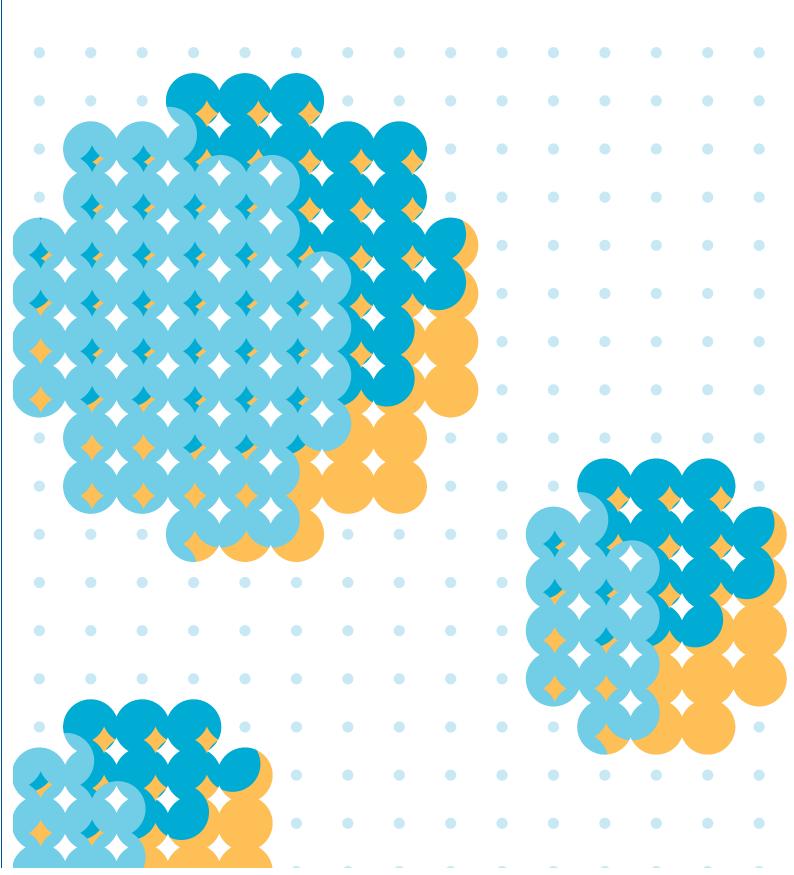


Annual Report and Accounts

2004 | 2005

Children avoiding crime





Children avoiding crime

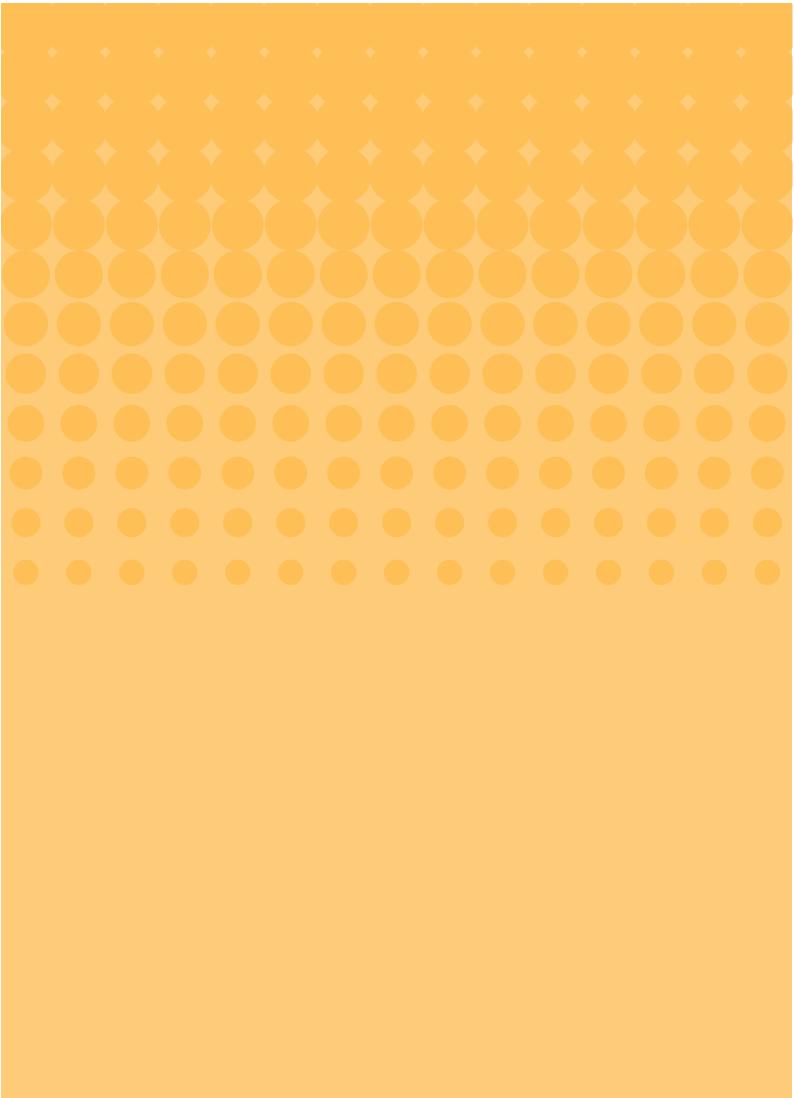


Report on the work of the Youth Justice Agency of Northern Ireland 2004 - 2005

Presented to Parliament in accordance with Section 7 (2) of the Government Resource and Accounts Act 2000.

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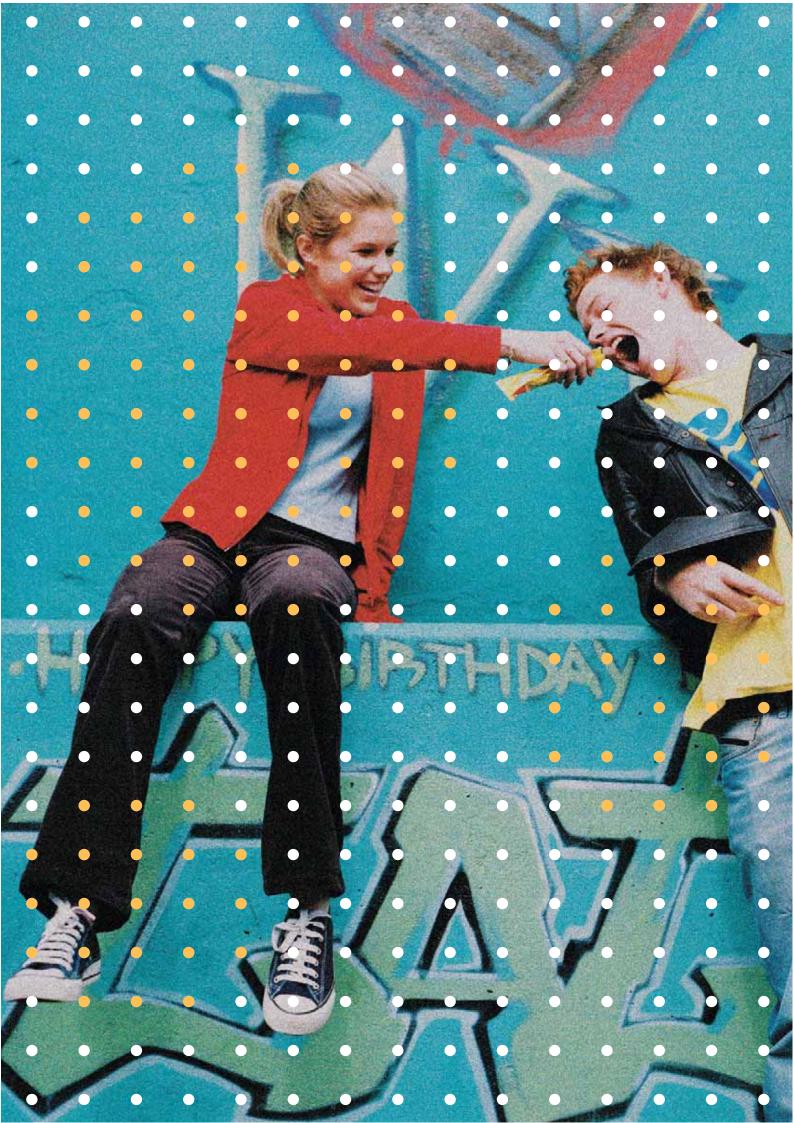
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FOREWORD BY THE CHIEF EXECUTIVE

The Youth Justice Agency works in a very demanding environment of change and complexity. In this context I am pleased to report on a successful year of achievement and growth.

The Agency met all 8 of its key performance targets and 20 of its 23 development objectives, with the remaining three being partially achieved. In doing this we were able to contribute to the NIO Public Service Agreement, Target 3, of increasing confidence in the criminal justice system throughout all parts of Northern Ireland and reducing crime and re-conviction rates.

The work of the Agency is becoming better known across Northern Ireland. We now have 22 Community Services partnerships based in most of the main towns. The Youth Conference Service has also continued its roll-out, which will result in



complete coverage of Northern Ireland by the end of 2006. We have participated in the 2005 Omnibus Continuous Household Survey which demonstrated a high level of public support for our innovative and challenging approach to youth offending and meeting the needs of victims.

The effectiveness of our work is being recognised. All our main services were subject to independent inspection and evaluation over the past year and achieved positive reports. Similarly, we have been invited to make presentations at both local and international conferences and to contribute to publications. We have also been pleased to host visits from international groups. This demonstrates a growing awareness and confidence in the high standards of our work.

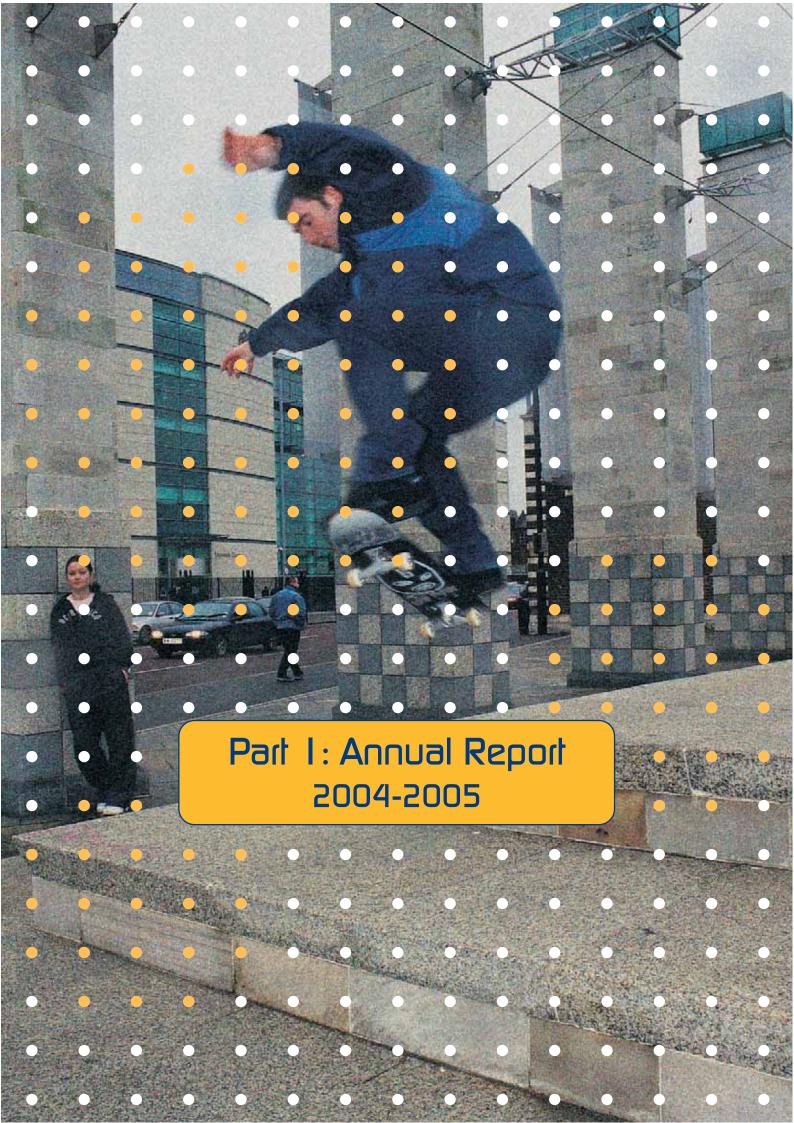
At a corporate level the Agency commissioned several strategic reviews designed to improve our operational efficiency and effectiveness. There was a continued emphasis on staff training and development designed to increase knowledge and skills which will help improve the quality of our services.

I wish to thank our staff and partner agencies for their high levels of commitment. Their work is difficult and challenging but also yields much satisfaction in a job well done.

In the year ahead the Agency intends to build on the achievements of its first two years by focusing on organisation development, evaluation of services provided and enhancing public awareness. We intend to engage in a major consultation and planning exercise in order to agree our corporate plan for 2006-2009 and gain support for our vision of Northern Ireland having the lowest youth offending in Europe!

Bill Lockhart

Bill Locklast



ROLE AND TASK ANNUAL REPORT



ROLE AND TASK

The Youth Justice Agency was launched as an Executive Agency, as recommended in the Criminal Justice Review, in April 2003. It replaced the former Juvenile Justice Board and is the fourth agency to be established within the Northern Ireland Office (NIO).

The Agency operates under the terms of a Framework Document which defines the responsibilities of, and the relationship between, the Agency, the NIO, Ministers, and Parliament. The Chief Executive is responsible for the efficient and effective operation of the Agency in accordance with the Framework Document. Youth justice policy is separate from the functions of the Agency and is one of the responsibilities of the Criminal Justice Directorate of the NIO.

The Management Board is the top management group for the Agency. It is chaired by the Chief Executive and other executive members are the Director of Community Services, Director of Corporate Services, Director of Custodial Services and Director of Youth Conference Service. A Non-Executive Director was appointed to the Board in March 2005.

The Chief Executive of the Agency is a member of the NIO Criminal Justice Board, which aims to deliver a criminal justice system which serves and protects the people of Northern Ireland and in which the whole community can have confidence.

The principal aim of the Youth Justice Agency is to prevent offending by children. The Agency is concerned with delivering a range of services, often in partnership with others. The emphasis is on helping children to address their offending behaviour, diverting them from crime, assisting their integration into the community and also meeting the needs of the victims of crime. This is achieved through shared standards, protocols and service level agreements.

There are three operational strands to the service provided by the Agency:

- Community Services
- Youth Conference Service
- Custodial Services.

A Corporate Services Directorate provides for the management and delivery of personnel, finance, business planning and support functions on behalf of the Chief Executive.



Youth Justice Agency Management Board during 2004-2005

Back Row L-R: Shane Logan (non-executive Director); Artie O'Neill (Director of Community Services); Martin Gunning (Director of Corporate Services); Front Row L-R: Philip Tooze (Director of Custodial Services); Bill Lockhart (Chief Executive); Alice Chapman (Director of Youth Conference Service)



Community Services

Community Services play a major role in diversionary activity and work in partnership with other statutory and voluntary agencies. Twenty-two community-based projects operate across Northern Ireland working with and supporting young people who are involved in crime or at risk of involvement in crime. Community Services' schemes are designated attendance centres and are available to the youth court for the discharge of attendance centre orders. These require the child to attend the centre and participate in a range of activities appropriate to his/her offence and circumstances for a designated number of hours. Community Services provide programmes tailored to the needs of individuals and their families, with an emphasis on integration of the young person in his or her family, education or employment, and in the community.

Services delivered include:

- counselling
- cognitive skills training
- family work
- systemic family therapy
- issue based groups
- · parents groups
- self help groups
- general subjects teaching
- design and technology teaching
- creative activity
- outdoor pursuits
- information and communication technology training
- accredited qualifications
- preparation for employment.

Community Services meets the requirements of the Justice (NI) Act 2002 by making provision for the operation of community responsibility orders and reparation orders, which are available to the youth court:

- the community responsibility order requires the young person to participate in a programme of training in citizenship and to become involved in an appropriate constructive activity for a designated number of hours;
- the reparation order requires a young person to make an act of reparation to the victim of his or her offence or to society at large.

Community Services operate a bail supervision and support scheme available to the youth court in situations where the child might otherwise be remanded into custody.

In addition to the work directed by the court, referrals to Community Services aimed at helping children avoid crime are received from Health and Social Services Trusts, Probation Board for Northern Ireland, Police Service of Northern Ireland Youth Diversion Scheme, and the education sector. There has been a steady year-on-year increase in the numbers of children engaged by the Community Services projects thus reflecting the increasing availability of the services provided and the value placed on them by the referring agencies.

ROLE AND TASK ANNUAL REPORT



Youth Conference Service

The Criminal Justice Review recommended that restorative justice should be integrated into the youth justice system in Northern Ireland, using a youth conference model based in statute. The Youth Conference Service was established in December 2003, initially covering the greater Belfast area, and was extended to cover Fermanagh and Tyrone in April 2004. Its aim is to develop restorative approaches which challenge offenders aged 16 and under to make amends to their victims for their behaviour and to put in place actions which will contribute to prevention of further offending. It works with young people referred by two criminal justice processes:

- young people who admit their offence can be referred by the Public Prosecution Service for a pre-court diversionary conference;
- those who have appeared before a court, have been found guilty of an offence and have consented will also, in most circumstances, be referred to the Youth Conference Service.

The youth conferencing system focuses on:

- reparative justice and meeting the needs of victims, so giving them a real place in the youth conference, rather than just regarding it as a means to reform the offender;
- rehabilitative justice, where what is important is the prevention of re-offending by the young person, so that the youth conference focuses on offending behaviour;
- proportionality, rather than pure retributive justice;
- making amends for the harm done, clearly separating the offender from the offence and focusing on the potential for reintegrating the offender into the community and on the prevention of re-offending;
- · repairing relationships which have been damaged or broken by crime;
- devolving power to youth conference participants to create the youth conference and the plan, but requiring subsequent approval for the plan from the court for cases which have gone to court;
- encouraging victims to bring one or more supporters;
- encouraging offenders to bring significant others (especially their families, but also particular members of the community important to them) to the youth conference.

Custodial Services

The Agency currently provides custodial facilities for up to 34 boys and girls aged 10 to 16 at the Juvenile Justice Centre for Northern Ireland. Our vision is for a Juvenile Justice Centre which is internationally recognised for best value in custodial services for young people by:

- having staff who are enthusiastic and committed in their belief that they can help young people make lifechanging choices;
- providing a safe, secure and caring environment;
- addressing developmental, health, educational and recreational needs;
- reducing risk to self and others;
- preparing young people for their return to families and communities with a much reduced risk of re-offending.



The rationalisation of the juvenile justice estate is being taken forward on a phased basis. Phase I, a new single Juvenile Justice Centre for Northern Ireland at Bangor, became fully operational in October 2003. This followed renovation and refurbishment of existing accommodation. Phase I will operate until such times as Phase II, a new purpose designed centre, is constructed and commissioned on the same site. Phase II is planned to be completed in 2006 and the Centre will not only provide an improved physical environment for children in custody, but also the opportunity to enhance educational and supporting programmes.

The Juvenile Justice Centre currently provides:

- 5 residential units;
- an education and vocational training centre;

Education uses the nationally accredited Assessment and Qualification Alliance (AQA), National Skills Profile (NSP) and GCSE exam base in a range of curricular areas including home economics, english, mathematics, science, motor vehicle studies, physical education, woodwork, art, cartooning, geography, history and business studies.

- sports and leisure centre with swimming pool, fitness suite, health and fitness programmes;
- programmes intervention:
 - a crime avoidance programme "offending is not the only choice"
 - IMPACT car crime course
 - drugs awareness
 - social and domestic living programmes
 - lifestyles course
 - family work

Corporate Services

Corporate Services provide support and advice to the three service delivery directorates on functions such as personnel, finance, payroll, procurement, business planning, information technology and communications. The directorate consists of 4 branches:

- Financial Management Services;
- Personnel;
- Planning & Communications;
- Resource Accounts.

Corporate Services provides a central point of reference for those requiring information about the Agency. It is responsible for the co-ordination and distribution of Agency publications such as the Corporate and Business Plan; Annual Report and Accounts; Youth Justice Connections magazine; and also maintains the Agency's generic e-mail account and website.

MISSION STATEMENT

ANNUAL REPORT



MISSION STATEMENT AND VALUES

The Youth Justice Agency has a mission statement and a set of values.

MISSION STATEMENT

"Our aim is to prevent offending by children"

We will achieve this by:

- Providing community based services, youth conferencing services, attendance centres and secure custody.
- Working with children sent to us by the courts or referred by other agencies.
- Operating safe, secure and caring environments that address the needs of the child whilst reducing the risk to and from others.
- Co-ordinated training planning, whether in the community or in custody, linked to effective programmes that help children avoid crime, and supported by community strategies that prevent offending.
- Taking account of the views of victims of crime and using restorative principles in our work.
- Continually evaluating the effectiveness of our work.
- Working in partnership with other statutory and voluntary agencies.

For the children in our care

- The needs of the child will be our most important consideration. We will ensure that their human rights are protected and that they receive the highest standards of care whilst with us.
- We will work to enhance their physical, emotional, psychological, spiritual and educational wellbeing and assist their reintegration into the community.

For victims of crime

• We recognise the rights of victims to redress and will meet these through youth conferencing where the victim will be given a real opportunity to participate.

For our staff

- We will provide a working environment that minimises risk and which enables the provision of a high quality service.
- We will develop and use their talents to best effect in carrying out our work.



VALUES

In seeking to achieve the goals set in our mission statement we will strive for the following values:

Care for children

- Children will be treated with fairness, justice and respect as individuals.
- They will be given reasons for decisions and will be consulted about matters affecting them.
- We will involve their families and others in the community fully in our work with a child.

Respect for victims

• The needs of victims will be respected throughout the youth justice process.

Integrity

- This will be central to all that we do.
- We will meet our legal obligations and attain the best international standards for our children.
- We will always act with honesty and openness, and use the resources provided to us by the taxpayer effectively.

Commitment

- · We are committed to the children, their families and communities and to the public.
- We will achieve this by commitment from our staff and to our staff.
- They are our most valuable and important assets.
- They will be enabled to develop and use their abilities to the full, and will be held accountable for their performance.
- Teamwork will be our key operating principle.
- Staff will be treated with fairness, respect and openness.

Innovation and improvement

- These are essential to the success of our work.
- We will embrace change and strive to deliver continuing improvements in quality and efficiency.

Equality

• We are committed to equality of opportunity and treatment and the elimination of discrimination whether this is for reasons of religious beliefs, political opinions, racial groupings, gender, marital status, sexual orientation, disability, age, or having dependants or not.





REVIEW OF PERFORMANCE 2004 - 2005

LOOKING BACK OVER 2004 - 2005

The Agency operated in a very demanding environment with a growing volume and complexity of work undertaken and against a background of major changes and developments within the youth justice system.

At a corporate level, the Agency commissioned several strategic reviews with a view to improving future operational efficiency and effectiveness and ensuring compliance with statutory responsibilities. These include:

- a review of Agency information technology (IT) systems with a view to developing an integrated IT infrastructure across the Agency that will support the implementation of a networked case management system and enable full integration with the Causeway programme;
- a strategic review of the Agency estate;
- a survey of disabled access (in line with the Disability Discrimination Act) at each of its premises.

The senior management team of the Agency is committed to Investors in People (IiP). Over the past year considerable progress has been made and the Agency is now well on its way to achieve IiP accreditation in the 2006-2007 business year. At the outset of the process a staff survey was carried out early in 2004-2005 and an excellent return of 65% from staff provided a very informed starting point to examine areas which required action. The IiP Project Group subsequently produced an action plan which is updated frequently to reflect progress against the IiP standards. One important element of the plan has already been achieved and that was the delivery of the 'Effective Manager' training course to first line, middle management and senior management within the Agency. Through the IiP process staff will develop increased knowledge and skills which will help them to improve and maintain a high standard of service.

The Agency has also developed a programme aimed at promoting awareness of, and developing confidence in, its role and the services it provides in relation to young people, the public and criminal justice partners. Feedback on public awareness levels will be obtained through participation in the 2005 Omnibus Continuous Household Survey for Northern Ireland – this will enable a baseline to be established and public awareness will be resampled once the programme has been fully implemented.

The Agency participated fully in the induction training programme for lay magistrates. Child Protection Policy and Procedures and a Complaints Charter were developed during the year and were subsequently subject to two separate key stakeholder consultation exercises. Both policies and the associated procedures will be implemented during 2005. The Agency also consulted widely with a range of partners within the youth justice sector in the preparation of its Corporate and Business Plan for 2005-2006.



Noel Thompson, BBC Presenter, with senior Agency staff at the Corporate and Business Plan consultation workshop – March 2005



The publication of independent evaluations of Community Services and the Youth Conferencing Scheme provided positive outcome assessments for both services. An inspection of the Juvenile Justice Centre by the Chief Inspector of Criminal Justice in Northern Ireland concluded that children in the Centre are well cared for in a pleasant and stimulating environment.





Publication of the independent evaluation of Community Services - October 2004

HIGHLIGHTS OF THE YEAR

- the extension of Community Services facilities to Larne and Strabane;
- the roll-out of the Youth Conference Service to Fermanagh and Tyrone;
- the official opening of the Agency's new corporate Headquarters premises by the Criminal Justice Minister;
- the excellent progress made against the Investors in People standards;
- the publication of the report on an independent evaluation of Community Services which concluded that the multi-modal model of practice in use accords with international research on what works for young offenders and appears to be successful in challenging offending behaviour;
- the publication of the interim evaluation of the Youth Conferencing Scheme which concluded that the
 overall implementation of the scheme appears to be proceeding well. The scheme is proving successful
 in providing a safe and inclusive forum in which offenders and victims can address the impact of the
 offence and explore potential outcomes which may repair the harm caused and prevent further reoffending;
- the report of the inspection of the Juvenile Justice Centre by the Chief Inspector of Criminal Justice in Northern Ireland which concluded that the children in the Centre are well cared for in a pleasant and stimulating environment.





PERFORMANCE AGAINST KEY TARGETS

The Minister set eight key targets and these were contained in the Youth Justice Agency Business Plan for 2004-2005. The Agency met all of its key targets as described below.

KEY BUSINESS AREA	KEY PERFORMANCE TARGET	OUTTURN
PREVENTION OF OFFENDING	1. Contribute towards the development and publication of an NIO Public Service Agreement target to reduce the reconviction rate for all offenders (compared to a predicted rate for Northern Ireland).	Target Met Agency participated fully in the NIO Reconviction Working Group. Public Service Agreement target now published.
	2. During term-time, 95% of children in the Juvenile Justice Centre will receive 20 hours a week of education and training.	Target Met Over the year 98% of children in the Juvenile Justice Centre received 20 hours a week of education and training during term-time.
SECURITY	3. No escapes from the Juvenile Justice Centre.	Target Met During 2004-2005 there were no escapes from the Juvenile Justice Centre. Risk assessments are carried out on every new admission and are reviewed regularly.
SAFETY	4. Over the year no more than 3% of the total new admissions to the Juvenile Justice Centre should be non-accidentally injured.	Target Met One incident following an assault by one child on another resulting in severe bruises. This one incident equates to 0.3% of total new admissions.
	5. Over the year no more than 2% of the total members of staff should be non-accidentally injured while engaged in the work of the Agency.	Target Met No staff injuries of a serious nature over the year.
	6. No members of the public should be non-accidentally injured on Agency premises.	Target Met No incidents occurred during the year.
DELIVERING RESULTS THROUGH STAFF	7. Deliver at least 70% of the planned training days specified in the Corporate Training Priorities Plan for 2004-2005.	Target Met 78% of the planned training days for corporate training priorities was delivered.
MANAGING RESOURCES & PROMOTING SERVICES	8. Expenditure is within budget allocated.	Target Met Expenditure within baseline budget.

NOTE: In the Agency's first Business Plan most of the key performance targets related to establishing baselines so that measurable targets could be set for 2004-2005. Accordingly it is not meaningful for comparative purposes to include results for 2003-2004.



PERFORMANCE AGAINST DEVELOPMENT OBJECTIVES

The Business Plan for 2004-2005 also set out a comprehensive and challenging programme of 23 development objectives for the Agency of which 20 were met with the remaining three partially met. The following chart provides a performance report against each objective.

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
PREVENTION OF OFFENDING	Arrange for Community Services facilities in Larne and Strabane.	Partially Met Larne: Project Manager and Social Worker in place. Premises identified and work ongoing. Temporary use is being made of probation office in Larne until new premises are completed. Strabane: Project Manager and Social Worker identified. Cases referred to Foyle office in the interim.
	2. Participate in two multi-agency early intervention projects.	Objective Met Good progress on Newtownbreda, SHSSB, and Ballymena projects. Lisburn and North Down projects are at an early stage of development. Contract agreed with Extern and Volunteer Bureau.
	3. Implement the agreed recommendations of the Evaluation of Community Services.	Objective Met Report launched successfully via a conference in October 2004 and action is underway to implement recommendations.
	4. Evaluate implementation of the Community Responsibility Orders and Reparation Orders.	Objective Met Monitoring system in place but low number of referrals. Increasing use of Community Responsibility Orders by youth court. Evaluator is interviewing subjects.
	5. Evaluate Youth Conferencing pilot scheme.	Objective Met Interim evaluation delivered on target. Full evaluation ongoing.
	6. Implement Youth Conferencing pilot scheme in the Tyrone and Fermanagh area.	Objective Met Tyrone and Fermanagh pilot commenced on target date. Staff fully trained and currently based in temporary accommodation. Referrals being received from Director of Public Prosecutions and youth court.





SECURITY	7. Participate fully in the Phase II Juvenile Justice Centre development to ensure improved levels of security.	Objective Met The Director has continued to play a full role in the project and recently was a member of the Integration Panel looking at the bids during the Invitation to Tender evaluation phase.
	8. Implement recommendations of the review of physical security in the Centre.	Objective Met Physical security modifications made in the Juvenile Justice Centre in line with recommendations.
SAFETY	9. Implement revised Health and Safety Policy and Procedures in the Juvenile Justice Centre.	Objective Met Revised Health and Safety Policy and Procedures introduced.
	10. Review Health and Safety Policy and Procedures in Community Services, Youth Conference Service and Corporate Headquarters.	Objective Met Health and safety audit completed and report produced. Corporate Health and Safety Committee established and local committees to be set up early 2005-2006.
	11. Implement revised Child Protection Policy.	Partially Met Consultation process completed and feedback from key stakeholders evaluated. Appropriate revisions to be made to draft policy for Management Board approval and publication.
	12. Carry out a review of the management of risk process within the Juvenile Justice Centre.	Objective Met Review completed and risk register in operation.
	13. Carry out a survey of disabled access in all Youth Justice Agency premises.	Objective Met Survey completed of all Agency premises and report produced. Disability Awareness training will be provided for all staff next year.
DELIVERING RESULTS THROUGH	14. Carry out gap analysis against Investor in People standards.	Objective Met Gap analysis completed and excellent progress made against the IiP standards.
STAFF	15. Design a new staff performance management system for professional, technical and support staff in the Agency.	Objective Met Performance management system designed and operating guidelines drawn up.
	16. Implement the agreed arrangements for the conduct of employee relations and consultation with staff.	Objective Met First meeting of the Youth Justice Agency Whitley Council took place in February 2005 and local consultative committee membership agreed.
	17. Review staff recruitment and selection procedures.	Objective Met Recruitment and selection procedures revised in line with equality guidance and child protection procedures. Evaluation of new procedures to be undertaken 2005-2006.



MANAGING RESOURCES & PROMOTING SERVICES

- 18. Provide information to sentencers on the availability of programmes and other community proposals.
- 19. Appoint a non-executive director to the Management Board.
- 20. Participate fully in the NIO
 "Causeway Programme" which aims
 to improve performance of criminal
 justice organisations in Northern
 Ireland by sharing information
 electronically.
- 21. Review case management and IT systems in use across the Agency and develop proposals for an integrated system.
- 22. Develop an effective internal communication strategy which will promote inter-directorate planning and delivery of services.
- 23. Publish a charter detailing the Agency's complaints procedure.

Objective Met

Briefings and presentations made to a variety of legal/judicial groups and representatives, including the Judicial Studies Board. Agency participated fully in induction training programme for lay magistrates.

Objective Met

Non-executive director took up appointment on 14 March 2005.

Objective Met

Consultations with Causeway team have continued throughout the year. Agreement has been reached to have Youth Justice Agency included in the second tranche of programme participants with implementation work due to begin in summer 2005.

Objective Met

Review and analysis work has been completed and draft proposals developed. Formal report to be presented by consultants early 2005-2006.

Objective Met

Internal communication strategy developed and implementation will be on a phased basis.

Partially Met

Stakeholder consultation exercise completed and policy agreed by Management Board. Publication to take place first half of 2005-2006.

REVIEW ANNUAL REPORT



COMMUNITY SERVICES REVIEW

In October 2004, the NIO published the evaluation report of Community Services. This evaluation, conducted by Independent Research Solutions, focused on the effectiveness of the model of practice employed by Community Services in diverting children from crime. The report made a number of recommendations, now incorporated into development plans and concluded that "Community Services is making a very substantial contribution to dealing with the many real problems faced by young people in Northern Ireland..... andwill continue to make an important contribution to youth justice in Northern Ireland".

There were, at the time of evaluation, eighteen Community Services projects. Since then new projects have been established in Omagh, Foyle, Larne and Strabane and work continues to ensure accessibility across the jurisdiction for children and their families – Lisburn and Limavady being the targets for the incoming year.

Attendance centre orders continue to be a significant resource for courts. One hundred and nineteen children were made subject to these in the year. Community responsibility orders and, to a lesser extent, reparation orders are also now being used, but in keeping with the principle of reparation, staff are now seeking to include a reparative element in all orders. This is complemented by external accreditation of achievement by children – 308 individual AQA certificates were awarded in the year and 85 children completed one or more sections of the Duke of Edinburgh Award.

The bail support service has expanded to include "Inside-Out", an intensive bail support scheme provided under contract by the Extern organisation. This complements the work of the Agency's own Bail Support team and the Bail Fostering Scheme operated in partnership with Down Lisburn Health and Social Services.



Artie O'Neill, Bill Lockhart and guest speaker Ellie Roy, Chief Executive of the Youth Justice Board for England & Wales at the launch of the report of the independent evaluation of Community Services – October 2004



Reopening of the Antrim Community Services Partnership office following refurbishment – February 2005



Agency participation in Duke of Edinburgh's Award Celebration

Caseload 2004-2005

Bail Fostering Scheme representatives

In 2003-2004 the total number of children worked with was 788. The intake this year was 514 children. Together with the 329 existing cases on 1 April 2004 this gives a caseload for the year of 843.

Of the 514 new cases accepted 183 (36%) were referred by Court Order or Youth Conference Plan. A further 139 (27%) were referred by other justice agencies – while 192 (37%) were referred by colleagues in social services and education, thus demonstrating continuing balance of service to children who have offended and in the more general prevention of offending by children.

A breakdown of caseload by project can be found at Appendix 1.



YOUTH CONFERENCE SERVICE REVIEW

2004-2005 was the first full year of operation of the Youth Conference Service. Up to the end of March 2005, there had been 282 referrals, of which 196 were from court and 86 were diversionary referrals from the DPP. Of these 282 referrals, 74% resulted in conferences being held. Appendix 2 gives details of referrals by area and source.

One of the major successes of the service during 2004-2005 has been the success of co-ordinators in engaging victims in the process. Victim attendance and participation rates have remained high throughout the year and the feedback from victims given to the interim evaluation stressed their satisfaction with the process and their willingness to recommend youth conferencing to other victims.

April 2004 saw the roll-out of youth conferencing Fermanagh and Tyrone court division. Launch events were held in Dungannon Enniskillen and were well attended by stakeholders. The service has quickly become established and to the end of March 2005, 42 plans had been approved by the Director of Public Prosecutions/courts in the area. The roll-out will continue during 2005-2006 and should be complete by October 2006.



Youth Conference Service staff at the launch event in Enniskillen – April 2004

Programmes

Programmes to challenge offending and promote rehabilitation continue to be developed. One programme that has recently been used to good effect has been the Age Concern Intergenerational Programme, which aims to challenge a young person's stereotypical view of older people, and provide an opportunity to develop a positive collaborative relationship with an older person.

Reparation activities are taking place within the community with examples ranging from young people as volunteers in groups for children with learning disabilities to working in partnership with Business in the Community on mural painting and environmental challenges.

Action Plans

Conferences over the past twelve months have provided opportunities for innovative, exciting and meaningful plans to be produced and for victims to have a real input into suggesting possibilities for reparation. One example is where the young person had been involved in criminal damage to a police car rendering it unusable for 3 days. He made amends by writing a letter of apology to the local District Commander in which he acknowledged the inconvenience for police staff and the repercussions on the local community in terms of slower police response times, due to the vehicle being off the road being repaired. He also agreed to complete 15 hours reparation at the police station assisting the motorised transport worker in vehicle maintenance duties.



Local PSNI district commander commends young person on completion of his reparation tasks





Conferences too have created unexpected opportunities for young people who have offended. In one instance where the young person was conferenced for resisting arrest the discussion between him and the police officer victim highlighted the young person's interest in pursuing a career in the Fire Service. The victim offered to set up a meeting between the young man and a local fire officer to explore his employment options. As a result of this meeting the young person was afforded an opportunity to be part of the first Fire Service LIFE skills programme in Northern Ireland. He spent a week on work experience with 12 other young people undertaking the same tasks that are expected of ordinary firefighters. At the presentation ceremony his mother and grandmother heard the leading firefighter commend this young person on the commitment he had shown to the programme and say he was a credit to his family, his school and to his community.

Interim Evaluation Report

The Youth Conference Service is being fully evaluated by Queen's University Belfast. The evaluation period runs from December 2003 to June 2005 with the full report expected in the autumn 2005.

An interim report was produced in December 2004. Overall the report was very positive, highlighting the following areas:

- the rate of victim attendance at conferences was higher than other jurisdictions at 62%;
- 79% of victims found the experience either satisfactory or very satisfactory;
- all victims and vast majority of offenders were happy with information received before the conference;
- vast majority of offenders (91%) and victims (89%) thought the plan fair or very fair to the offender;
- vast majority of offenders (90%) and victims (81%) thought the plan fair or very fair to the victim;
- all victims said they would recommend conferencing to other victims;
- all but two offenders said they would recommend conferencing to offenders.



CUSTODIAL SERVICES REVIEW

The Juvenile Justice Centre for Northern Ireland has firmly established itself over the past twelve months in the refurbished facilities in Bangor. The Centre has continued to develop its services for remanded and sentenced children and has developed a range of links with statutory and voluntary organisations including the Police Service of Northern Ireland (PSNI), Probation Board for Northern Ireland (PBNI), and the Northern Ireland Association for the Care and Resettlement of Offenders (NIACRO). The Centre has improved its performance on last year with no escapes from the Centre.

The table below shows that over the year there was a total of 464 admissions to custody as opposed to 405 in 2003-2004 [NOTE: 2003-2004 figures have been restated to reflect a change to their basis of compilation – these now include admissions which indicate a change of status from P.A.C.E. (Police and Criminal Evidence (NI) Order 1989) to Remand and also from Remand to Committal]. A detailed analysis of admissions can be found at Appendix 3.



STATUS	ADMISSIONS 2003-2004	ADMISSIONS 2004-2005
P.A.C.E.	184	197
REMAND	176	216
COMMITTAL	45	51

The Centre was subject of an inspection by the Criminal Justice Inspection Northern Ireland (CJINI) in October 2004. The inspection report "commended the progress that had been made at the Centre and the good work that management and staff are doing...". The overall conclusion was that "the young people in the Juvenile Justice Centre are well cared for in a pleasant and stimulating environment".

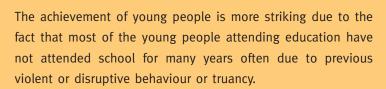
Education and programmes development has seen significant progress during the last year as noted by the CJINI inspection report. Well over 95% of young people attended 20 hours of education each week. This has enabled young people to obtain AQA (Assessment and Qualification Alliance) and NSP (National Skills Profile) modular awards. A total of 603 awards have been obtained in the following subject and skill areas:

- Number skills
- Communication skills
- English
- Geography
- Music
- Art
- Business studies
- Car mechanics
- Food hygiene

- ICT
- Personal skills
- Maths
- History
- Physical education
- Home economics
- PSHE
- Cartooning

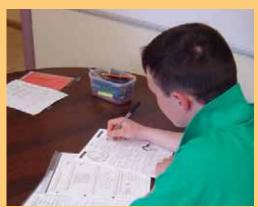


Staff from the IMPACT car crime group present a football kit to a local children's football team



Young people have also obtained a number of GCSE's although the numbers eligible to take them are very small due to age and length of stay and location when the examination timetable commences. In total 13 GCSE's were obtained in english, maths, science, history and child development.

The Juvenile Justice Centre has over the last year built on its partnership to deliver a range of programmes to effect change in the lives of young people. Programmes have been run by IMPACT car crime group, NI Association for the Care and Resettlement of Offenders (NIACRO), Northern Ireland Prison Service "Prison Me No Way", Police Service of Northern Ireland (PSNI), Probation Board for Northern Ireland (PBNI), Community Services and the Youth Conference Service. The crime avoidance programme "offending is not the only choice" continues to be delivered and a new programme "taking





Cartoon caricature within Juvenile Justice Centre





control: putting the pieces together" has been developed. In January this year the Centre hosted a four day multi-agency training event to train as facilitators staff from a number of agencies so that the "offending is not the only choice" programme could be delivered both inside and outside the Centre.

The type of programmes that have been offered have included:

- crime avoidance
- car crime
- mentoring
- anti-bullying
- substance misuse
- homelessness and preparing for independent living
- sexual health

The appointment of a staff training and development manager has led to significant developments in training of staff across the Centre. A comprehensive NVQ programme has been developed and the Centre intends to have 80% of all staff achieving an NVQ III in Criminal Justice by 2007 and all its managers to have achieved an assessors award.



Delegation from Prison Reform International in Moscow

The Centre has continued to host visits this year including delegations from Russia, Sweden and Australia.

Work continues on the project to build a purpose built Juvenile Justice Centre on another part of the Bangor site. A number of important milestones have been passed with outline planning permission for the Centre having been agreed and the selection of a preferred bidder to build the Centre. Construction is due to commence in the summer 2005 with completion autumn 2006.



An artist's impression of how the new Centre might look

LOOKING FORWARD TO 2005-2006

The Agency will build upon the achievements of its first two years and focus on organisation development, evaluation of services provided including the location and use of facilities, and enhancing public awareness of the services it provides. Measurable and challenging targets have been set for each key business area and the intention is to produce year-on-year improvement in performance where appropriate.

The main developments planned for 2005-2006 include a further roll-out of the Youth Conference Service to Banbridge, Newry and Armagh, an extension of the Community Services offices across Northern Ireland to include Limavady and Lisburn, the commencement of construction work on the Phase II Juvenile Justice Centre, and a wide-ranging review of existing systems and programmes to accommodate the specific needs of 17 year olds coming within the youth justice system for the first time.

The key performance targets set by the Minister for 2005-2006 are given below:

KEY BUSINESS AREA	KEY PERFORMANCE TARGET FOR 2005-2006
PREVENTION OF OFFENDING	All young people sentenced or remanded to the Juvenile Justice Centre for more than one week will have an educational assessment and individual learning plan.
	 90% of all young people sentenced to custody will commence an approved scheme of tackling offending programme during the custodial element of their sentence.
	3. Achieve 80% completion in all community orders supervised by the Agency.
SECURITY	4. No escapes from within the Juvenile Justice Centre.
SAFETY	5. Over the year no more than 2% of the total new referrals / admissions to the Agency should be non-accidentally injured.
	6. Over the year no more than 2% of the total members of staff should be non-accidentally injured while engaged in the work of the Agency.
	7. No members of the public should be non-accidentally injured whilst accessing Agency services.
DELIVERING RESULTS THROUGH STAFF	8. Deliver at least 75% of the planned training days specified in the Corporate Training Priorities for 2005-2006.
MANAGING RESOURCES & PROMOTING SERVICES	9. Agency expenditure is within approved budgetary limits.
PROMUTING SERVICES	10. Achieve a victim participation rate of at least 50% at youth conferences.

A further 17 development objectives have also been set for 2005-2006. Details of these can be found in the Agency's Corporate and Business Plan 2005-2008 which was published on 18 May 2005. Copies may be obtained via the Agency website: www.youthjusticeagencyni.gov.uk





I. CASELOAD BY COMMUNITY SERVICES PROJECT

	2004-2005 REI	FERRALS, ADMIS	SIONS & DISCHA	ARGES	
Project	No of Existing Cases at 1 April 2004	New Referrals Accepted 2004-2005	Total Casework for Year 2004-2005	Cases Discharged during 2004-2005	No of Existing Cases at 31 March 2005
Abbey, Bangor	20	22	42	26	16
Antrim	14	23	37	24	13
Armagh	20	22	42	21	21
Ballymena	36	40	76	31	45
Banbridge	7	20	27	10	17
Coleraine	14	15	29	21	8
Craigbann	21	35	56	34	22
Down	16	20	36	25	11
Enniskillen	15	26	41	27	14
Foyle	0	16	16	4	12
Larne	0	3	3	0	3
Mid Ulster	10	10	20	10	10
Newry	15	37	52	25	27
Newtownabbey	18	43	61	36	25
Northside	14	36	50	30	20
Omagh	0	14	14	2	12
Outer West	19	10	29	12	17
South	16	28	44	26	18
Towers	21	21	42	20	22
West Side	25	37	62	36	26
WEB	28	36	64	39	25
Total for Year	329	514	843	459	384

[NOTE: Care should be taken not to make direct comparisons between Community Services Projects on the basis of these statistics since there are a number of local variable factors which differentiate between them including environmental factors (differing geographical areas covered); differing project sizes and staffing levels; not all projects have been in operation for the full business year; etc]



ANALYSIS OF ADMISSIONS TO COMMUNITY SERVICES PROJECTS 2004-2005

		NEW ADMISSIONS	l	(ACCEPTED REFERRALS) BY SOURCE OF REFERRAL	BY SOURCE OF	: REFERRAL		
Project	Attendance Centre Orders	Community Responsibility Order and Reparation Order	Youth Conference (PP)	Youth Conference (Court)	Justice Agencies	Health & Social Services	Education Services	Total
Abbey, Bangor	9	0	0	0	3	&	5	22
Antrim	7	0	0	0	5	10	1	23
Armagh	2	1	0	0	7	10	2	22
Ballymena	8	0	0	0	17	10	5	40
Banbridge	1	0	0	0	15	3	1	20
Coleraine	8	0	0	0	3	3	1	15
Craigbann	9	2	0	0	12	5	10	35
Down	4	1	0	0	4	6	2	20
Enniskillen	4	0	5	2	9	9	Ω	26
Foyle	7	3	0	0	5	1	0	16
Larne	1	0	0	0	1	1	0	3
Mid Ulster	5	0	0	0	2	3	0	10
Newry	9	1	0	0	7	18	5	37
Newtownabbey	12	1	13	7	2	11	0	43
Northside	9	0	4	4	18	4	0	36
Omagh	7	0	1	3	2	2	2	14
Outer West	9	0	0	0	1	3	0	10
South	3	0	3	3	8	11	0	28
Towers	8	0	0	0	7	3	3	21
West Side	13	0	1	2	4	15	2	37
WEB	6	0	1	2	10	10	4	36
Total for Year	126	6	28	20	139	146	97	514





2. REFERRALS TO YOUTH CONFERENCE SERVICE BY AREA AND SOURCE DECEMBER 2003 - MARCH 2005

	Diversionary	Court	Total
Belfast	65	149	214
Fermanagh and Tyrone	21	47	68
Total	86	196	282

Belfast	Diversionary	Plans made	50
		Plans ongoing	28
		Plans revoked	3
		Plans completed	19
	Court	Orders made	37
		Orders ongoing	22
		Orders revoked	3
		Orders completed	12
Fermanagh and Tyrone	Diversionary	Plans made	16
		Plans ongoing	12
		Plans revoked	1
		Plans completed	3
	Court	Orders made	26
		Orders ongoing	20
		Orders revoked	0
		Orders completed	6



3. ANALYSIS OF ADMISSIONS TO CUSTODY 2004-2005

ADMISSIONS TO CUSTODY BY STATUS FROM 1 APRIL 2004 - 31 MARCH 2005

Status	Admissions
P.A.C.E	197
Remand	216
Committal	51

ADMISSIONS TO CUSTODY BY STATUS AND MONTH OF ADMISSION 1 APRIL 2004 - 31 MARCH 2005

Status	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
P.A.C.E.	20	22	33	14	15	11	15	10	13	12	16	16	197
Remand	17	17	27	15	18	14	14	9	21	17	24	23	216
Committal	3	4	6	4	2	6	4	6	2	4	1	9	51

ADMISSIONS BY STATUS AND SEX FROM 1 APRIL 2004 - 31 MARCH 2005

Status	Male	Female	Total
P.A.C.E.	188	9	197
Remand	194	22	216
Committal	47	4	51

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4. RECRUITMENT AND SELECTION CODE OF PRACTICE

The Youth Justice Agency has systems in place to ensure that selection for appointment is made in accordance with the Civil Service Commissioners for Northern Ireland recruitment code.

All applicants are considered systematically against the Agency's recruitment practices and in line with published suitability criteria. The recruitment systems are evaluated on a regular basis to ensure they meet with the Commissioners' guidelines and are in line with best practice as recommended by the Chartered Institute of Personnel & Development and the Equality Commission.

No appointments were made under regulation 3 of the Commissioners' general regulations.

A statistical summary follows of the applicants' and appointees' religious affiliation and gender for the following recruitment campaigns:

- Relief Care Worker
- Care Worker
- Project Manager (2 competitions)
- Social Worker (2 competitions)
- Unit Manager JJC
- Deputy Director JJC
- Youth Conference Co-ordinator
- Non-Executive Director

These posts were advertised by the Agency during the period 1 April 2004 - 31 March 2005 in strict accordance with the Commissioners for Northern Ireland recruitment code.

APPLICANTS		APPOINTEES	
Religious affiliation		Religious affiliation	
Protestant	132	Protestant	9
Roman Catholic	108	Roman Catholic	16
Non determined	29	Non determined	0
Total	269	Total	25

Gender		Gender	
Male	127	Male	11
Female	142	Female	14
Total	269	Total	25

This figure of 269 includes competitions for Relief Care Worker, Social Worker and Project Manager for which no appointments had been made by 31 March 2005. These outstanding competitions totalled 75 applicants.



5. ADDRESSES AND CONTACT DETAILS

The Youth Justice Agency, 41-43 Waring Street, Belfast BT1 2DY Web: www.youthjusticeagencyni.gov.uk Email: info@yjani.gov.uk

Corporate Services and Chief Executive

41-43 Waring Street Belfast BT1 2DY

Tel: (028) 9031 6452 Email: info@yjani.gov.uk

Youth Conference Service (Belfast)

41-43 Waring Street Belfast BT1 2DY

Tel: (028) 9031 6418 Email: info@ycsni.gov.uk

Web: www.youthconferenceserviceni.gov.uk

Juvenile Justice Centre for Northern Ireland

School Avenue Bangor BT19 1TB

Tel: (028) 9127 2244 Email: jjc@yjani.gov.uk

Youth Conference Service (Rural)

10A Market Street Omagh BT₇8 1EH

Tel: (028) 8225 7721 Email: ycso1@ycsni.gov.uk

Web: www.youthconferenceserviceni.gov.uk

Community Services

Community Services Headquarters
41-43 Waring Street, Belfast BT I 2DY
Tel: (028) 9031 6477

Email: info@yjani.gov.uk
Web: www.youthjusticeagencyni.gov.uk

Abbey Project

54 Abbey Street Bangor BT20 4JB Tel: 9146 4577

Antrim Adolescent Partnership

10A Dublin Road Antrim BT41 4EA Tel: 9448 7556

Armagh & Dungannon Adolescent Partnership

16 Russell Street Armagh BT61 9AA Tel: 3751 5910

Ballymena Adolescent Project

2 Broadway Avenue Ballymena BT43 7AA Tel: 2563 8288

Community Services Banbridge

15 Castlewellan Road Banbridge BT32 4AX Tel: 4066 0884

Coleraine Adolescent Partnership

4 Castle Lane Waterside Coleraine BT51 3DR Tel: 7032 9346

Craigbann Adolescent Partnership

Unit 7 Legahory Centre Brownlow Craigavon BT65 5BE Tel: 3834 4257

Down Adolescent Project

13A English Street Downpatrick BT30 6AB Tel: 4461 2817

Enniskillen Adolescent Partnership

18A Shore Road Enniskillen BT74 7EF Tel: 6632 0560

Foyle Young Person Partnership

1st Floor Common Room Strand Foyer Strand Road Derry BT48 7BW Tel: 07717 732282

Larne Adolescent Partnership

41 Point Street Larne BT40 1HY Tel: 07717 732115

Mid Ulster Adolescent Partnership

9A Broad Street Magherafelt BT45 6EB Tel: 7963 4943

Newry Adolescent Partnership

14A The Mall Newry BT34 1BJ Tel: 3025 1115

N'abbey & Carrick Adolescent Partnership

The Norah Bain 'A' House Whiteabbey Hospital Doagh Road Newtownabbey BT 37 9RH Tel: 9086 2990

Northside Project

171-179 Duncairn Gardens Belfast BT15 2GE Tel: 9035 1982

Omagh Adolescent Partnership

15-17 High Street Omagh BT78 1BA Tel: 8225 2398

Outer West Project

2 The Hawthorns Belfast BT10 oNR Tel: 9030 1611

South Belfast Project

2 The Hawthorns Belfast BT10 oNR Tel: 9030 1611

Strabane Adolescent Partnership

Details to be confirmed

Towers Project

19 Mill Street Newtownards BT23 4JB Tel: 9182 0611

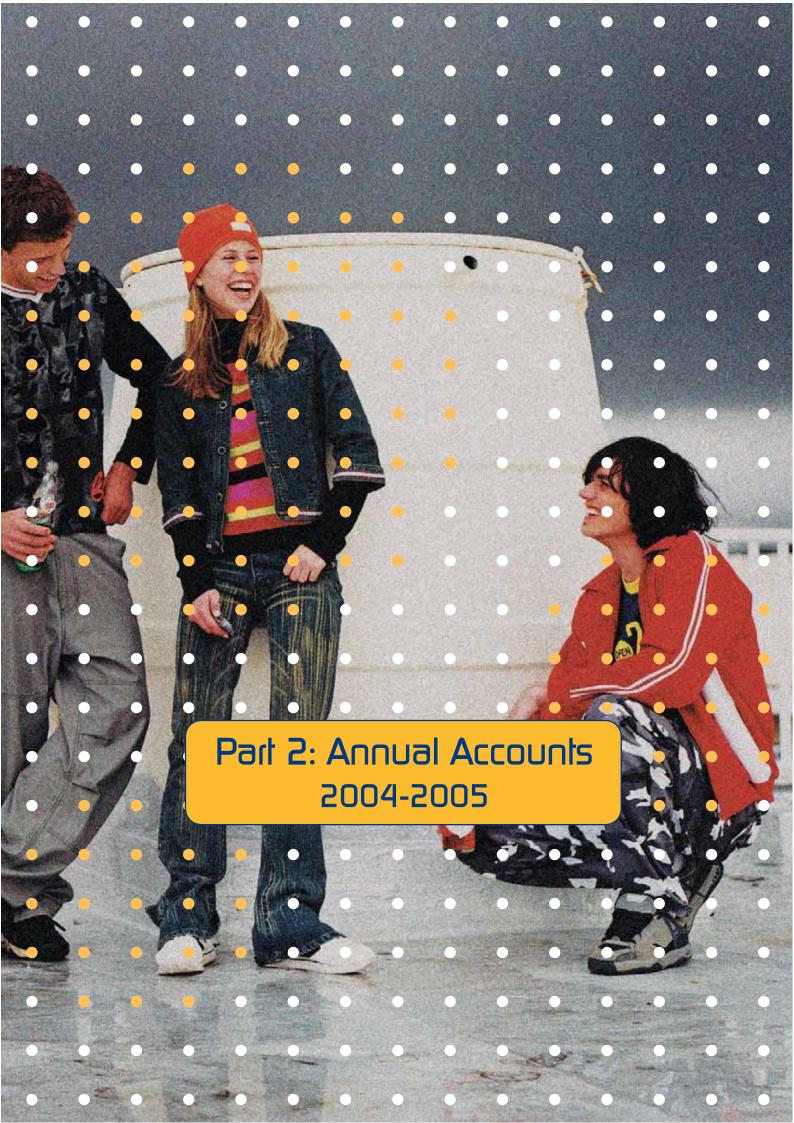
West Side Project

471 Falls Road Belfast BT12 6DD Tel: 9024 5858

Whitefield East Belfast (WEB)

8 Library Court Upper Newtownards Road Belfast BT4 3EY Tel: 9065 2440 APPENDICES
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FOREWORD TO THE ACCOUNTS

SCOPE

Accounting Responsibilities

These Financial Statements have been prepared in accordance with DAO(Gen) o_3/o_5 – the direction issued by Treasury in pursuance of Section 7(2) of the Government Resources and Accounts Act 2000.

History and Statutory Background

The Youth Justice Agency was launched as an Executive Agency, as recommended in the Criminal Justice Review, on 1 April 2003. It was established to take on the range of responsibilities which, up to that date, had fallen to the Juvenile Justice Board (a Non-Departmental Public Body), and to introduce a Youth Conferencing Service. It is the fourth agency to be established within the Northern Ireland Office.

The Agency's policy framework is set by Ministers and the Agency is directly accountable to Ministers, through its Chief Executive, for the delivery of services and the management of resources in accordance with this policy.

Aims and Objectives

The principal aim of the Agency is to prevent offending by children.

The Agency is part of the wider criminal justice system and contributes alongside other partners, to achieving the system's overall aims and objectives. Indicators have been set to measure the success of the Agency within a framework of efficiency and economy, consistent with the NIO Public Service Agreement target relating to the criminal justice system. The Agency will contribute to this target by providing a range of services aimed at crime avoidance by children.

Business Review

The net cost of operations for the year ended 31 March 2005 was £14,581K (2003-04 £12,850K). A full review of the Agency's business for the year is provided in the Annual Report published with these financial statements.

Significant Events Occurring After the Year End

There have been no significant events which have occurred since the year end which would impact on these financial statements.

Future Developments

Details of future developments are contained in the Agency's Corporate and Business Plan 2004 – 2007.

Fixed Assets

During the year the Agency implemented the new Northern Ireland Office network – Oasis 3. Computer Equipment and Software was replaced at a cost of £93K. The details of the movement of fixed assets are set out in Notes 6 and 7 to the financial statements. The difference between the total carrying amount and the total market value of land is not significant.



Pensions

The Youth Justice Agency makes employer contributions to pension providers:

- Principal Civil Service Pension Scheme (PCSPS)
- Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC)
- Teachers' Superannuation Scheme (TSS)

Details of the above schemes are outlined at Note 3(iii) to the accounts.

MANAGEMENT

Management

The Youth Justice Agency is headed by the Chief Executive who is supported by the Management Board. The Chief Executive for the year ending 31 March 2005 was Bill Lockhart. Bill Lockhart was appointed Chief Executive from 28 June 2004; Artie O'Neill was Acting Chief Executive from 1 April 2004 to 27 June 2004.

The Management Board of the Agency is responsible for the strategic and business management of the Agency's operations.

The Management Board Structure for the year ended 31 March 2005 was as follows:

Chief Executive Mr Bill Lockhart

Director Community Services Mr Artie O'Neill

Director Youth Conference Service Mrs Alice Chapman

Director Custodial Services Mr Philip Tooze

Director Corporate Services Mr Martin Gunning

Non-Executive Director Mr Shane Logan



Chief Executive Mr Bill Lockhart



Director Community Services Mr Artie O'Neill

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Director Youth Conference Service Mrs Alice Chapman



Director Custodial Services Mr Philip Tooze



Director Corporate Services Mr Martin Gunning



Non-Executive Director Mr Shane Logan

Appointments to the Management Board since the creation of the Agency are made in accordance with the Civil Service Commission's general regulations.

During the year 1 April 2004 to 31 March 2005 Shane Logan was appointed as a Non-Executive Director for the Agency.

Staff of the Juvenile Justice Board who transferred to the Agency at 1 April 2003 retained their existing terms and conditions under National Joint Council regulations. The remuneration of the general service grades of the Management Board is determined by the normal Civil Service pay arrangements.

The salary and pension details of the members of the Management Board are disclosed at Note (iv) to the financial statements.

PUBLIC INTEREST AND OTHER

Financial Provision

The Youth Justice Agency is financed as part of the overall NIO Departmental Expenditure Limit voted by Parliament.

Health & Safety

The Youth Justice Agency is committed to providing for staff, young people and visitors, an environment that is as far as possible safe and free from risk to health. The Agency will comply with all relevant Health and Safety Regulations.



Disabled Employees and Equal Opportunities

Section 75 of the Northern Ireland Act 1998 requires public authorities to promote equality of opportunity and good relations, to ensure that equality issues are integral to the whole range of public policy decision making. The NIO, which includes the Youth Justice Agency, has submitted its Equality Scheme to the Equality Commission for Northern Ireland. The Youth Justice Agency is fully committed to the Equality Scheme and will ensure that appropriate training is delivered to staff.

Employee Consultation

The Youth Justice Agency recognises the importance of good industrial relations and is committed to effective employee communications. Regular meetings are held with representatives of the trade unions.

Payment of Suppliers

In line with the Better Payment Practice Code, the Agency's policy is to pay all invoices not in dispute within 30 days, or within agreed contractual terms if otherwise specified (may be over 30 days). The Agency has set up systems and procedures to pay 100% of invoices, including disputed invoices once the dispute has been settled, within these terms.

During the year ended 31 March 2005 the Agency paid 81.97% of all invoices received within the terms of its payment policy (2003-04 77.32%).

Charitable Donations

There were no charitable donations made by the Youth Justice Agency during the year.

Audit

These financial statements are audited by the Comptroller and Auditor General who is appointed by statute and reports to Parliament on the audit examination. His certificate is set out in pages 38-39. The notional audit fee of these financial statements was £17K (2003-04 £17K).

The C&AG may also undertake other statutory activities that are not related to the audit of the Agency's financial statements such as Value for Money reports. No such activity took place during the year.

Mr. Bill Lockhart **Chief Executive**

Bill Locklast

30 June 2005





STATEMENT OF AGENCY'S RESPONSIBILITIES

- (i) Under Section 7 of the Government Resources and Accounts Act 2000, Treasury has directed the Youth Justice Agency of Northern Ireland to prepare a statement of account for the financial year ended 31 March 2005 in the form and on the basis set out in its accounts direction. The accounts are prepared on an accruals basis and must give a true and fair view of the Agency's state of affairs at the year-end, and of its income and expenditure, recognised gains and losses and cash flows for the financial year.
- (ii) In preparing the accounts the Agency is required to:
 - Observe the accounts direction issued by Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
 - Make judgements and estimates on a reasonable basis;
 - State whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
 - Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Agency will continue in operation.
- (iii) The Accounting Officer of the Northern Ireland Office has designated the Chief Executive of the Youth Justice Agency of Northern Ireland as the Accounting Officer for the Agency. The relevant responsibilities as Agency Accounting Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Accounting Officer's Memorandum, issued by Treasury.



STATEMENT OF INTERNAL CONTROL

1. Scope of Responsibilities

As Accounting Officer, I have responsibility for maintaining a sound system of Internal Control that supports the achievement of the Youth Justice Agency's policies, aims and objectives, whilst safeguarding the public funds and Agency assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

The Youth Justice Agency was launched as an Executive Agency, as recommended in the Criminal Justice Review on 1 April 2003. It replaced the former Juvenile Justice Board, a Non-Departmental Public Body, and is one of four agencies established within the Northern Ireland Office.

I am supported by the Management Board of the Agency which consists of the Director of each of the four directorates of the Agency – Youth Conference Service, Community Services, Custodial Services and Corporate Services. A Non-Executive Director was appointed to the Management Board during 04/05.

The Agency's Audit Committee comprises of:

The Management Board of the Agency

Head of Financial Management Services for the Agency

A Risk Management Framework for the Agency has been produced, taking into account the findings of the Agency review of risk and management assurance. This framework has been accepted by the audit committee, and has been adopted throughout the Agency.

The framework has taken into account recommendations made by Internal Audit arising from their completed audits for the Agency.

2. Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Agency's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Youth Justice Agency for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

3. Capacity to handle Risk

The management of risk is driven by the Youth Justice Agency's Management Board and Audit Committee:

- The Chief Executive and Directors are responsible for risk management within their areas;
- Each quarter the Management Board and Audit Committee review and if necessary reissue the risk rankings associated with the high level risks facing the Agency.

It is the responsibility of the Agency's Management Board to identify and control the risks faced by the Agency in order to minimise any potential losses. The Management Board will set the tone and promote an anti-fraud culture, supported by deputy directors and their staff who are best placed to recognise the potential for fraud within the everyday operations of their teams. The Fraud Policy for the Agency has been issued to all managers during the first quarter of the year, and a summarised version was issued to all staff.





4. The Risk and Control Framework

Each key performance target and development objective within the 2004 - 2005 Business Plan was risk assessed. Each quarter the Management Board reviews progress against each target and objective and reassesses the risk of non-achievement. The quarterly performance report subsequently issued to the Departmental Sponsor and Minister also contains the risk assessment against targets and objectives.

A Risk Management policy for the Agency has been produced and ensures that the management of risk is embedded in policy making, planning and delivery of the Agency's aims and objectives. It includes a plan setting out the Agency's co-ordinated approach to risk management, what it involves and how it should be conducted. Each Directorate of the Agency maintains a risk register and these are reviewed regularly. This ensures that the processes for identifying, evaluating, managing risk, and any changes to it are conducted at branch level.

The Risk Management policy of the Agency outlines the requirements the Agency needs to meet in terms of evidencing fully embedded risk management - particularly appropriate accountability, internal control and assurance mechanisms – which underpins the Agency's future Statements of Internal Control.

5. Review of Effectiveness

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 control is informed by the work of the internal auditors and the executive managers within the Agency who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the results of my review of the effectiveness of the system on internal control by the Board, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

A review of the system of internal control takes place at each quarterly Audit Committee meeting and a review of the risk register has been introduced as a quarterly standing item at each Management Board meeting.

6. Significant Internal Control Problems

An internal audit of the payroll system was completed in April 2004 and an action plan has been drawn up to implement the agreed recommendations.

The outcome of an internal audit review on the use of overtime in the Youth Justice Agency identified control weaknesses. An action plan has been put in place by the relevant director to address these weaknesses. Implementation will be closely monitored.

Mr. Bill Lockhart **Accounting Officer**

Bill Locklast

11 July 2005



THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

I certify that I have audited the financial statements on pages 40 to 60 under the Government Resources and Accounts Act 2000. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 43 to 45.

Respective responsibilities of the Agency, the Chief Executive and Auditor

As described on page 35, the Agency and Chief Executive are responsible for the preparation of the financial statements in accordance with the Government Resources and Accounts Act 2000 and Treasury directions made thereunder and for ensuring the regularity of financial transactions. The Agency and Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Government Resources and Accounts Act 2000 and Treasury directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Agency has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on page 36 to 37 reflect the Agency's compliance with Treasury's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Agency's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.





Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Youth Justice Agency of Northern Ireland at 31 March 2005 and of the net cost of operations, recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and directions made thereunder by Treasury; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn National Audit Office

Comptroller and Auditor General 157-197 Buckingham Palace Road

Victoria

London SW₁W ₉SP

11 July 2005



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

OPERATING COST STATEMENT

For the Year Ended 31 March 2005

	Notes	2004/05 £'000	2003/04 £'000
Income	2	(283)	(356)
Expenditure			
Staff costs	3	10,185	8,263
Depreciation	6&7	1,386	1,231
Other current expenditure	4	2,937	3,361
Total Expenditure		14,508	12,855
Net Operating Cost Before Interest		14,225	12,499
Cost of capital charges	5	356	351
Net Cost of Operations		14,581	12,850

The results of the Agency Operating Statement derive from operating activities, all of which are continuing.

STATEMENT OF RECOGNISED GAINS AND LOSSES

For the Year Ended 31 March 2005

	Notes	2004/05 £' 000	2003/04 £'000
Net Gain on Revaluation of Tangible Fixed Assets	12	1,236	1





FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

BALANCE SHEET AS AT 31 March 2005

	Notes	2005 £'000	2004 £'000
Fixed Assets			
Tangible assets	6	12,697	12,681
Intangible assets	7	99	77
		12,796	12,758
Current Assets			
Debtors due in less than one year	8	214	316
Cash at bank and in hand	9	284	27
		498	343
Current Liabilities			
Creditors : due within one year	10	(945)	(934)
Net Current (Liabilities)/Assets		(447)	(591)
Total Assets Less Current Liabilities		12,349	12,167
Provisions for liabilities and charges	11	(1,905)	(2,214)
		10,444	9,953
Taxpayers' Equity			
General fund	12	9,207	9,952
Revaluation reserve	12	1,237	1
		10,444	9,953

Bill Locklast.

Mr. Bill Lockhart Accounting Officer 30 June 2005



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

CASH FLOW STATEMENT

For the Year Ended 31 March 2005

	Notes	2004/05 £'000	2003/04 £'000
Operating Activities			
Net cash outflow from operating activities	13(i)	(12,978)	(10,975)
Capital Expenditure and Financial Investment			
Net cash outflow from capital expenditure	13(ii)	(165)	(680)
Proceeds on disposal		2	0
Net Cash Outflow Before Financing		(13,141)	(11,655)
Financing from the consolidated fund		13,398	11,345
Increase in Cash	13 (iii)	257	(310)





NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Accounting policies

The financial statements have been prepared in accordance with the requirements of the 2004-05 Resource Accounting Manual (RAM) issued by HM Treasury. The accounting policies contained in the RAM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector. Where RAM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected. The Agency's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting Convention

The financial statements have been prepared under the historical cost convention modified to account for the revaluation of fixed assets, at their value to the Agency by reference to their current costs.

Tangible Fixed Assets

Land & buildings are subject to professional valuation at least once every 5 years and revalued using Valuation and Lands Agency indices in intervening years. Other capital assets are carried at current cost using indices compiled by the Office for National Statistics. The standard threshold for capitalisation is £1,000 with the capitalisation threshold for computer processing units being £400. The Agency pools and capitalises printers and office furniture on an annual basis.

Properties regarded by the Agency as operational are valued on the basis of existing use, or where this could not be assessed because there is no market value for the property, its depreciated replacement cost. Properties regarded by the Agency as non-operational are valued on the basis of open market value.

Provision for depreciation is made to write-off the cost of fixed assets on a straight-line basis over the expected useful lives of the assets concerned. Land, assets under construction, or assets awaiting disposal are not depreciated. The expected useful lives of assets are as follows:

	Useful life
Land & buildings (including temporary buildings)	Up to 40 years
Plant & machinery	4 – 15 years
Computer equipment	5 years
Intangibles	5 years



Tangible Fixed Assets cont'd

Plant & machinery includes:

- Plant & machinery
- Motor vehicles
- Furniture & fittings
- Office equipment
- Telecommunications equipment
- Security equipment
- Medical equipment

The current Juvenile Justice Centre at Rathgael has been depreciated over 5 years on the advice of Valuation and Lands Agency due to the expected completion of the new centre within this time period.

Assets in the Course of Construction

Costs that are directly attributable to bringing an asset into its working condition for its intended use have been capitalised as an asset in the course of construction.

Intangible Fixed Assets

Purchased computer software is capitalised as intangible fixed assets where expenditure of £400 or more is incurred. Intangible assets are stated at their current cost. Intangible fixed assets are amortised on a straight-line basis over the expected useful lives of the assets concerned. The expected useful life of purchased computer software is 5 years.

Provision for Liabilities & Charges

The Agency provides for legal and constructive obligations, which are of uncertain timing, or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is material, the estimated cash flows are discounted using the Treasury discount rate of 3.5%.

Pension Costs

The Agency's staff belong to one of three principal pension schemes, the Principal Civil Service Pension Scheme (PCSPS – for Home Civil Service and Northern Ireland Civil Service staff), the Teachers' Superannuation Scheme (TSS – for all teaching staff), and the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC – for all other staff). Payment of future benefits is a charge to the PCSPS, TSS, and NILGOSC. The Agency meets the cost of pension cover through the payment of charges calculated on an accruing basis. Contributions are charged to the Operating Cost Statement as incurred.





Operating Leases

Operating lease rentals are charged to the Operating Cost Statement over the lease term.

Early Retirement Costs

The Agency is required to meet the cost of paying pensions of employees who have retired early, from the date of their retirement through the life time of the pensioner / widow/er. The Agency has provided in full for this cost.

VAT

The majority of the activities of the Agency are outside the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Notional Costs

A notional cost reflecting the cost of capital utilised by the Agency, is included in operating costs. The charge is calculated at the Government's standard rate of 3.5% of the average capital employed, defined as total assets less total liabilities.

Notional amounts are also included as charges in respect of costs to the Agency borne by other Government Departments or organisations.

Insurance

Except where there is a statutory requirement to do so, the Agency does not take out general insurance. Instead, expenditure in connection with uninsured risks is charged as incurred.

Funding

The Youth Justice Agency is financed by supply estimates voted by Parliament. Its provision is currently set out in Request for Resources 1 of the Northern Ireland Office.



2. Income			2004/05 £'000	2003/04 £'000
Administration Income				
Rental			1	6
Catering			6	5
Other			<u>3</u>	17_
			10	28
Programme Income				
Income from departments				72
Income from non-departmental public bodies			38	193
Other			201	63
			273	328
Total Income			283	356
3. Staff costs and numbers	2004/05 £'000			2003/04 £'000
(i) Staff costs during the year were:	Total	Permanent Staff	Others	Total
Wages and salaries	9,103	8,978	125	7,333
Social security costs	827	824	3	610
Employer's pension contributions	255	252	3	320
Total Employment Costs	10,185	10,054	131	8,263

£233K was released from the Provision for early retirement. This has been offset against the Employer's pension contributions above.

(ii) Employees:

Average number of persons employed during the year:

Permanent Staff	Fixed Term Contract	Temporary Staff	Secondees In	Secondees Out	Total 04/05	Total 03/04
324	1	15	2	(3)	339	259

(iii) Pensions:

The Principal Civil Service Pension Scheme - PCSPS (GB)

The Principal Civil Service Pension Scheme - PCSPS (GB) is an unfunded multi-employer defined benefit scheme, but the Youth Justice Agency is unable to identify its share of underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2003. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk)





For 2004-05 employers contributions detailed in the table below were payable at one of four rates in the range 12 to 18.5 per cent of pensionable pay, based on salary bands.

Pension Provider	Contribution	Contribution
	01/04/04 - 31/03/05	01/04/03 - 31/03/04
	£'000	£'000
PCSPS (GB)	15	15

The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. No Youth Justice Agency staff have taken up this option.

Nil staff retired early on ill-health grounds.

The Principal Civil Service Pension Scheme (NI)

The Principal Civil Service Pension Scheme - PCSPS (NI) is an unfunded defined benefit scheme which produces its own resource accounts, but the Youth Justice Agency is unable to identify its share of underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2003 and details of this valuation are available in the Department of Finance and Personnel Superannuation and other Allowances Account (www.civilservicepensions.ni.gov.uk).

For 2004-05 employers contributions detailed in the table below were payable to the PCSPS (NI) at one of four rates in the range 12 to 18 per cent of pensionable pay, based on salary bands.

Pension Provider	Contribution	Contribution
	01/04/04 - 31/03/05	01/04/03 - 31/03/04
	£'000	£'000
PCSPS (NI)	170	55

From 1 April 2005 these rates have increased as a result of the latest actuarial valuation to between 16.5% and 23.5%.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. No Youth Justice Agency staff have taken up this option.

Nil staff retired early on ill-health grounds.

The Teachers' Superannuation Scheme (TSS)

The Teachers' Superannuation Scheme is a contributory scheme administered by the Department of Education. The conditions of the Superannuation (NI) Order 1972, the Teachers' Superannuation Regulations (NI) 1998, and subsequent amendments apply to the scheme. The scheme is presently notionally funded. The rate of the employer's contribution is determined from time to time by the Government actuary and advised by the Department of Finance and Personnel. For 2004/05 the contribution rates were 7% employers, and 6% employees.

The total employer pension cost under the scheme was £67K (2003-04 £59K).



The Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC)

This scheme is defined benefits type, and the fund is invested in suitable investments, managed by the committee. For 2004/05 the contribution rates were 4.6% employers, and 6% employees. For manual workers previously paid on a weekly basis the contribution rates were 4.6% employer and 5% employee.

The total employer pension cost under the scheme was £236K (2003-04 £191K).

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the market led approach. The latest actuarial valuations of the scheme were at 31 March 2004. The assumptions that have the most significant effect on the valuations and other relevant data are as follows:

Rate of return on investment –	After Retirement	6.3% pa
	Before Retirement	6.3% pa
Rate of increase in salaries		4.4% pa
Rate of increase in pensions		2.9%
Market value of the assets at the		£2,152 million
date of the last valuation		at 31/03/2004

The actuarial value of the assets of NILGOSC was sufficient to cover all the benefits which had accrued to members after allowing for future increases in earnings, resulting in a funding level of 85%.





(iv) Management Board

The salary, pension entitlements and the value of any taxable benefits in kind of the Management Board of the Youth Justice Agency were as follows:

Employer contribution to partnership pension account including risk benefit cover	N/A	N/A	N/A	N/A	N/A
Real increase in CETV after adj for inflation and changes in market investment factors £ K	10	20	10	* &	13
CETV at 31/03/05 £ K	11	382	272	11*	245
CETV at 31/03/04 £ K	0	362	246	*^	219
Total accrued pension at 60 & related lump sum 34/04/05	0	20-22.5 plus lump sum 60.0-65.0	15-20 plus lump sum 45-50	0-2.5 plus lump sum 2.5-5.0*	15-20 plus lump sum 45-50
Real inc in pension and related lump sum at age 60 £ K	0-2.5 plus lump sum 0-2.5*	0-2.5 plus lump sum 0-2.5	o-2.5 plus lump sum o-2.5	0-2.5 plus lump sum 2.5-5.0*	0-2.5 plus lump sum 0-2.5
Benefits in Kind	N/A	N/A	N/A	N/A	N/A
Salary including performance pay £ K	50-55	50-55	40-45	9-09	40-45
Board Member	Mr Bill Lockhart Chief Executive wef 28/06/04	Mr Artie O'Neill** Director Community Services	Mr Martin Gunning Director Corporate Services	Mr Philip Tooze Director Custodial Services	Mrs Alice Chapman Director Youth Conferencing

*Transferred contributions from previous employment pending. **Acted Chief Executive 01/04/04 to 27/06/04



(iv) Management Board cont'd

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; and any other allowances to the extent that it is subject to UK taxation.

The Chief Executive's Salary for the Year Ended 31/03/05 was £54,313.12.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. Pension benefits are provided through the Principal Civil Service (PCS) pension arrangements, and through the Northern Ireland Local Government's Officers' Superannuation Scheme (NILGOSC).

Civil Servants

From 1 October 2002, civil servants may be in one of three statutory based "final salary" defined benefit schemes (classic, premium and classic plus). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality "money purchase" stakeholder arrangement with a significant employer contribution (partnership pension account).

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further o.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The table on page 49 shows the member's Cash Equivalent Transfer Value (CETV) accrued for the reporting period. It also reflects the increase in CETV effectively funded by the employer. It takes account of 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 period.

• CETV information has not yet been received from the previous employer of Mr Philip Tooze.

A 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 a member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements and for which the CS Vote has received a transfer of payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.





4. Other current expenditure	2004/05 £'000	2003/04 £'000
Administration costs:		
Staff related costs	221	120
Travel, subsistance, hospitality	192	205
Support services	36	96
Accommodation costs	414	333
Utilities	216	224
Insurance	13	9
Office cost	383	325
Maintenance & repairs	333	1,054
Professional services & advisory costs	315	115
Rentals under operating leases – non land & buildings	35	25
Loss on disposal of fixed assets	0	12
Permanent diminution of fixed assets	32	38
Unwinding of discount	17	81
Other administration costs	120	236
	2,327	2,873
Programme costs:		
Supplies, services and stores	421	324
Compensation	3	49
Current initiatives	136	58
Other programme costs	25_	18_
	_ 585	449
Notional costs:		
Provided by parent department:		
Legal costs	0	9
Provided by other departments and agencies:		
Audit fee	17	17
Miscellaneous costs	8_	13
	25	39
Other current expenditure	2,937	3,361



5. Cost of capital and interest

Cost of Capital – The Agency bears a notional charge calculated at the government standard rate of 3.5% on the average capital employed, defined as total assets less total liabilities. In 2004-05 this amounted to £356K (2003-04 £351K).

6. Tangible fixed assets

	Land & Buildings	Furniture & Fittings	Vehicles	Plant & Equipment	IT Equipmen	Assets under t construction	Total
	£'000	£'000	£ '000	£ '000	£'000	£'000	£ '000
Cost or Valuation	1						
At 1 April 2004	12,230	240	310	315	307	691	14,093
Additions	-	53	33	40	89	365	580
Disposals	(400)	-	(66)	-	-	-	(466)
Revaluation	1,398	14	2	1	(46)	-	1,369
At 31 March 2005	13,228	307	279	356	350	1,056	15,576
Depreciation							
At 1 April 2004	1,104	48	124	78	58	-	1,412
Charge for year	1,200	21	33	46	66	-	1,366
Disposals	-	-	(64)	-	-	-	(64)
Revaluation	176	3	1	(1)	(14)	-	165
At 31 March 2005	2,480	72	94	123	110	-	2,879
Net Book Value							
At 31 March 2005	10,748	235	185	233	240	1,056	12,697
At 31 March 2004	11,126	192	186	237	249	691	12,681

All land & buildings disclosed above are freehold. Land held by the Agency was valued at £6,468K at 31/03/05 (£6,050K at 31/03/04).

The land and buildings at Lisnevin Custody Centre, valued at £400K, were transferred to the Nothern Ireland Prision Service on 1 April 2004, for nil consideration.

The Asset under Construction relates to preliminary costs for the proposed construction of the new Juvenile Justice Centre at the Rathgael site.





Basis of valuation

The Valuation & Lands Agency last carried out a full valuation of land and buildings at 31 March 2003, in accordance with the RICS Appraisal and Valuation Manual. The next full valuation of land and buildings will be at 31 March 2008.

7. Intangible Fixed Assets

The Agency's intangible fixed assets comprise purchased computer software

	£'000
Cost or Valuation	
At 31 March 2004	87
Additions	42
Disposals	0
Revaluations	0
At 31 March 2005	129
Depreciation	
At 31 March 2004	10
Charged in year	20
Disposals	0
Revaluation	0
At 31 March 2005	30
Net Book Value	
At 31 March 2005	99
At 31 March 2004	77



8. Debtors

	2004/05 £ '000	2003/04 £'000
Recoverable VAT	38	38
Prepayments and accrued income	56	43
Other debtors	120	235
	214	316

9. Cash at bank and in hand

	2004/05 £'000	2003/04 £'000
Bank	279	23
Cash in hand	5	4
	284	27

The above figures do not include bank accounts with balances of £1K in respect of non-public funds held for the benefit of young people in custody (2003-04 £1K).

10. Creditors

Due within one year	2004/05 £ '000	2003/04 £'000
Trade creditors	41	288
Accruals and deferred income	584	644
Other taxation and social security	320	2
	945	934





11. Provisions for liabilities and charges

	Legal Costs Provision £'000	Early Retirement Provision £'000	Total Provision £'ooo
At 1 April 2004	42	2,172	2,214
Provided in the year	54	0	54
Provisions utilised in year	(2)	(145)	(147)
Amount released	0	(233)	(233)
Unwinding of discount	0	17	17
At 31 March 2005	94	1,811	1,905

The provisions for liabilities and charges represent the best estimate of the amount payable at the balance sheet date. Where the effect of the time value of money is significant, the cash-flows have been discounted using the Treasury discount rate of 3.5%.

The early retirement provision relates to inherited pension costs associated with the early departure of staff in the years prior to creation of the Agency. The costs are payable to NILGOSC and are ongoing over the lifetime of the retired staff member and his/her spouse (where applicable).

12. Reconciliation of movement in reserves

	General Fund	Revaluation Reserve	Total
	£'000	£'000	£'000
At 1 April 2004	9,952	1	9,953
Net vote funding in year	13,398	-	13,398
Net cost of operations	(14,581)	-	(14,581)
Agency expenditure funded by Dept	457	-	457
Revenue reserves	(400)	-	(400)
Surplus on revaluation	-	1,236	1,236
Notional costs	25	-	25
Interest on capital employed	356	-	356
At 31 March 2005	9,207	1,237	10,444



13. Notes to cash flow statement	Notes	2004/05 £' 000	2003/04 £'000
(i) Reconciliation of Net Cost of Operations to Net Cash Flow from Operating Activities			
Net cost of operations		(14,581)	(12,850)
Adjustment for non cash transactions			
Depreciation	6	1,386	1,231
Diminution in value of fixed assets	6	32	38
Loss on disposal of fixed assets	6	0	12
Notional cost of capital	5	356	351
Notional costs	4	25	39
Unwinding of discount	11	17	81
Net Provision released in year	11	(179)	16
Adjustments for movements in provisions & working capital			
Decrease in debtors	8	102	(224)
Increase in creditors (less than 1 year)	10	11	623
Provision utilised in year	11	(147)	(292)
Net cash outflow from operating activities		(12,978)	(10,975)
(ii) Analysis of Capital Expenditure	Notes	2004/05 £ '000	2003/04 £'000
Total capital additions in year	6 & 7	(622)	(1,947)
Less non cash additions in year funded by NIO	6 & 7	457	1,267
Total Cash Additions in Year		(165)	(680)





(iii) Reconciliation of Net Cash Flow to Movement in Net Funds

	Notes	2004/05 £'000	2003/04 £'000
Increase in cash in the year	9	257	(310)
Net funds at start of year	9	27	337
Net funds at end of year		284	27
Net funds comprise of:			
Cash at bank and in hand	9	284	27

14. Capital commitments

There were no capital commitments at 31 March 2005.

15. Leasing commitments

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed, according to the period in which the lease expires.

	2004/05 £'000	2003/04 £'000
Land & buildings:		
Expiry within 1 year	67	32
Expiry after 1 year but not more than 5 years	230	88
Expiry thereafter	100	241
	397	361
Other:		
Expiry within 1 year	3	2
Expiry after 1 year but not more than 5 years	20	18
Expiry thereafter	-	-
	23	20



16. Other financial commitments

There were no non cancellable financial commitments at 31 March 2005.

17. Contingent liabilities

There were no contingent liabilities at 31 March 2005.

18. Related party transactions

The Youth Justice Agency is an Executive Agency of the Northern Ireland Office, which is regarded as a related party. The Agency also contracts with other entities for which the NIO is the parent Department, viz:

- The Crown Solicitor's Office
- Forensic Science Northern Ireland
- The Compensation Agency
- Northern Ireland Policing Board
- Police Service of Northern Ireland
- The Probation Board for Northern Ireland

The Agency also has various transactions with other Government Departments and central government bodies. Most of these transactions have been with the Department of Health & Social Services, the Department of Finance & Personnel and related Agencies. During the year, none of the key management staff or other related parties has undertaken any material transactions with the Agency.





19. Key financial targets

The key financial target for the Youth Justice Agency is to ensure that expenditure is within the budget allocated. This target was met.

20. Financial instruments

The Agency has no borrowings and relies primarily on the Northern Ireland Office for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

21. Post balance sheet events

There are no Post balance sheet events.

22. Third party assets

The young people in custody have a private cash facility for the lodgement of their pocket money and funding of tuckshop purchases. When the young people are discharged they are paid in full the balance on their account.

	31 March 2004	Gross Inflows	Gross Outflows	31 March 2005
	£ '000	£'000	£ '000	£ '000
Monetary Assets such as bank balances and monies on deposit	1	13	(13)	1



23. Intra - Government Balances

	Debtors: Amounts falling due within one year	Debtors: Amounts falling due after more than one year	Creditors: Amounts falling due within one year	Creditors: Amounts falling due after more than one year
	£ '000	£ '000	£ '000	£ '000
Balances with other Central Government Bodies	64	-	(170)	-
Balances with Local Authorities	-	-	(3)	-
Balances with NHS Trusts	85	-	(1)	-
Balances with Public Corporations and Trading Funds	-	-	-	-
Balances with Bodies External to Government	65	-	(771)	-
At 31 March 2005	214	-	(945)	-
Balances with other Central Government Bodies	105	-	85	-
Balances with Local Authorities	-	-	-	-
Balances with NHS Trusts	109	-	4	-
Balances with Public Corporations and Trading Funds	-	-	-	-
Balances with Bodies External to Government	102	-	845	-
At 31 March 2004	316	-	934	-

APPENDICES
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