5,772

16. Commitments under PFI Contracts and Other Services Concession Arrangements Contracts

None.

17. Other Financial Commitments

None.

Notes to the Financial Statements

18. Contingent Liabilities Disclosed Under IAS 37

Pension Bulk Transfer Value

On 11 November 2012, the functions and staff of the victims unit of the Community Relations Council (CRC) were transferred to the Victims and Survivors Service Limited. Eight staff from the Community Relations Council were transferred under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

There is a contingent liability in respect of the pension bulk transfer value. The liability to be met by the Victims and Survivors Service Limited is in respect of the difference between the amount of money which will be paid from NILGOSC (CRC's pension scheme) to PCSPS (Victims and Survivors Service Limited pension scheme) in respect of the transferring employees and the amount which is required by the PCSPS(NI) in order to accept the transfer of liabilities.

The Government Actuaries Division (GAD) were appointed in November 2013 and the transfer value is expected to be calculated in the second half of 2016/17. A provisional transfer value was calculated by GAD in August 2016 assuming all eight members of staff will transfer to PCSPS. However, as negotiations are still to take place, it is not possible to quantify this value with certainty until negotiations with these eight employees take place.

19. Related-Party Transactions

The Victims and Survivors Service Limited is an Arms Length Body sponsored by The Executive Office. The Executive Office is regarded as a Related Party. During the period the Victims and Survivors Service Limited had various material transactions with The Executive Office (Grant in Aid £13,683,000).

During the year no members of the Victims and Survivors Service Limited Board, Audit and Risk Committee, Senior Management Team nor other related parties have directly undertaken any material transactions with the Victims and Survivors Service Limited.

The Victims and Survivors Service Limited has had a small number of transactions with other government departments and other central government bodies.

Compensation for Directors and Chief Executive and Accounting Officer has been disclosed in the Remuneration Report.

Notes to the Financial Statements

20. Third Party Assets

None.

21. Net Incoming Resources is Stated after Charging

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Depreciation of tangible fixed assets	5,189	18,949
Amortisation of intangible assets	972	675
Auditors' remuneration	28,863	31,810
	<u>35,024</u>	<u>51,434</u>

22. Fund Balances

	Year ended 31- Mar-16	Year ended 31-Mar-15
	£	£
Opening balance	384,452	204,818
Net movement in funds	193,512	179,634
Closing balance	<u>577,964</u>	<u>384,452</u>

Any positive funds above must be spent in accordance with the memorandum of understanding with The Executive Office on victims and survivors and associated administration and overhead costs incurred in delivering the programmes.

23. Financial Compliance – Programmes

The Victims and Survivors Service Limited maintains and manages a register outlining any significant breaches and issues of non-compliance for all groups funded under the VSP and individuals under the INP. During 2015-16, there were no significant breaches.

Notes to the Financial Statements

24. Additional Disclosures to Comply with the Government Financial Reporting Manual (FReM)

FReM requires Arms-Length Bodies to regard grant in aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing, ie, by crediting them to the income and expenditure reserve.

If the Victims and Survivors Service Limited were to comply with FReM, the following would be the effect of this compliance.

25.1 Statement of Comprehensive Net Expenditure prepared under FReM

	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Income		
Rental Income	0	0
	0	0
Expenditure		
Staff Costs	1,169,609	1,227,161
Programme Costs	11,566,844	10,363,086
Operating Costs	690,858	808,863
Depreciation	5,189	18,949
Amortisation	972	675
Loss on Fixed Asset Disposal	53,551	43,380
Provisions provided for in period	2,465	21,250
	13,489,488	12,483,364
Net deficit for the period	(13,489,488)	(12,483,364)
Amount transferred to Reserves	(13,489,488)	(12,483,364)

There are no recognised gains or losses for the current year other than as stated above. Accordingly, no statement of changes in equity is given.

Notes to the Financial Statements

25.2 Statement of Cash flows prepared under FREM

	Year ended 31-Mar-16	Year ended 31-Mar-15
	£	£
Cash flows from operating activities		
Net Deficit after interest and tax	(13,489,488)	(12,483,364)
Adjustments for Non Cash Transactions		
Depreciation	5,189	18,949
Amortisation	972	675
Loss on Fixed Asset Disposal	53,551	43,380
Provision provided in period	2,465	21,250
(Decrease) / Increase in trade and other payables	(120,423)	(647,938)
Increase / (Decrease) in trade and other receivables	132,736	19,708
Increase / (Decrease) in Provisions	(9,316)	(4,269)
Net Cash used in operating activities	<u>(13,424,314)</u>	<u>(13,031,609)</u>
Cash flows from financing activities		
Grant in Aid from Parent Department	13,500,000	13,614,998
Net Cash used in financing activities	<u>13,500,000</u>	<u>13,614,998</u>
Cash flows from investing activities		
Purchase of Property, Plant and Equipment	(8,142)	(30,498)
Purchase of intangible assets	(8,940)	0
Income on Fixed Asset Disposal	1,020	0
Net Cash used in investing activities	<u>(16,062)</u>	<u>(30,498)</u>
Net Increase/(Decrease) in cash and cash equivalents	59,624	552,891
Cash and cash equivalents at beginning of the year	781,485	228,594
Cash and cash equivalents at end of the year	<u>841,109</u>	<u>781,485</u>

Notes to the Financial Statements

25.3 Statement of Financial Position prepared under FReM:

	Year ended 31-Mar-16 £	Year ended 31-Mar-15 £
Non-Current Assets		
Property, Plant and Equipment	12,943	63,455
Intangible Assets	8,418	1,556
Total Non-Current Assets	21,361	65,011
Current Assets		
Trade and Other Receivables	31,645	164,381
Cash and Cash Equivalents	841,109	781,485
Total Current Assets	872,754	945,866
Total Assets	894,115	1,010,877
Current Liabilities		
Trade and Other Payables	748,151	868,574
Non Current Assets Less Net Current Liabilities	145,964	142,303
Non Current Liabilities		
Provision for liabilities and charges	42,000	48,851
Total Assets Less Liabilities	103,964	93,452
Analysis of General Reserve:		
Opening Balance	93,452	(1,038,182)
Grant in Aid received in year	13,500,000	13,614,998
Net operating cost for the year	(13,489,488)	(12,483,364)
Balance at 31 March 2015	103,964	93,452

Notes to the Financial Statements

26. Guarantee

The Executive Office, undertake to contribute to the assets of the company in the event of the same being wound up while such party is a member, or within one year after such party ceases to be a member, for payment of the debts and liabilities of the company contracted before such party ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of its contributories among themselves, such amount as may be required not exceeding one pound.

27. Events after the Reporting Period

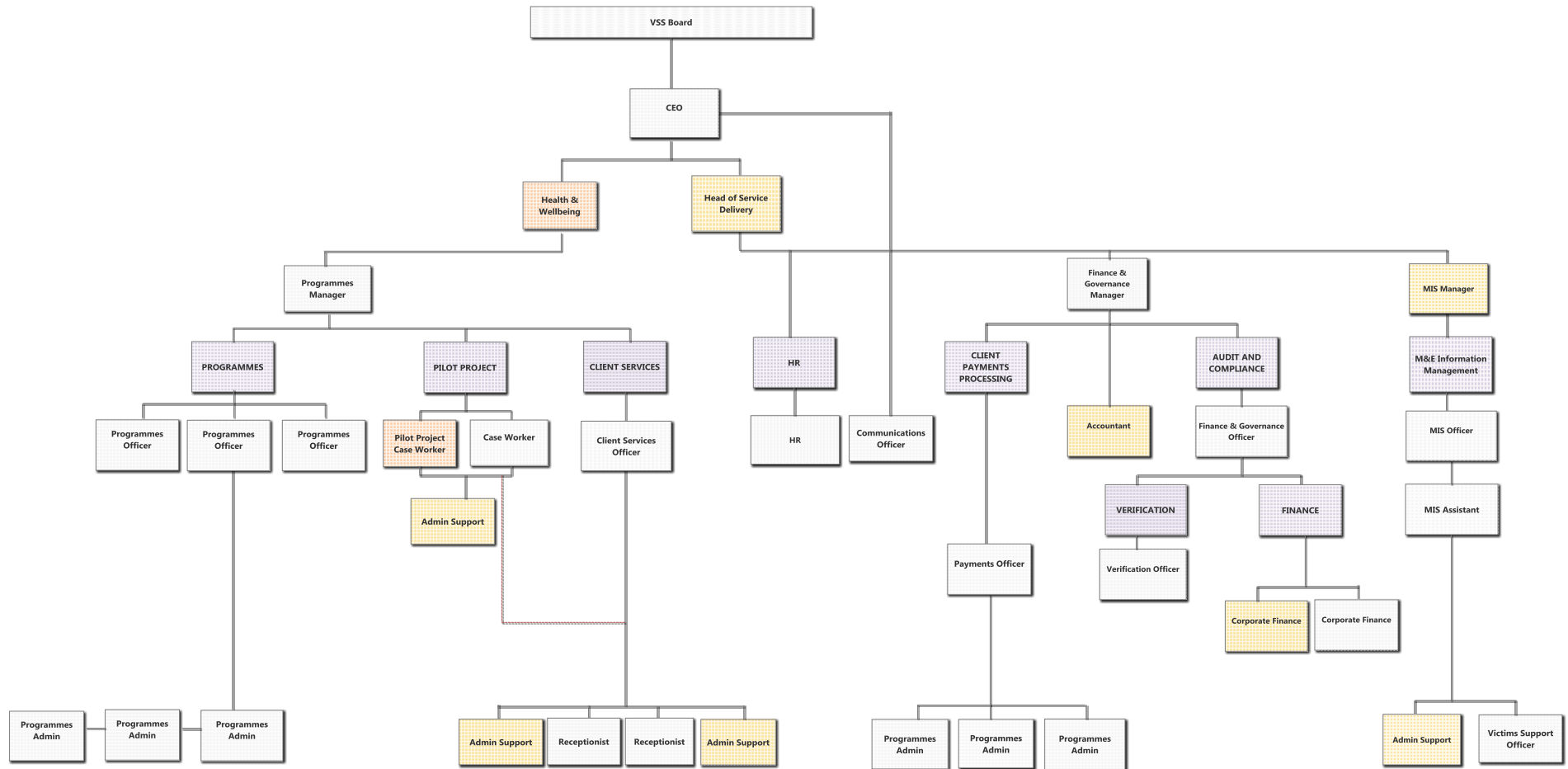
There were no events after the reporting period.

Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on 20 December 2016.

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Appendix 1: Organisation Chart as at 31 March 2016



Key	
	Teams
	Temporary Staff
	Agency Staff

	FTE	Headcount
Full-Time Staff	21.86	22
Part-Time Staff	3.16	4
Temporary Staff	9	9
Total	34.02	35

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Appendix 2: Business Plan 2015-16

The table below sets out the Victims and Survivors Service Limited Business Plan for 2015-16. It details the organisation's objectives and 47 key performance indicators. The achievement of these targets was monitored over the year using the following Red / Amber / Green (RAG) status updates.

RAG status	Description
BLUE	Completed
GREEN	Achieved or on track for delivery
GREEN/AMBER	Broadly on track and there is <i>justifiable</i> confidence of getting close to targeted outcomes
AMBER	Progress less than planned. Significant doubt around the achievement of targeted outcomes
RED	Commitments not achieved or not expected to be achieved within the current PfG period

In the financial year 2015-16, summary progress against all 47 targets was as follows:

Completed	Green	Green/Amber	Amber	Red
44	1	0	2	0

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Progress against Action Plan - 1 April 2015 to 31 March 2016 (Corporate Plan version March 2015)

Strategic Objective 1: SUPPORTING CLIENTS – We will ensure that victims and survivors and their representatives have ready access to services that they need		
Action 1.1: Streamline and improve access to goods and services to the Individual Needs Programme for individual victims and survivors (PM / CSO)		
Targeted actions and Status	Target date	Outputs/Outcomes
Open Financial Assistance (Scheme 6) including the design of improved, user-friendly application and self-declaration forms	April 2015 <i>(Publicise Scheme in March; application period April, payments commence May)</i>	Decreased complaints Improved access to goods and services Improved outcomes for individuals
Open Care for Carers Scheme	April 2015	
Open Support for Injured Scheme	April 2015	
Open Support for Bereaved Scheme	May 2015	
Action 1.2: Design and implement a pathway to services model for individual victims and survivors (PM)		
Targeted actions	Target date	Outputs/Outcomes
Continue review of the signposting process at entry to service. Document available support	April 2015 - INP	VSS Clients, stakeholders and the general public understand the role and purpose of VSS and how to access the services it delivers.

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through partner and funded organisations and general support available in local areas.		Managed referral and signposting to statutory services for at risk clients within 24hours of initial contact.
		Managed referral and signposting to VSP, voluntary and statutory services for all clients requesting information and support within 10 days of initial contact.
	June 2015 - VSP	VSS Clients, stakeholders and the general public understand the role and purpose of VSS and how to access the services it delivers.
Casework approach, Personalised Budgets and a Structured Conversation approach	May 2015	Recommendations for future programmes and policy design Improved relationships and trust-building on the basis of thorough follow-up of the recommendations arising from CVS research and consultation with the sector in 2014/15
Disability Aids Scheme	January 2016	Recommendations for future programmes and policy design Improved relationships and trust-building on the basis of thorough follow-up of the recommendations arising from CVS research and consultation with the sector in 2014/15
Monitor the client journey	April 2015 – March 2016	Delivery and impact data to inform future Programmes design
		Ensure complaints procedure is accessible both in VSS premises and on VSS website
Action 1.3: Design an automated Client Management System (PM / CSO)		
Targeted actions	Target date	Outputs/Outcomes
Implementation of MIS timetable to improve current	Implementation: May 2015; monthly	Improved client response times

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manual system and upgrade to an electronic records management system	reporting on progress May 2015-April 2016	Automated management reporting to ensure quicker decision making
Implementation of improved Telephony System operated by IT Assist upon completion of Belfast premises move	June 2015	Upgraded telephone system to VOIP
		Automated management reporting to ensure 24 hour call back in place
Transition of manual file system to automated consolidated client records management system (ICONI)	April 2015	Consolidation of all NIMF and VSS manual files into one system

Strategic Objective 2: ENSURING REGIONAL ACCESS – We will ensure that victims and survivors are provided with access to relevant services across the region

Action 2.1: Ensure regional access to goods and services (PM / CSO)

Targeted actions	Target date	Outputs/Outcomes
Ensure continuity of services of the Health and Wellbeing Programme under the VSP by issuing final letters of offer for 2015-2016	Interim LoO: July 2015	Monitoring and Evaluation reports from each Group
	Final LoO: issued within 8 weeks of final budget confirmation	Consistent service review meetings between VSS and Groups
		Promotion of existing signposting services and support available to all clients through VSS
Monitor geographical spread across the	September 2015	Identified areas with limited access to services support

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region		Priority areas identified for VSP re-opening late 2015
Carry out a trend/gap analysis of goods and services available	September 2015	Identified gaps in goods and services Accurate information to feed into future policy and decision making

Strategic Objective 3: STRENGTHENING THE NETWORK – We will work in the interests of victims and survivors to develop local and regional hubs of specialist service provision

Action 3.1: Development of local and regional specialist hubs (PM / CSO / CO)

Targeted actions	Target date	Outputs/Outcomes
Identify and roll out Best Practice across the sector	March 2016	Implementation of Workforce training plan for groups throughout 2015-16
		Accredited training courses and seminars for therapists and counsellors
		Increased capacity and confidence within VSS-funded organisations
Interim CEO chairing Victims and Survivors Practitioners Working Group Meetings	Every 6-8 weeks, April 2015 – March 2016	Improved communication between agencies and organisations involved in delivering services to victims and survivors

Action 3.2: Development of relationships with statutory mental health providers (PM)

Targeted actions	Target Date	Outputs/Outcomes
Progress and develop work on care pathway for victims and survivors with mental health needs in conjunction with CVS and Department	April 2015- March 2016	Documented and agreed referral process with each VSP group
		CVS and Department to lead on referral processes into Statutory services

Action 3.3: Stakeholder Engagement (CO / PM)

Targeted actions	Target Date	Outputs/Outcomes
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Strategic Objective 3: STRENGTHENING THE NETWORK – We will work in the interests of victims and survivors to develop local and regional hubs of specialist service provision		
Review and renew stakeholder analysis and engagement plan	In place by end April 2015	Current and accurate framework of stakeholders
	Reviewed quarterly for relevance	Strong communication with relevant agencies & sectors
Review and renew communications plan	In place by end April 2015	Updated Communications Plan for 2015-16, to include Social Media Plan
	Reviewed quarterly for relevance	Strong and relevant key messages
Review and update publicity and communications information and actions for clarity and relevance	April 2015 – March 2016, in line with Programmes opening and closure, funding information, and other key developments (e.g. office move, Co-Design Process)	Informed and dynamic engagement with key stakeholders that is responsive to changing views and emerging concerns
		Website – updated on ongoing basis Quarterly e-zine for VSP groups Engagement diary – monitored weekly
Integrated engagements plan with key stakeholders including FSWG, CVS and OFMDFM	April 2015- March 2016	Reviewed and updated MOU agreed between CVS & VSS
		Monthly tri-lateral meetings CVS / VSS / OFMDFM
		Regular engagement with Forum Services Working Group
		Monthly Accountability Meetings
		Collaboration with CVS, OFMDFM in the Co-

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Strategic Objective 3: STRENGTHENING THE NETWORK – We will work in the interests of victims and survivors to develop local and regional hubs of specialist service provision		
		Design process.
Information exchange	April 2015 – March 2016, in line with Programmes opening and closure, funding information, and other key developments (e.g. office move, Co-Design Process)	Positive, strong working relationships with key partnership-level stakeholders
		VSS Clients, stakeholders and the general public understand the role and purpose of VSS and how to access the services it delivers.

Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
Action 4.1: Driving Results through Clinical Governance (PM / CSO)		
Targeted actions	Target date	Outputs/Outcomes
Implementation of Workforce Development Training Plan (based on findings)	March 2016	Consistent high standards of service delivery across funded organisations
		Accredited training courses and seminars for therapists and counsellors

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
of 2013 Skills Audit and 2013-2015 engagement with HWB Service Providers)		Increased capacity and confidence within VSS-funded organisations
Maintain Befriending Services established in 2014/15	April 2015- March 2016	Framework for supervision and support across groups providing befriending services
Action 4.2: Driving Results through Corporate Governance (PM / FGM / CO)		
Targeted actions	Target date	Outputs/Outcomes
Monitor implementation of Individual Needs Programme	April 2015- March 2016	Decreased bureaucracy in access to services, while maintaining public accountability rules
Monitor implementation of Victims Support Programme	April 2015 – March 2016	Issue interim Letters of Offer by July 2015
		Review of VSP Operating Manual and Guidance Notes – April 2015
		Review and establish programme for training sessions (beyond Workforce Training Plan) with groups – May 2015
		Review of VSP application in light of Co-Design Process
		Open call for applications
		Issue letters of offer for next programming period 2016-17

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
Review capacity of funded organisations and their staffing structures	Quarterly over period	Clear information on capacity of funded organisations
	April 2015 – March 2016	Clear information on salary requirements of funded organisations
Implement Monitoring and Evaluation Framework as agreed in consultation with stakeholders Dec 2015 – March 2016	June 2015	Strong evidence base of statistical and impact data to inform future programme design
Develop a robust VSS Board to oversee the strategic direction and governance arrangements	April 2015- March 2016	Monthly Board meeting and minutes published on website
		Board training and induction of new members to include MSFM and Companies Act
		Review of Modus Operandi
		Appointment of a trained and experienced ARC
		Review of key governance policies
		Review performance of SMT, ARC and Board
Design and develop the long term strategy of the VSS moving forward	October 2015	Review of Vision, Mission and Objectives
	April 2015	Finalise VSS work plan for 2015-16 and 3 year Corporate Plan in consultation with VSP organisations and FSWG
		Review KPIs to ensure focus on quality of service and stakeholder needs

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
Monthly tri-laterals with Commission for Victims and Survivors (CVS) and OFMDFM, regular meetings with the Forum for Victims and Survivors	Monthly, April 2015 – March 2016	Robust engagement with CVS and the Forum for Victims and Survivors
Ensure robust financial processes and procedures are being developed and followed	April 2015- March 2016	Implementation of Internal Audit Plan
		Draft financial statements 2014/2015: June 2015
		Final financial statements 2014/2015: Sept 2015
		Implementation of NIAO recommendations
		Update Asset Management Strategy
		Update Financial Procedures and Procurement Manual
Review and update Policies and Procedures	April 2015- March 2016	Annual review of MSFM by VSS Board
		Establishment of a register of policies and their review dates
		Strong and current framework of governance and operational procedures
		Compliance with legal, statutory and departmental requirements
Manage budget against expenditure	April 2015- March	Confident staff teams
		Monthly NDPB consumption reports Monthly cash drawdowns

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
and achieve 98.5% consumption	2016	Monitoring Returns
		Month end closure within 5 working days of month end
Pay 100% of invoices within the statutory time frame of 30 days	April 2015- March 2016	Prompt Payments
Carry out vouching and verification in line with VSP and INP operating rule	April 2015- March 2016	Team Leader carry out 100% check at desk on supporting documentation on INP claims
		Carry out 10% desk check on each payment run
		Carry out 100% management check at desk on supporting documentation
		Carry out 10% check with suppliers to verify goods and services on INP claims
		Risk based approach to vouching of VSP expenditure
		Desk vouching of 100% of expenditure claims
		Debt recovery in line with VSS Debt Recovery Procedure
Meet Department Requirements in line with Good Governance Checklist and SLA at OFMDFM Accountability Meetings	April 2015- March 2016	Partnership approach to implementation of Strategy for Victims and Survivors
		Quarterly ALB Performance Reports
Senior Management Team meetings	Monthly, April 2015 – March 2016	Reduced risk and increased communication between functions
Ensure a robust risk management	April 2015- March	Monthly Risk Registers Quarterly Stewardship Statements

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
process is in place and followed	2016	Staff knowledge and understanding of all policies and procedures, strengthened governance
Ensure information is provided in response to statutory obligations and any external information requests	April 2015- March 2016	Answer all FOI and Subject Access Requests
		Full compliance with all Data Protection Principles
		Provide accurate and timely responses to AOs, Departmental / Ministerial Briefings, etc
Improvement in internal communications	At minimum weekly April 2015- March 2016	Staff knowledge and understanding of role and function of VSS, up-to-date knowledge of current activity
		Staff intranet maintained and developed – updated weekly with weekly update. Reviewed monthly for relevance of additional content.
		Bi-Annual Corporate Planning Days
		Weekly briefings, quarterly all staff meetings.
		Quarterly individual one to one supervision
Maintain a working environment that is health and safety compliant	April 2015- March 2016	Safe working environment that is compliant with legislation
Complete Premises Move of VSS Offices in Dungannon and Belfast	July 2015	Establishment of new offices suited to VSS service delivery requirements and budget

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
	September 2015	
Targeted actions	Target date	Outputs/Outcomes
Address recommendations made in the research commissioned by CVS into the Impact of the VSP and INP, ensuring completion of outstanding WKM and CIPFA recommendations being taken forward as part of Co-Design Programme	April 2015 – March 2016	Development of the best possible Service Delivery Model which can deliver the most suitable outcomes for victims and survivors while ensuring value for money
		Code of Practice to inform client eligibility checks
		Improved Management Information Systems
		Robust VSS Board
		Ongoing partnership working with CVS, Department and other key stakeholders
Participate fully in Victims Co-Design Programme alongside CVS and Department ensuring completion of outstanding WKM and CIPFA recommendations being taken forward as part of Co-Design Programme	April 2015- March 2016	
Plan capacity requirements for going forward in line with documented	June 2015	Review of staffing needs and skills and confirm required organisational structure
		Review and agree staffing posts and recruitment where necessary

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Strategic Objective 4: PROMOTING EXCELLENCE – We will ensure that the work of the VSS is characterised by standards of excellence in all areas, from clinical and corporate governance to operational strategies		
change management plan		
Implement a Training and Development plan for all staff to ensure skills and competencies match any changes in role requirements	April 2015- March 2016	Quarterly One to One supervision of staff structure, in context of general open-door policy
		Review of current Performance and Professional Development Plans (PDPs)
		Development of targeted and co-ordinated organisation wide training plan at start of the year based on BP objectives
		Management System to incorporate values
		Develop competency framework per staff grade
		Resilience built through promotion of NICS employee assistance programme

APPENDIX 3

Appendix 3: Report of the Comptroller and Auditor General Victims and Survivors Service Limited 2015-16

Introduction

The Victims and Survivors Service delivers funding and support to victims and survivors of the conflict/troubles in Northern Ireland. It was established in March 2012 as a private company limited by guarantee, is designated as a Non Departmental Public Body and is fully funded by grant in aid from The Executive Office (formerly the Office of the First Minister and the deputy first Minister).

Ineligible Self Declared Grant Payments

In 2014-15, I reported in my audit certificate, that key internal controls to confirm the validity of certain grant expenditure (£1.8m) had not been carried out. Grants are paid to individuals under the Financial Assistance scheme and Care for Carers' scheme on the basis of self declarations made in 2015-16 due to eligibility checking having taken place in previous year(s). Victims and Survivors Service had not conducted any spot checks to confirm continued eligibility for grants paid out under either of these schemes.

The Executive Office subsequently asked that the spot check control be operative in 2015-16, in advance of payment to the relevant individuals and subject to review by Internal Audit. The Accounting Officer has reported in her Governance Statement, details of the spot checking exercise completed in 2015-16 and that grant expenditure to ineligible applicants was identified as a result.

Self declared Financial Assistance grant expenditure in 2015-16 amounted to £1.7million. Spot checks were carried out by Victims and Survivors Service and an estimated £280k of this expenditure was considered to be ineligible. I am satisfied that the approach taken by Victims and Survivors Service is reasonable and that the results produced are a reliable estimate of the amount of ineligible expenditure. These ineligible grant payments are irregular as the expenditure has not been applied in accordance with the purposes intended by the Northern Ireland Assembly.

I understand that Financial Assistance scheme funding is allocated equally to successful applicants. Therefore, invalid payments reduce the amount available to eligible recipients. I have calculated that an additional £171 may have been paid to each eligible grant recipient. Victims and Survivors Service has confirmed that it will not be seeking to recover ineligible amounts paid. Approval to write-off this expenditure has not yet been obtained.

Grant expenditure under the Care for Carers scheme in 2015-16 totalled £248k. These were payments to existing claimants on a self declared basis with eligibility checking

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having taken place in previous year(s). Spot checks were not undertaken on payments from this scheme. Victims and Survivors Service informed me that it considers this to a low risk area of expenditure where the circumstances of grant recipients change infrequently. I acknowledge the merit of that consideration however the internal control environment should be enhanced to provide evidence to support the position which Victims and Survivors Service has adopted.

Conclusion

Victims and Survivors Service has taken steps to ensure the eligibility of future self declared grant payments. I consider the estimated level of irregularity reported is material and I have therefore qualified my regularity audit opinion on the 2015-16 financial statements of the Victims and Survivors Service.

In relation to the Care for Carers expenditure Victims and Survivors Service should enhance its' internal controls to support the regularity of the expenditure incurred.

I will examine these matters further in 2016-17.


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

19 December 2016