



# **Annual Report and Accounts** 2006-2007

## **Report on the work of the Youth Justice Agency of Northern Ireland 2006-2007**

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

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## Contents

	PAGE
<b>Foreword by the Chief Executive</b> .....	5
<b>PART 1: ANNUAL REPORT 2006-2007 INCLUDING OPERATING AND FINANCIAL REVIEW</b>	
<b>Directors' Report</b> .....	7
<b>Operating Review</b> .....	10
<b>Role and Task</b>	
• Community Services.....	11
• Youth Conference Service.....	12
• Custodial Services.....	13
• Corporate Services.....	13
<b>Mission Statement and Values</b> .....	14
<b>Review of Performance 2006-2007</b> .....	15
• Looking Back over 2006-2007.....	15
• Highlights of the Year.....	18
• Performance against Key Targets.....	20
• Performance against Development Objectives.....	22
• Community Services Review.....	27
• Youth Conference Service Review .....	29
• Custodial Services Review.....	31
• Child Protection Policy and Procedures.....	33
• Complaints Charter.....	34
• Victims Charter.....	35
• Health & Safety.....	35
• Freedom of Information.....	35
• Sustainable Development.....	35
<b>Looking Forward to 2007-2008</b> .....	36
<b>Financial Review</b> .....	38
<b>Management Board Remuneration Report</b> .....	41
<b>Appendices:</b>	
1. Community Services Caseload .....	45
2. Youth Conference Service Caseload .....	47
3. Analysis of Admissions to Custody.....	48
4. Recruitment and Selection Code of Practice .....	49
5. Statistics on Complaints Received .....	50
6. Addresses and Contact Details.....	51
<b>PART 2: ANNUAL ACCOUNTS 2006-2007</b>	
• Statement of the Agency's and Chief Executive's Responsibilities.....	54
• Statement of Internal Control .....	55
• The Certificate and Report of the Comptroller and Auditor General to the House of Commons.....	58
• Financial Statements for the Year ended 31 March 2007 .....	60
• Notes to the Financial Statements.....	64



## Foreword

**By the Chief Executive****CHANGE – a small word but one which embraces a lot!**

Last year saw a huge and extremely challenging programme of change within the Youth Justice Agency. The pace was fast and furious and I am in no doubt whatsoever that the achievements delivered could not have been realised without the dedication and commitment of our staff. I wish therefore to take this opportunity to pay tribute to them.



I will resist listing all the changes that happened but will highlight just a few. I think I have to start with the Juvenile Justice Centre. It has undergone one of the most extensive change programmes I have ever been involved with. It did not just move to a new, purpose designed, £18.5 million building but undertook a whole cultural change process as well. Nearly all staff got actively engaged in the numerous task groups. We have a completely new set of child-centred policies and practice guidelines. I have to thank Phil Tooze, his advisers and the whole staff team for the tremendous effort they have put in. I know that it will be re-paid as we journey towards being internationally recognised as a centre of excellence in the custodial care of children.

Community Services also actively embraced change. Over 50 new partnerships with community groups, sporting bodies and the voluntary sector were developed. An independent evaluation of Community Services concluded that they have shown considerable initiative in developing an imaginative range of activities to meet the needs of the various Court Orders. We now have a comprehensive range of services to engage young people and their families within the community in a manner which helps prevent offending.

I am indebted to Artie O'Neill, Director of Community Services, for the energy and commitment he has demonstrated in leading this innovative work in the community and also for the commendable job he performed as acting Chief Executive for a number of months during the past year. Also to Dave Weir who took over the helm of

Community Services during Artie's period of acting up. Artie has recently retired after decades of dedicated work and his vision, experience and expertise will be sorely missed.

The Youth Conference Service completed its extensive three-year roll out programme in December 2006 and now covers the whole of Northern Ireland. This required a huge amount of work from Alice Chapman and her team. All of this was achieved while they were busy winning National Training Awards and a host of other related honours. Well done! Now the task is to cope with the greatly increased volume of referrals and still maintain the extremely high standards of service delivery.

It is easy to forget the work of the Corporate Services Directorate as they beaver away in the background without much overt recognition. This year they really excelled themselves. They led the magnificent achievement of the Agency being awarded accreditation against the new Investor in People (IiP) standard. This was delivered at a time when Corporate Services has never been busier. It was a consequence of much hard work but resulted in a very positive evaluation report. Other achievements included the implementation of numerous new personnel, finance, communications and complaints policies and procedures. Again special thanks must go to Martin Gunning and his team. Their ability to cope with change is amazing.

I must also record my thanks to Shane Logan, our first Non-Executive Director for his sterling advice and support and for chairing the Agency's audit committee. A special welcome also goes to Linda Kerr who joined the Agency as our second Non-Executive Director at the beginning of February 2007.

As we look to the year ahead change is still all around us. We are currently considering how we position the Agency in the light of the planned devolution of criminal justice, the review of public administration and community planning. All of these will have significant implications for the way we do business in the future.

Bill Lockhart

Chief Executive

**PART 1:**  
**ANNUAL REPORT 2006-2007**  
**INCLUDING**  
**OPERATING AND FINANCIAL REVIEW**

# Directors' Report

## 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 overall aim of the Agency is to reduce youth crime and to build confidence in the youth justice system.

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, and 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. Further details can be found in the Operating & Financial Reviews.

## Management

The Youth Justice Agency is headed by a Chief Executive who is supported by the Management Board. The Chief Executive for the year ending 31 March 2007 was Bill Lockhart.

The Director of Community Services, Artie O'Neill, held the position of Acting Chief Executive from 9 October 2006 to 19 February 2007 in the absence of Dr Lockhart.

David Weir assumed the role of Acting Director of Community Services from 12 October 2006 and continues in this post until the appointment of a new Director of Community Services in 2007-2008.

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

Appointments to the Management Board are made in accordance with the Framework Document. Details of the salary and benefits of the Management Board members are disclosed in the Remuneration Report on pages 41-44.

The structure and members of the Management Board [Fig 1] for the year ended 31 March 2007 was as follows:

Chief Executive	Dr Bill Lockhart
Acting Chief Executive	Mr Artie O'Neill (9 Oct 2006 – 19 Feb 2007)
Director Community Services	Mr Artie O'Neill (until 8 Oct 2006)
Acting Director Community Services	Mr David Weir (from 12 Oct 2006)
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
Non-Executive Director	Mrs Linda Kerr (appointed 1 Feb 2007)

# Directors' Report



*Fig 1: Youth Justice Agency Management Board during 2006-2007: Back Row L-R: Shane Logan (Non-Executive Director); Phil Tooze (Director of Custodial Services); Martin Gunning (Director of Corporate Services); Artie O'Neill (Director of Community Services/ Acting Chief Executive) and Dave Weir (Acting Director of Community Services). Front Row L-R: Linda Kerr (Non-Executive Director); Bill Lockhart (Chief Executive) and Alice Chapman (Director of Youth Conference Service).*

## Board Members' Interest

A Register of Interests is maintained by the Agency, in keeping with best practice, to record declarations of personal or business interests which may conflict with responsibility as a member of the Agency's Management Board.

Details of transactions of the Agency with organisations in which Board Members hold an interest and which could potentially conflict with their management responsibilities are disclosed in the Related Party Transactions note in the financial statements on page 83.

## Business Review & Future Developments

A full review of the Agency's business for the year and its future development, including any research and development activities, and the exposure of the Agency to risk is set out in the Operating & Financial Review and in the Agency's Corporate and Business Plan 2006-2009.

The net cost of operations for the year ended 31 March 2007 was £26,087k (2005-2006 restated, £19,513k). The primary reasons are discussed in the Financial Review on pages 38-40.

During the 2006-2007 year the new Juvenile Justice Centre, Woodlands, in Bangor became operational. The costs of the construction and development of the new centre were financed by the sale of land occupied by the former Juvenile Justice Centre at Rathgael. This land was transferred to the Core Department during March 2007 at its book (operational) value of £6.8m and subsequently realised £65m for the Department via public auction in April 2007.

## Post Balance Sheet Events

There have been no significant events which have occurred since the year end.

## Pension Liabilities

The Youth Justice Agency makes employer contributions to four pension providers:

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

Details of the above schemes are disclosed in the Remuneration Report on pages 41-44. The treatment of pension liabilities in the financial statements is disclosed in the accounting policies note (Note 1) on page 64.

## 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.



# Directors' Report

## 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.

## Employees with Disabilities

The Youth Justice Agency is committed, where reasonably practicable, to the retention of individuals who become disabled whilst in its employment and, in addition, positively welcomes applications by disabled people for employment or promotion. The average number of disabled people employed in the year was 8 (2005-2006, average 4).

## 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.

## Charitable Donations

During the year ending 31 March 2007 the Youth Justice Agency donated obsolete personal alarm equipment to St Mary's, a registered children's charity in Kenmure, Scotland. The equipment had a nil net book value in the Agency's books. There were no other charitable donations made by the Youth Justice Agency during the year.

## 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 been set a target to pay 100% of invoices, including disputed invoices once the dispute has been settled, within these terms.

During the year ended 31 March 2007 the Agency paid 94.09% (2005-2006, 96%) of all invoices received within the terms of its payment policy.

## Accounting Responsibilities

The financial statements of the Agency have been prepared in accordance with a direction issued by Treasury in pursuance of Section 7(2) of the Government Resources and Accounts Act 2000.

## Audit

The financial statements of the Agency are audited by the Comptroller and Auditor General (C&AG) who is appointed by statute and reports to Parliament on the audit examination. His certificate is set out in pages 58-59. The notional audit fee of these financial statements was £15k (2005-2006, £15k).

The Chief Executive has taken appropriate steps to make himself aware of relevant audit information and to establish that the C&AG is aware of that information. To his knowledge, there is no relevant audit information of which the C&AG is unaware.

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.

**Bill Lockhart**

Chief Executive

12 June 2007

# Operating Review

## Role and Task

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 Agency's Management Board is its top management group and focuses primarily on operational policy, planning and priority setting and monitoring of business performance. The Agency has an Audit Committee, chaired by a Non-Executive Director, which supports the Chief Executive in discharging his Accounting Officer responsibilities in relation to risk, control and governance and associated assurances.

The Chief Executive of the Agency is a member of the NIO Criminal Justice Board, which aims to secure an improved service to the public through better cooperation, coordination and accountability in the administration of the Northern Ireland criminal justice system.

The Agency delivers 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.

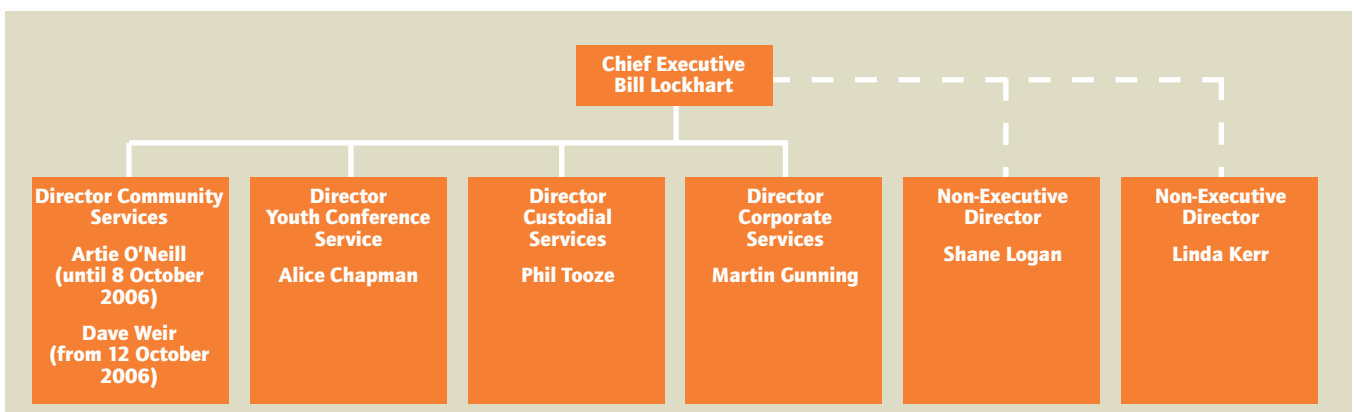
All the services delivered by the Agency are subject to inspection and review by the Chief Inspector of Criminal Justice. These services may also be subject to review by the Northern Ireland Commissioner for Children and Young People and the Northern Ireland Human Rights Commission.

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 structure for 2006-2007



# Operating Review

## Role and Task

### Community Services



*Artie O'Neill, Director of Community Services until 8 October 2006*



*Dave Weir, Acting Director of Community Services from 12 October 2006*

Community Services is tasked with the provision and delivery of community based interventions with the objective of reducing and preventing offending by children and young people. These interventions address family, community and education issues and aim to include all those who have a significant impact on the child's life. Interventions are individually tailored to each child's situation.

Services are delivered from 22 local projects across Northern Ireland by multi-disciplinary teams made up of social workers, teachers and youth workers and with access to a range of specialist services including adventure learning, family therapy, preparation for employment and mentoring.

These projects deliver:

- Attendance Centre Orders
- Reparation Orders
- Community Responsibility Orders

and in addition to court ordered work, accept referrals from the Probation Board for Northern Ireland, Police Service of Northern Ireland and other services where the child is known to have offended. Interventions are designed to challenge and support young people in avoiding offending, encourage integration with their families and communities and promote reparation.

Community Services work closely with young people in custody with the objective of working towards a return to the community. It delivers the Agency bail strategy through the Bail Supervision and Support Scheme by providing access, in partnership with others, to bail support and bail fostering.

Through partnership arrangements with Health and Social Services Trusts, Education and Library Boards and with a range of voluntary sector bodies, Community Services aim to ensure that prevention services are available to children and young people vulnerable to offending.

All projects seek to build links with their local communities to encourage appropriate diversionary activity, to respond to anti-social behaviour and to provide opportunities for integration and reparation.

Community Services is responsible for administering three schemes under the Renewing Communities Initiative. These are the Small Grants programme for community service to children and young people, Strength-2-Strength supporting vulnerable children and the extension of youth justice services in the Shankill area.

Community Services staff represent the Agency on Area Child Protection Committees, Area Children and Young People Committees, Community Safety Partnerships and Local Child Protection Panels.

An independent evaluation of Community Services, published in 2004, concluded that the multi-modal model of practice in use accords with international research on what works for young people in conflict with the law and appears to be successful in challenging offending behaviour. More recent evaluations of the Bail Supervision and Support Scheme and of the delivery of Court Orders concluded that both were effective in changing attitudes and behaviour of young people and in promoting positive outcomes.

# Operating Review

## Role and Task

### Youth Conference Service



*Alice Chapman, Director of 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 in the greater Belfast area, and over a three year period has extended its coverage to all areas of Northern

Ireland. This was achieved through an extensive roll-out programme:

- December 2003 – Greater Belfast
- May 2004 – Fermanagh and Tyrone
- June 2005 – Newry, Banbridge and Armagh
- October 2006 – Bangor, Newtownards, Downpatrick, Lisburn and Craigavon
- December 2006 – Londonderry, Coleraine, Ballymena, Larne and Antrim.

Youth Conferencing is a restorative approach which brings together the young person, family and victim to discuss the impact of the crime. It challenges the young offender to make amends to their victim and to put in place actions which will repair the harm and contribute to the prevention of further offending. The youth conference is facilitated by a trained youth conference co-ordinator.

Referrals are received by either of 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 the 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 young person who has offended;
- 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 young person who has offended from the offence and focusing on the potential for reintegrating the young person 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 participation by young people who have offended, victims, and significant others in the process.

A report of an independent evaluation of the youth conference scheme, published in March 2006, was very positive and concluded that the conferencing process was progressing well and, during the period of the research, had become established as a mainstream approach to young people who come into contact with the criminal justice system. One of the main findings was the high level of participation and satisfaction of offenders and victims with the new system which compares favourably with similar schemes in operation internationally.

# Operating Review

## Role and Task

### Custodial Services



*Phil Tooze, Director of Custodial Services*

The rationalisation of the Juvenile Justice estate was completed in January 2007 with the opening of Woodlands Juvenile Justice Centre and the closure of the old Rathgael site. Woodlands has been designed as a centre of national and international excellence in secure care, offering a wide range of services and support to help prevent young people from re-offending. It

provides a safe, secure and stimulating environment for up to 48 boys and girls between the ages of 10 and 17 placed in custody.

Woodlands aims to deliver best value in custodial services for the community and for young people by:

- providing a safe, secure and caring environment;
- tackling offending by delivering anti-offending programmes and raising victim awareness;
- addressing development, health, educational and recreational needs;
- reducing risk to self and others;
- preparing young people for their return to families and communities with a reduced risk of offending; and
- having staff who are enthusiastic and committed in their belief that they can help young people make life-changing choices.

Woodlands currently provides:

- 6 residential units
- an education and vocational learning centre. Education uses the nationally accredited AQA/NSP and GCSE exam base in a range of curricular areas including home economics, English, mathematics, science, motor vehicle studies, PE, woodwork, art, creative media studies, geography, history and business studies.

- sports and leisure centre with swimming pool, gymnasium, health and fitness programmes
- programmes intervention, including
  - "Offending is Not the Only Choice"
  - IMPACT car crime course
  - Drugs awareness
  - Social and domestic living programmes
  - Lifestyles course
  - Family work
- Health Services including nursing, psychology and psychiatry

### Corporate Services



*Martin Gunning, Director of Corporate Services*

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

- Financial Management Services
- Human Resources
- Planning & Communications
- Resource Accounts.

Corporate Services provides a central point of reference for those requiring information about the Agency. It is responsible for the coordination 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.

# Operating Review

## Mission Statement and Values

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

### Mission Statement

"Our aim is to reduce youth crime and to build confidence in the youth justice system"

### Values

In seeking to achieve our mission statement we will adhere to the following values in all that we do:

#### Care for Children

- Children's rights will be protected and they will be treated with fairness, justice and respect.

#### Respect for Victims

- The needs of victims of youth crime will be respected.

#### Integrity

- Honesty and openness will govern our thinking and actions.

#### Our Staff

- Staff are our most important asset and we are fully committed to supporting them in all aspects of their work.

#### Continuous Improvement

- We will embrace change and strive to deliver continuous improvement and maximise value for money.

#### Equality and Diversity

- We will embrace diversity and are committed to equality for all.

#### Inclusion

- We will encourage the active participation of children, families, victims and communities.

# Operating Review

## Review of Performance 2006-2007

### Looking back over 2006-2007

The operation of the Youth Justice Agency and its ability to carry out its programmes of work are directly influenced by the sentencing practice of the courts, the resources available to the Agency and by legislative and policy initiatives, particularly from other parts of the criminal justice system.

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

Significant developments which have recently occurred or are likely to occur in the near future that may have an impact on or influence the services provided by the Agency include:

- Publication of the action plan arising from the OFMDFM Ten Year Strategy for Children and Young People
- Implementation of the Charter for Youth Justice within Northern Ireland
- Publication of a Criminal Justice Inspectorate for Northern Ireland report on Avoidable Delay in the processing of Criminal Cases in Northern Ireland
- The Government's efficiency programme
- Outcome of the 2007 Comprehensive Spending Review (CSR 2007)
- Review of Public Administration
- Devolution
- Renewing Communities Initiative
- NI Departments Children's Funding Package
- Major investment in prevention and early intervention services
- Developments within the wider criminal justice system including the introduction of sentencing framework and new public protection measures.

Within the Agency a number of strategic reviews were undertaken with a view to improving future operational effectiveness and ensuring compliance with statutory responsibilities. These included:

- Development of a Mental Health Strategy
- Strategy for the Prevention of Offending by Children and Young People developed by Community Services in partnership with the four Children and Young Peoples Committees
- Rationalisation of the Agency estate.

Other significant developments during 2006-2007 included:

- Opening of the new Woodlands Juvenile Justice Centre in January 2007
- The completion of the roll-out of the Youth Conference Service to cover all areas of Northern Ireland
- The provision of additional Community Service facilities at Larne
- Formal publication of the Agency's Complaints Charter, Victims Charter, and its policy in relation to Child Protection
- All young people discharged from custody are now referred to an appropriate Community Services Project
- Development of 3 specific programmes in Shankill and North Belfast through the Renewing Communities Initiative – the Government's response to the report of the taskforce on Protestant Working Class Communities. This scheme provided the opportunity to work more closely with young people in North Belfast, especially in the field of early intervention and was designed to provide alternative activities for young people vulnerable to offending and anti-social behaviour

# Operating Review

## Review of Performance 2006-2007

- The Building Positive Outcomes through Sport, Adventure and the Arts initiative undertaken by the Agency in conjunction with the Irish Rugby Football Union (IRFU) Ulster Branch [Fig 2], Irish Football Association and Gaelic Athletic Association [Fig 3]. The aim being to use sport as a medium through which personal and social development for young people can occur.



*Fig 2: Local budding rugby players, Gemma Lynch, YMCA Rugby Club and Niall Quinn, City of Derry Rugby Club, are pictured with Ulster Rugby player Paul Marshall and Peter Quinn, Manager Youth Justice Community Services Foyle, at the launch of the local summer 'tag rugby' scheme.*



*Fig 3: St Gall's GAA club goal keeper Paddy Murray (centre) with budding St Gall's players at the launch of BIGG (Be Involved in Gaelic Games) at the Balmoral Hotel.*

Initiatives and events undertaken in 2006-2007 aimed at improving stakeholder awareness of the Agency included

- A series of events held at various locations across the province to publicise the "roll out" of the Youth Conference Service to cover all areas in Northern Ireland and re-launch local Community Services Projects [Fig 4-6]
- A series of open visits for a broad range of stakeholders to the new Woodlands Juvenile Justice Centre prior to it becoming operational (including local residents; public representatives; media; etc)
- The hosting in Belfast of a Five Nations Conference dealing with young people and crime (involving England; Scotland; Wales; Republic of Ireland; and Northern Ireland) [Fig 7]
- Active participation in the prestigious World Congress of International Family and Youth Court Judges – a week-long conference event held in Belfast [Fig 8]
- The implementation of a protocol for public representation of the Agency (including interaction with media and public representatives)
- Development of a local public relations strategy for the Youth Conference Service [Fig 9]
- Targeted awareness raising sessions organised by Youth Conference Service with various groups including the business sector
- Presentation by Director of Youth Conference Service to the Prime Minister's and Home Secretary's advisers in 10 Downing Street



# Operating Review

## Review of Performance 2006-2007



Fig 4: Launching Youth Justice Community Services Magherafelt are Michaela Murray, Project Manager; Liam McNally RM and Artie O'Neill, Acting Chief Executive, Youth Justice Agency.



Fig 7: Artie O'Neill (left) and Bill Lockhart (far right) pictured with International workshop presenters Hans Christian Norlyk and Steen Sogard from Denmark at the Five Nations Conference hosted in Belfast in May 2006.



Fig 5: Andrew MacQuarrie, Acting Assistant Director of the Youth Conference Service; Artie O'Neill, Acting Chief Executive Youth Justice Agency and Harry Bradley, Project Manager, Youth Justice Community Services Larne launching the joint approach to youth crime in the Larne area.



Fig 8: Henare O'Keefe and his "Hip Hop Cop" colleagues from the New Zealand Police Youth Education Service, who were in Belfast for the World Congress of the International Family and Youth Court Judges, present their "Keeping Ourselves Safe" programme to young people and staff at the Juvenile Justice Centre.



Fig 6: Chief Executive Bill Lockhart cuts the ribbon at the re-opened Youth Justice Community Services Coleraine premises, as Alice Chapman, Director of Youth Conference Service (left) and Alison Barber, Coleraine Project Manager (right) look on.



Fig 9: Andrew MacQuarrie of the Youth Conference Service gets interviewed by BBC Radio 4 reporter Rachel Wright as part of a feature in "The World Tonight" programme.

# Operating Review

## Review of Performance 2006-2007

### Delivery Against NIO PSA Targets

The Agency contributed towards the delivery of NIO Public Service Agreement targets 2 and 3 to:

- Increase confidence in the criminal justice system throughout all parts of the community in Northern Ireland by 3% by April 2008
- Reduce the rate of reconviction compared to the predicted rate by 5% by April 2008
- Reduce domestic burglary by 15% by April 2007
- Reduce theft of and from vehicles by 10% by April 2007.

As part of its Communications Strategy, the Agency has undertaken a wide range of events and activities aimed at increasing awareness of the Agency and wider criminal justice system. This has proved successful in that overall awareness levels of the Agency, as measured by the independent NISRA Omnibus Survey, have increased from 11% in January 2005 to 18% in September 2006. Awareness levels of each operational Directorate of the Agency also increased by significant amounts over the same period. In terms of confidence in the services delivered by the Agency, 79% of those surveyed felt that the work performed within Community Services was appropriate for dealing with children involved, or at risk of becoming involved, in crime; 69% felt that youth conferencing was an appropriate method for dealing with young offenders; and 71% agreed that custody was an appropriate method for dealing with more serious and persistent young offenders.

The NIO targets in relation to domestic burglary and car crime have both been exceeded, with domestic burglary reduced by 24.6% and car crime reduced by 53%.

### Highlights of the Year

During 2006-2007 highlights included

- The operational opening of the brand new purpose built Woodlands Juvenile Justice Centre in January 2007. This new centre is the most advanced of its kind in Europe and has been designed to support positive interactions between staff and children within a safe and secure environment devoid of many expected features of a secure facility [Fig 10-12]
- The completion of the roll-out of the Youth Conference Service to cover all areas of Northern Ireland
- The attainment of Investors in People accreditation [Fig 13]
- The provision of additional Community Service facilities at Larne
- Development of 3 specific programmes in Shankill and North Belfast through the Renewing Communities Initiative
- An independent evaluation of the Agency's Bail Supervision and Support Scheme which reported that the scheme is having a positive effect in preventing unnecessary remands in custody
- An independent evaluation of Reparation Orders and Community Responsibility Orders concluded that Community Services has demonstrated considerable initiative in developing an imaginative and appropriate range of activities to meet the requirements of the Orders
- The appointment of a second Non-Executive Director to the Agency's management board [Fig 14-15]
- The appointment of an Independent Complaints Reviewer to oversee the Agency's complaints procedures
- The receipt of four prestigious regional and two UK National Training Awards to the Youth Conference Service
- Success in two specific award categories by Community Services staff at the annual Northern Ireland Criminal Justice Awards.

# Operating Review

## Review of Performance 2006-2007



Fig 10: Enclosed courtyard at Woodlands Juvenile Justice Centre.



Fig 13: Martin Gunning, Director of Corporate Services (left) and Cathy Heaney, Head of Human Resources (right) receive the Agency's Investor in People Award from Sir Reg Empey, Minister for Employment & Learning at a ceremony held in Hillsborough Castle.



Fig 11: Bedroom in house unit.



Fig 14: Shane Logan,  
Non-Executive Director

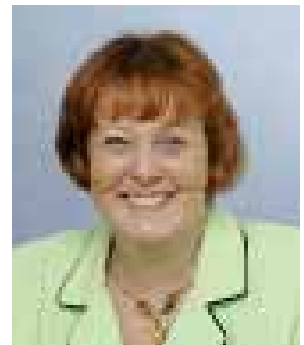


Fig 15: Linda Kerr,  
Non-Executive Director (with  
effect from 1 February 2007)



Fig 12: Dining and living area of house unit.

# Operating Review

## Review of Performance 2006-2007

### Performance against Key Targets

The 2006-2007 Business Plan introduced new key business areas as a result of a fundamental review of the Agency's key priorities over the next number of years. Because of the introduction of these new business areas and their associated key performance targets, it is not possible to compare outturns for 2006-2007 with previous years.

The Minister set ten key targets and these were contained in the Youth Justice Agency Business Plan for 2006-2007. The Agency met nine of its key targets as described below.

KEY BUSINESS AREA	KEY PERFORMANCE TARGET	PERFORMANCE REPORT 2006-2007
REDUCING OFFENDING	1. Contribute towards the delivery of the NIO PSA target to reduce domestic burglary by 15% by April 2007 and reduce theft of and from vehicles by 10% by April 2007.	<b>Target met</b> Community Services have worked with 130 young people involved in domestic burglaries and 170 young people involved in car crime during the April 2006 – March 2007 period.  Youth Conference Service have held 26 conferences relating to burglary, and 71 conferences relating to car crime.
INCREASING CONFIDENCE IN THE YOUTH JUSTICE AGENCY	2. Develop 50 new partnership working arrangements with local community groups across Northern Ireland to reduce crime, promote the work of the Agency and build confidence.	<b>Target met</b>
DEVELOPING RESTORATIVE JUSTICE	3. Achieve an offender participation rate of 80% and satisfaction rate of 70% in youth conferences.  4. Achieve a victim participation rate of 60% and satisfaction rate of 75% in youth conferences.	<b>Target met</b> Offender participation rate of 86% Offender satisfaction rate of 94%.  <b>Target met</b> Victim participation rate of 63% Victim satisfaction rate of 90%.

# Operating Review

## Review of Performance 2006-2007

KEY BUSINESS AREA	KEY PERFORMANCE TARGET	PERFORMANCE REPORT 2006-2007
DELIVERING POSITIVE OUTCOMES FOR YOUNG PEOPLE	5. Establish a system to measure outcomes for young people and their families.	<b>Target met</b> A data collection system has been devised and will be rolled-out in April/May 2007.
ENSURING SAFE AND APPROPRIATE USE OF CUSTODY	6. All new admissions have a risk assessment conducted within 24 hours.	<b>Target met</b>
	7. No high risk escapes from the Juvenile Justice Centre.	<b>Target not met</b> One low risk escape from new Woodlands Centre on 22 February 2007 due to a design flaw in a vehicle access gate.
	8. 90% of young people remanded by the Courts to have a bail assessment completed within 7 days.	<b>Target met</b> 100% achieved.
MANAGING RESOURCES	9. Achieve Investor in People accreditation by March 2007.	<b>Target met</b> The Agency has been awarded recognition against the new standard.
	10. Maintain expenditure within approved budgetary limits.	<b>Target met</b> Expenditure within approved budgetary limits.

# Operating Review

## Review of Performance 2006-2007

### Performance against Development Objectives

The Business Plan for 2006–2007 also set out a comprehensive and challenging programme of 23 development objectives for the Agency, 19 of which were met in full and the remaining 4 were partially met. The following chart provides a performance report against each objective.

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
REDUCING OFFENDING	1. Establish a mechanism for taking forward the agreed recommendations of the "Review of 10-13 Year Olds Entering Custody" and commence a phased implementation programme.	<b>Objective met</b> The Agency strategy for the prevention of offending by children has been accepted by the four Children and Young People Committees and schemes focusing on 8-13 year olds have been developed in Belfast, North Down and Lisburn. Further developments will be guided by an interagency implementation group in which the Agency participates.
	2. Ensure that all young people discharged from custody are referred to an appropriate Community Services project.	<b>Objective met</b> The Juvenile Justice Centre refers every committed child to Community Services projects on discharge. The Bail Support team refers remanded children on discharge.
	3. Agree a Youth Justice Agency case management system which will enable the Agency to provide a more efficient and effective service to meet the individual needs of young people who offend.	<b>Objective partially met</b> Draft specification is being prepared.
	4. Design a specification for a system which will facilitate the ongoing analysis of how the differing background circumstances of young people who offend impact upon reconviction levels to enable the Agency to target resources more effectively.	<b>Objective partially met</b> Follow-up study of young people who participated in Youth Conference Service has been completed. This will help guide the specification of a system.

# Operating Review

## Review of Performance 2006-2007

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
<p><b>INCREASING CONFIDENCE IN THE YOUTH JUSTICE AGENCY</b></p>	<p>5. Implement the Communications and Public Relations strategy which aims to raise awareness of the work of the Agency and the services it delivers.</p> <p>6. Undertake an independent evaluation to measure stakeholder awareness and confidence levels.</p> <p>7. Develop an outreach programme, in partnership with others, which targets specific stakeholder groupings such as sentencers and opinion formers, schools, etc.</p> <p>8. Implement the recommendations arising from the review of the Agency's brand architecture to present an integrated corporate identity.</p>	<p><b>Objective met</b> The CPR strategy has been implemented via a range of promotional events aimed at increasing awareness of the Agency.</p> <p><b>Objective met</b> Independent evaluation undertaken via the September 2006 NISRA Omnibus survey. Results show an overall increase in awareness levels from 11% to 18%.</p> <p><b>Objective met</b> An extensive range of awareness raising events were held throughout the year to promote youth justice services delivered through the Agency. This included participation in a broader CJSNI schools outreach programme.</p> <p><b>Objective met</b></p>
<p><b>DEVELOPING RESTORATIVE JUSTICE</b></p>	<p>9. Complete the roll-out of the Youth Conference Service across all areas of Northern Ireland.</p> <p>10. Ensure that 70% of community orders (Reparation Order, Community Responsibility Order, Attendance Centre Order) have a specific restorative element.</p>	<p><b>Objective met</b> Full coverage across Northern Ireland completed on 1 December 2006.</p> <p><b>Objective met</b> All Reparation Orders and Community Responsibility Orders contain an element of reparation. A reparative element has been successfully integrated with the Attendance Centre Order.</p>

# Operating Review

## Review of Performance 2006-2007

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
<p><b>DELIVERING POSITIVE OUTCOMES FOR YOUNG PEOPLE</b></p>	<p>11. Each operational Directorate to implement a suitable assessment model to meet young people's needs.</p> <p>12. Undertake an audit of positive outcomes achieved in relation to being healthy, staying safe, enjoying and achieving, making a positive contribution and economic well-being.</p> <p>13. Establish mechanisms and procedures to allow the voices of young people to be heard and empower them to shape the services they receive.</p> <p>14. Develop joint projects with a range of main sporting representative bodies to engage young people in sport and develop positive and supportive relationships.</p>	<p><b>Objective met</b> Comprehensive assessments undertaken by each operational Directorate.</p> <p><b>Objective partially met</b> Information systems relating to the measurement of key positive outcomes have been reviewed and developed. Baseline figures will be established in 2007-2008.</p> <p><b>Objective met</b> Procedures now in place.</p> <p><b>Objective met</b> Action plans agreed with IFA, GAA, Ulster Rugby and Sports Council.</p>



# Operating Review

## Review of Performance 2006-2007

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
<p><b>ENSURING SAFE AND APPROPRIATE USE OF CUSTODY</b></p>	<p>15. Complete the transfer of young people from the Phase 1 site to the new Juvenile Justice Centre and have it fully operational.</p> <p>16. Ensure that all young people have their mental health needs assessed upon admission to the Juvenile Justice Centre, and on a continual basis, using validated screening and assessment tools implemented by trained staff.</p> <p>17. Extend the availability of Bail Support and Supervision schemes throughout the province.</p> <p>18. Establish a process for supporting family involvement during periods that the young person is in custody.</p>	<p><b>Objective met</b> New Woodlands Juvenile Justice Centre became fully operational in January 2007.</p> <p><b>Objective met</b> All young people are seen by Psychiatric Nurses and multi-disciplinary assessments take place.</p> <p><b>Objective met</b> Bail Supervision and Support schemes are now available to children and young people throughout Northern Ireland.</p> <p><b>Objective met</b> A Community Services family worker has been appointed, and joint work with families is taking place where appropriate.</p>

# Operating Review

## Review of Performance 2006-2007

KEY BUSINESS AREA	DEVELOPMENT OBJECTIVE	PERFORMANCE REPORT
<p>MANAGING RESOURCES</p>	<p>19. Audit the proportion of staff by community background, gender, race and disability and identify areas of under-representation by December 2006.</p>	<p><b>Objective met</b> Audit completed and results now continually updated.</p>
	<p>20. Appoint a second Non-Executive Director.</p>	<p><b>Objective met</b> Appointment effective from 1 February 2007.</p>
	<p>21. Implement a networked IT infrastructure across the Agency on a phased basis, subject to business case approval.</p>	<p><b>Objective partially met</b> OASIS network extended to cover new Woodlands Juvenile Justice Centre. Business case supporting further expansion awaiting NIO approval to proceed.</p>
	<p>22. Complete an audit of purchase and service contracts across the Agency and identify scope for efficiencies.</p>	<p><b>Objective met</b> Audit completed and number of suppliers reduced.</p>
	<p>23. Review the system for the allocation of funding to external service providers.</p>	<p><b>Objective met</b> As contracts come up for renewal they will be reviewed and more robust contracts and service level agreements put in place.</p>

# Operating Review

## Review of Performance 2006-2007

### Community Services Review

The Community Services Directorate accepted 905 new referrals during 2006-2007. These, together with the 466 already engaged at the beginning of the year, brought the total number of young people involved with Community Services to 1371.

A trend evident last year has continued with 195 (21%) admissions aged over 16 years. 602 young people (66%) were referred under the terms of Court orders or by other justice agencies while 242 (27%) were referred by colleagues in health, social services and education, with a further 61 (7%) family referrals. As part of the continuing targeting of services, it is a criterion for acceptance that the child is known to have offended.

The increasing role of Community Services in work with adjudicated children has led to a corresponding reduction in the proportion of the caseload with which voluntary contact was maintained. As this trend continues the Community Services commitment to early intervention and prevention will be demonstrated through new partnerships and support for community based and inter-agency interventions. These will be informed by the joint strategy with Children and Young Peoples Committees for the prevention of offending by children.

Refocusing will build on the progress achieved by the designation of all projects as "Youth Justice Community Services". This re-brand was marked by individual re-launch of projects under their new titles and was used as an opportunity to promote the work of the Agency in local areas [Fig 16-19]. This promotional work will continue to have significance as the restructuring of local administration goes forward and new relationships develop, though the commitment remains to ensure services are accessible to children and families.

The Directorate is constantly seeking to build links with local community based groups to complement the relationships it already has with education and family support services. This year more than fifty new partnership arrangements were developed with a spectrum of groups including sports clubs, charity fundraising groups, animal sanctuaries, volunteer bureaux and community fora [Fig 20]. These provided opportunities for the community to offer young people access

to appropriate diversionary activities, to demonstrate active citizenship and to participate in reparation.

Under the Renewing Communities Initiative the Directorate has been developing services in the Shankill and North Belfast areas. A new Strength-2-Strength Scheme has been set up in partnership with Social Services and Extern to work preventatively with younger children. Access to services has been enhanced with the setting up of a dedicated Shankill team. A group of community representatives has been instrumental in administering the Small Grants Programme.

At a staff day in June Criminal Justice Awards were presented to Patricia McKeaveney (Individual Award) and to John McCourt and Marie Louise Miskelly (Team Award) for their work in research and in bail support respectively [Fig 21]. In November, Bill Whyte, Director of the Criminal Justice Social Work Development Centre in Edinburgh, led an extended and highly stimulating masterclass on effective youth justice.

Two major independent evaluations were undertaken this year. Deloitte reported on their evaluation of the Bail Supervision and Support Scheme [Fig 22] and concluded that the scheme has a positive impact upon reducing offending and breaches of conditions whilst on bail with 98% of bail proposals put to the Court by the team accepted. Independent Research Solutions reported in their evaluation of the Community Responsibility Order and the Reparation Order that, though the Reparation Order had been little used by the Court, the Community Responsibility Order was effective in challenging attitudes and changing behaviour.

A recently published report by NISRA showed that the Attendance Centre Order, for which Community Services has carried responsibility since 2000, has been achieving reconviction rates significantly lower than the average for community disposals. An evaluation has been launched to test the hypothesis that the Community Services approach of a systemic assessment and a multi-modal response within the context of a positive working relationship is the key factor in effectiveness.

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

# Operating Review

## Review of Performance 2006-2007



Fig 16: Youth Justice Community Services East Belfast staff members at the official opening in June 2006.



Fig 19: Youth Justice Community Services Falls staff members at the official opening in November 2006.



Fig 17: Jim Nelson, Consultant Psychotherapist; Mary O'Neill, Project Manager; Artie O'Neill, Community Services Director and Alban Maginnis, MLA display the winning murals at the Community Services North Belfast premises.



Fig 18: Launching Youth Justice Community Services Foyle by the River Foyle in Londonderry are Thompson Best, Assistant Director, Community Services; Artie O'Neill, Acting Chief Executive, YJA and Peter Quinn, Project Manager Community Services Foyle.



Fig 20: Celebrating the 50th Anniversary of the Duke of Edinburgh Award are Brian Ingram, Head of Resettlement, NI Prison Service; Noel Rooney, Chief Executive, Probation Board for NI; Bill Lockhart, Chief Executive, YJA and Eric Rainey, Award Director, The Duke of Edinburgh's Award.

# Operating Review

## Review of Performance 2006-2007



Fig 21: Artie O'Neill presents Patricia McKeaveney of Community Services with her individual Criminal Justice Award whilst John McCourt and Marie-Louise Miskelly of Bail Support receive their team award from Dave Weir (far right) at the Community Services Staff Conference.



Fig 22: Pictured at the launch of the Evaluation of the BSS programme are left to right: Nadine Kirk, Down & Lisburn Trust; Marie-Louise Miskelly, YJA Bail Support; John McCourt, YJA Bail Support and John Hunsdale, Extern.

### Youth Conference Service Review

The last 12 months saw the completion of the rollout of the Youth Conference Service throughout Northern Ireland on 1 December 2006 with the commencement in Londonderry and Antrim county court divisions. The occasion was marked by an event in Londonderry with the Secretary of State, Peter Hain MP and Judge David Smyth the main speakers [Fig 23].



Fig 23: Pictured at the Youth Conference Service launch in Londonderry are left to right: Artie O'Neill, Acting Chief Executive Youth Justice Agency; Peter Hain, Secretary of State for Northern Ireland; Alice Chapman, Director, Youth Conference Service; and Mary Jo McAllister, Assistant Director, Youth Conference Service.

Opening the event, Peter Hain said: "The (youth conference) process has been refined and developed to the point where independent evaluation and international experts now regard it as a world leader in addressing, in a balanced way, youth crime, the concerns of victims and the safety of communities."

The completion of the rollout programme [Fig 24-29] was backed up by the recruitment of the final intake of co-ordinators and administrative staff in September 2006 and the opening of two new offices in Londonderry and Ballymena in November 2006.

2006-2007 saw a huge increase in the workload of the service, 1299 referrals were received during the year, up almost 200% on the previous year. Likewise the number of plans approved and being monitored by the service increased by 185% on the previous year to 852.

The completion of the rollout and the increases in workload mean that the conferencing process is reaching further into communities across Northern Ireland - to date over 9,000 people have attended conferences since our launch in December 2003.

# Operating Review

## Review of Performance 2006-2007

Quality of performance has been maintained during the year. Victim attendance during 2006-2007 was 63%, higher than most restorative justice schemes anywhere in the world. Victim Satisfaction rates remained impressive, with victim satisfaction with the outcome of conferences at 91% and the level of victims who would recommend the conference to another victim at 95%.

Likewise, participation by young people remained very high at 90%, with satisfaction with the outcome of the conference at 94% and the level of young people who would recommend the conference to another young person at 89%.



The Youth Conference Service received recognition for the high quality service in preparing and facilitating youth conferences for young offenders and their victims from the Department of Employment & Learning through

the National Training Awards, when three awards were received for an innovative training programme. A regional National Training Award was received for the Youth Conference Service Foundation Training, which recognises outstanding achievement and success through training and development, and a Business Eye Award for Promotion of Diversity and Social Inclusion. In addition, the Youth Conference Service Foundation Training was also selected for a United Kingdom National Training Award, which is the highest level of award that can be achieved in the UK [Fig 30].



Fig 24: Alice Chapman, Director, Youth Conference Service; Kenneth Twyble, Mayor of Craigavon and Aideen McLaughlin, Assistant Director, Youth Conference Service at the roll-out of the Youth Conference Service in the Craigavon area.

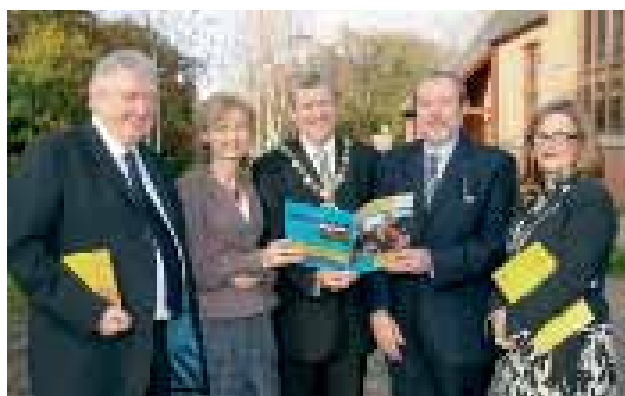


Fig 25: At the roll out of the Youth Conference Service in North Down and Ards are Artie O'Neill, Acting Chief Executive, YJA; Yvonne Adair, Assistant Director, Youth Conference Service; Councillor Alan Leslie, Mayor of North Down; Mr Mervyn Bates, RM and Alice Chapman, Director of the Youth Conference Service.



Fig 26: Artie O'Neill, Acting Chief Executive; Alice Chapman, Director of Youth Conference Service; Aideen McLaughlin, Assistant Director of Youth Conference Service and Orlaith McGibbon, Youth Conference Co-ordinator, presenters at the roll out of the Youth Conference Service in Downpatrick in November 2006.



Fig 27: Pictured attending the official launch of the Youth Conference Service in Lisburn in November is The Mayor of Lisburn, Councillor Trevor Lunn; Yvonne Adair, Assistant Director, Youth Conference Service and Artie O'Neill, Acting Chief Executive, Youth Justice Agency.

# Operating Review

## Review of Performance 2006-2007



*Fig 28: Pictured at the roll out of the Youth Conference Service in Ballymena are Aideen McLaughlin, Assistant Director, Youth Conference Service; Superintendent Terry Shevlin, PSNI; Alderman James Alexander, Mayor of Ballymena; Artie O'Neill, Acting Chief Executive, Youth Justice Agency; Barry Skeffington, Youth Justice Community Services Ballymena and Alice Chapman, Director, Youth Conference Service.*



*Fig 29: Pictured at the rollout of the Youth Conference Service in the Antrim area in January 2007 are Artie O'Neill, Acting Chief Executive, Youth Justice Agency; Aideen McLaughlin, Assistant Director, Youth Conference Service; Eileen McCaw, Youth Diversion Officer, PSNI Antrim and Seamus Davis, Antrim Community Forum.*



*Fig 30: Athlete Colin Jackson presents Alice Chapman, Director of the Youth Conference Service with the Linda Ammon Award at a ceremony in London.*

### Custodial Services Review

On 22 January 2007 the first young people were admitted to Woodlands - the new purpose built Juvenile Justice Centre. David Hanson, Minister of State for Criminal Justice, visited the Centre on the 8 January shortly before its opening [Fig 31]. The Centre was delivered and opened on time and on budget, with construction and development costs having been met by the sale of the land formally occupied by the former Rathgael site. Woodlands is a 48 bed centre and is a state of the art secure facility for children and young people. It has six eight bedded units and can accommodate children and young people between the ages of 10 and 17 [Fig 32].

At the heart of the Centre is an Education and Learning Centre with enhanced vocational facilities including horticulture, car mechanics and woodwork. It also has a dedicated programmes area enabling a range of accredited programmes to tackle offending behaviour to be delivered [Fig. 33].

Curricular developments include the introduction of Essential Skills courses (literacy and numeracy) and Occupational Skills - horticulture; catering; motor vehicles; media (music); media (film) [Fig 34]; construction; and joinery. In the 2006 school year 104 young people were entered for examinations - 97 National Skills Profile awards and 121 AQA modular awards were achieved.

The last child left the old Rathgael centre on 26 January 2007 bringing an end to the use of the Rathgael site as a juvenile justice centre and formerly a training school [Fig 35]. Many of the staff who have moved to the new Woodlands Centre have lived through all the changes including the previous move from Lisnevin Juvenile Justice Centre. Staff have spoken very positively about their new working environment and above all they have commented on how it improves their ability to work with young people and engage them in constructive activities.

During the past year a number of staff visited facilities in Scotland and England to see how staff there have worked with young people to develop and use modern secure facilities [Fig 36]. Since Woodlands opened delegations have already visited from England and the Republic of Ireland to

# Operating Review

## Review of Performance 2006-2007

view the new Centre and to discuss how the change process has been managed. This is in addition to visits received during the construction phase from among others the Chairman of the Youth Justice Board for England and Wales.

Investment in staff has continued with 37 staff now having obtained an NVQ level 3 in Criminal Justice. A new distance learning opportunity with Robert Gordon University in Aberdeen has been established and three team leader posts have been identified as training posts for unqualified care workers thus enabling the successful candidates to obtain a Diploma in Social Work. Staff at the Centre received orientation and familiarisation training prior to commencing at the new Centre.

The NI Human Rights Commission published its report "Still in our Care" which commented favourably on the progress the Centre had made.



Fig 33: Young people and staff at the Juvenile Justice Centre participate in the LIFE scheme led by members of the Northern Ireland Fire and Rescue Service.



Fig 31: Pictured at the opening of the new Woodlands Juvenile Justice Centre are Artie O'Neill, Acting Chief Executive Youth Justice Agency; Criminal Justice Minister David Hanson MP and Phil Tooze, Woodlands Centre Director.



Fig 32: An external view of the reception area at Woodlands Juvenile Justice Centre.



Fig 34: Stevie Lee (teacher) presents an Oscar to a young film maker at the premiere of "The Big One", a short film written, filmed and produced by young people and staff as part of the Media Studies educational programme at the JJC.



# Operating Review

## Review of Performance 2006-2007



*Fig 35: Pictured at the last carol service to be held at the former Juvenile Justice Centre are from back left Artie O'Neill, Acting Chief Executive of the Youth Justice Agency, Mayor of North Down Cllr Alan Leslie and Phil Tooze, Director of Custodial Services, Youth Justice Agency.*



*Fig 36: Monitoring security at the new Woodlands Juvenile Justice Centre.*

### Child Protection Policy and Procedures

The Agency is committed to the protection of children and young people from abuse and seeks to achieve this by operating safe, secure and caring environments that address the needs of the child whilst reducing risk to and from others. Its child protection policy and procedures detail the role and responsibilities of the Agency and its staff and encourage all children, staff, parents and representatives of other organisations who use or have contact with Agency services to be alert to and report any concerns about abuse. All concerns, whether past or present, will be responded to in keeping with these principles and procedures.

The Agency has a published Child Protection Policy document which is compatible with the DHSS&PS guidance "Co-operating to Safeguard Children".

During 2006-2007 a total of 52 child protection issues were raised within the Agency. These were as a result of disclosure by children to members of staff, disclosure by family or other representatives of the child, and arising through assessment processes. The child protection policy was followed in each case and referrals made to the appropriate authorities. No amendments were required to existing Agency policy and procedures.

# Operating Review

## Review of Performance 2006-2007

### Complaints Charter

The Agency has an easy to understand and responsive complaints procedure which encourages anyone who feels they have been treated unfairly or inappropriately by the Agency to speak out so that concerns can be addressed. Lessons learned from complaints will be used to improve and influence the development of Agency services.

An independent aspect to the Agency's complaints process is delivered through an Independent Complaints Reviewer. The process and resolution of complaints will also be subject to inspection by the Criminal Justice Inspectorate NI.

Since the appointment of the Independent Complaints Reviewer, a total of 14 complaints were received by the Agency between October 2006 and March 2007. Of these 13 were resolved, all at a local management level, and one complaint was ongoing at year-end. Further details are contained at Appendix 5.

The report of the Independent Complaints Reviewer for the 2006-2007 period is reproduced below:

### Youth Justice Agency Complaints 2006-2007 - Report by Elizabeth Derrington and Jodi Berg, Independent Complaints Reviewers

*We launched an Independent Complaints Review (ICR) service for the Northern Ireland Youth Justice Agency at the beginning of October 2006. We have not to date had any complaints referred to us for review, but have worked closely with the Agency in setting up protocols and procedures to make sure that future referrals will be dealt with effectively and efficiently. We are particularly conscious of the need to be as flexible as possible in dealing with complaints from young people, and to respond in ways which encourage them to be open about their concerns and confident about our involvement.*

*In the lead up to the launch of the service we were pleased to have the opportunity to offer comments on the Agency's new complaints charter. The Agency was open to receiving this feedback and incorporated a number of suggested amendments. The charter clearly states the Agency's commitment to listen and respond to the concerns of anyone who feels unfairly or inappropriately treated by the Agency. It incorporates sound complaint handling principles and sets out clear and accessible steps open to anyone dissatisfied with the service received from the Agency. Our own information leaflet on the ICR service complements the Agency's charter, and explains to complainants how to ask for an independent review, and what to expect if they do so.*

*In regular meetings, the Agency has kept us informed about progress with the new complaints charter, and, more recently, about complaint numbers. The numbers so far are too small to draw any conclusions on issues or trends. In 2007-2008 we plan to undertake further analysis in this area, and also to examine and provide feedback on a sample of the Agency's internal complaint files.*

# Operating Review

## Review of Performance 2006-2007

### Victims Charter

The Agency is committed to fairness and inclusivity with victims for whom it provides a service. It recognises the best interests of the child with whom it works are of importance whilst aiming to simultaneously balance the needs of victims. The Agency has published a Victims Charter which provides guidance on treating victims according to their particular needs, both as victims and as an individual. It takes account of vulnerable victims and the need to consider cultural, racial, religious and sexual identities of victims.

### Health and Safety

The Agency accepts the responsibilities as outlined within the scope of the Health and Safety at Work (NI) Order 1978. The Agency will, therefore, do all it can to ensure the full commitment at all levels of management and the co-operation of all members of staff in order to meet its obligations under this legislation.

The Agency also accepts its responsibility to safeguard the health and safety of all young persons placed into custody and other persons not its employees who may be visiting, or working at any of the premises occupied by the Agency.

An Agency Health and Safety committee comprising representatives from each Directorate meets on a regular basis. Systems are in place across Directorates to record incidents, including near misses, and where appropriate actions are taken to eliminate risk.

### Freedom of Information

The Freedom of Information Act 2000 provides a general right of access to information held by public authorities in the UK subject to certain exemptions. It is intended to promote a culture of openness and accountability amongst public sector bodies, and therefore facilitate better public understanding as to how public authorities carry out their duties, why they make the decisions they do, and how they spend public money.

The Agency displays on its website the processes by which information requests can be made.

During 2006-2007 the Agency received 5 requests for information under the Freedom of Information Act and 2 requests for personal information under the Data Protection Act.

### Sustainable Development

The Agency is committed to the Government's policy on sustainable development as set out in the Northern Ireland Sustainable Development Strategy and in its day to day activities it strives towards maintaining the best possible environmental performance.

The Agency will introduce during 2007-2008 a policy on sustainable development to be applied across the organisation and all staff will be tasked to comply with the procedures.

# Operating Review

## Looking forward to 2007-2008

The Agency will continue to build upon its achievements and is committed to the effective, efficient and economic use of resources. The Corporate Plan 2007-2010 and Business Plan 2007-2008 outlines the Agency's key priorities over the next three years.

The key priorities planned for 2007-2008 include:

- Continued contribution towards the overall NIO Public Service Agreement and Criminal Justice System NI targets and objectives
- Undertaking a series of reviews to examine the provision of services and associated resources to ensure that the Agency is operating efficiently and to take account of the anticipated tightness of the CSR 2007 financial settlement
- Implementation of the agreed recommendations of the Delay Action Team report as appropriate to the Youth Justice Agency
- Production of an evidence-based strategy to address priority youth offending in conjunction with Youth Justice Policy Unit
- Provision of a range of community based services and programmes in designated renewing communities areas
- Implementation of a range of early intervention and prevention services through partnerships and funding initiatives
- Implementation of the agreed recommendations of the Mental Health Working Group.

# Operating Review

## Looking forward to 2007-2008

The key performance targets set by the Minister for 2007-2008 are given below:

KEY BUSINESS AREA	KEY PERFORMANCE TARGET FOR 2007-2008
REDUCING OFFENDING	KPT 1: Contribute towards the delivery of the NIO PSA target to reduce the rate of reconviction by 5% compared to the predicted rate by April 2008
INCREASING CONFIDENCE IN THE YOUTH JUSTICE AGENCY	KPT 2: Achieve a 20% increase in the public awareness level of the Agency as measured by the Northern Ireland Omnibus Survey
DEVELOPING RESTORATIVE JUSTICE	KPT 3: Maintain an offender participation rate of at least 80% and a satisfaction rate of at least 70% in youth conferences  KPT 4: Maintain a victim participation rate of at least 60% and a satisfaction rate of at least 75% in youth conferences
DELIVERING POSITIVE OUTCOMES FOR YOUNG PEOPLE	KPT 5: Further develop and test a measurement system in order to establish baseline figures in relation to key outcomes, in line with the OFMDFM Ten Year Strategy for Children and Young People in Northern Ireland
ENSURING SAFE AND APPROPRIATE USE OF CUSTODY	KPT 6: All new admissions have a risk assessment conducted within 24 hours  KPT 7: No high risk escapes from the Juvenile Justice Centre  KPT 8: At least 90% of young people remanded by the Courts to have a bail assessment completed within 7 days
MANAGING RESOURCES	KPT 9: Maintain expenditure within approved budgetary limits

A further 18 development objectives have also been set for 2007-2008. Details of these can be found in the Agency's Corporate 2007-2010 and Business Plan 2007-2008 which was published in June 2007. Copies may be obtained via the Agency website: [www.youthjusticeagency.ni.gov.uk](http://www.youthjusticeagency.ni.gov.uk)

# Financial Review

## Financial Provision & Cash Flow

The Youth Justice Agency is financed as part of the overall Northern Ireland Office (NIO) Departmental Expenditure Limit voted by Parliament. The total cash requirement for the year from NIO was £19,296k (2005-2006, £18,022k).

## Resource Costs

The total net expenditure of the Agency for 2006-2007 was £26,087k and is compared below to the previous financial years that the Agency was established.

## Income

Income of the Agency has reduced in recent years (by £219k since 2004-2005) due to the gradual withdrawal of funding for programmes by the voluntary and health sectors to the extent that programmes and other initiatives are now almost fully funded from the Agency's own resource allocation from NIO.

## Expenditure

### Pay Costs

Over the four year period pay costs have increased steadily as the Agency has developed to its present state with the completion of the roll-out of the Youth Conference Service in December 2006. As well as the growth of the Agency, staff costs have increased as a result of national wage agreements outside the control of the Agency for staff on JNC and NJC terms and conditions who also still retain annual increments. A change to the accounting treatment of the NILGOSC pension scheme under Financial Reporting Standard 17 has also added significantly to staff costs in 2006-2007 and to the restated costs in previous years.

### Summary of Income & Expenditure 2003-2004 to 2006-2007

	2006-2007	2005-2006	2004-2005 <sup>1</sup>	2003-2004 <sup>1</sup>
	£'000	£'000	£'000	£'000
Income	(64)	(106)	(283)	(356)
Staff Costs	14,323	12,351	10,185	8,263
Administration Expenditure	4,916	3,850	2,352	2,912
Programme Expenditure	2,093	1,389	585	449
Depreciation	3,032	1,532	1,386	1,231
Cost of Capital	469	497	356	351
Impairment of Fixed Assets	1,318	-	-	-
<b>Net Operating Costs</b>	<b>26,087</b>	<b>19,513</b>	<b>14,581</b>	<b>12,850</b>

<sup>1</sup> Amounts stated excludes impact of change in accounting for NILGOSC Pension Liabilities

# Financial Review

## Administration Expenditure

The increase in administration costs has mirrored the growth of the Agency with additional expenditure on the development and rent of premises and other staff costs such as travel and subsistence and training and development. In 2006-2007, £410k has been accrued for retrospective rates on the Agency's regional and local offices which have incorrectly benefited from a rates exemption in the past.

## Programme Expenditure

Programme expenditure has increased as the Agency has taken over direct responsibility for providing additional services which had previously been administered by the core department. These included the provision of prevention services and the expansion of the Bail Support and Remand Fostering schemes for which additional funding was transferred to the Agency.

From the summer of 2005, seventeen year olds came within the Youth Justice system and programmes were developed to meet the specific needs of this age group within existing resources.

## Capital Expenditure

Significant capital expenditure of £12,072k was incurred during the year, largely on behalf of the Agency by the NIO Core Department on the completion of the new Juvenile Justice Centre at Rathgael at a total cost of £18.9m. The new Centre became operational in January 2007 and the expenditure on buildings, plant & equipment and furniture & fittings has been capitalised in the financial statements.

Details of the movement of fixed assets which include expenditure on IT and other replacement fixtures & fittings and plant & equipment to support the Agency's activities are set out in Notes 7 & 8 to the financial statements.

## Financial Position

The total net assets of the Agency at 31 March 2007 were £13,301k and is compared below to the year-end financial position for each year that the Agency has been in existence.

### Summary of Assets & Liabilities 2003-2004 to 2006-2007

	2006-2007	2005-2006	2004-2005 <sup>1</sup>	2003-2004 <sup>1</sup>
	£'000	£'000	£'000	£'000
Fixed Assets	20,147	19,214	12,796	12,758
Other Assets	310	403	498	343
Provisions	(4,581)	(4,719)	(5,607)	(2,214) <sup>1</sup>
Other Liabilities	(2,575)	(1,474)	(945)	(934)
<b>Net Assets</b>	<b>13,301</b>	<b>13,424</b>	<b>6,742</b>	<b>9,953</b>

<sup>1</sup> Amount stated excludes provision for NILGOSC Pension Liabilities

# Financial Review

The total net assets of the Agency have increased significantly in recent years due to the construction of the new Juvenile Justice Centre at a total cost of £18.9m, although the impact of this has been less significant in the current year following the transfer of surplus land at Rathgael to the Core Department at a value of £6.8m.

The change in the accounting treatment of the NILGOSC pension scheme requiring the provision for the Agency's £4.1m share of the scheme's deficit in the balance sheet has also reduced the net assets significantly in 2006-07 and in the restated position in previous years.

At 31 March 2007, other liabilities are higher than in previous years as a result of the accrual for back-dated allowances payable to staff, and rates assessed on the new JJC from January 2007, and on the Agency's other regional and local offices since the 1 April 2003.

## Financial Risk

The Youth Justice Agency relies primarily on the Northern Ireland Office for funding, transacts and holds its assets & liabilities in sterling, and has no significant borrowings. The Agency is therefore not materially exposed to liquidity risk.



# Management Board Remuneration Report

## Remuneration Policy

The Agency does not have a remuneration committee. Appointments to the Management Board since the creation of the Agency are made in accordance with the Civil Service Commission's general regulations.

The remuneration of the Non-Executive Directors is determined by the Chief Executive in consultation with the Director of Corporate Services.

## Service Contracts

Civil Service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless stated below, the Directors of the Youth Justice Agency hold appointments, which are open-ended until they reach the normal retiring age. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

The Non-Executive Directors are appointed for a term of 3 years, renewable by agreement.

Further information about the work of the Civil Service Commissioners can be found at [www.civilservicecommissioners.gov.uk](http://www.civilservicecommissioners.gov.uk).

## Bonuses

The Chief Executive is eligible to receive a bonus as a member of the Senior Civil Service. The Directors of Corporate Services and the Youth Conference Service are eligible to receive a non-consolidated performance bonus under the terms of the NIO scheme for general service grade staff.

## Salary & Benefits [audited information]

In their roles as Non Executive Directors Shane Logan received total remuneration of £8,957 (2005-2006, £7,000) and Linda Kerr received total remuneration of £1,201 (2005-2006, £NIL).

The salary and pension details of the remainder of the Management Board for 2006-2007 are disclosed in the Table overleaf. Salaries include gross salaries and any allowance or performance bonuses payable. The salary range reflects remuneration for the months in office. The Agency did not make any contributions to a Board Member's partnership pension account nor did it pay any compensation or make any award to former members of the Management Board.

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

# Management Board Remuneration Report

## The salary, pension entitlements and taxable benefits of the Youth Justice Agency Management Board for 2006-2007 Financial Year [audited information]

Board Member	Salary (as defined) £'000	Benefit in kind £ 00	Real increase in pension at age 60 £'000	Real increase in related lump sum at age 60 £'000	Total accrued pension at age 60 at 31/3/07 £'000	Related lump sum at age 60 at 31/3/07 £'000	CETV at 31/3/06 £'000	CETV at 31/3/07 £'000	Real increase in CETV after adjustment for inflation and changes in market investment factors £'000	Employer contribution to partnership pension account including risk benefit cover £'000
<b>Mr Bill Lockhart</b> Chief Executive	70-75 (65-70)	- (-)	0-2.5 (0-2.5)	- (-)	20-25 (-)	- (-)	464	503	14	-
<b>Mr Artie O'Neill</b> Acting Chief Executive (from 9 October 2006 to 19 February 2007)	20-25 <sup>1</sup> (N/A)						Disclosed in following row			
<b>Mr Artie O'Neill</b> Director Community Services (to 8 October 2006)	25-30 <sup>2</sup> (45-50)	- (-)	2.5-5.0 (0-2.5)	5-10 (2.5-5)	25-30 (20-25)	75-80 (65-70)	417	477	-	-
<b>Mr Martin Gunning*</b> Director Corporate Services	45-50 (45-50)	- (-)	0-2.5 (0-2.5)	0-2.5 (0-2.5)	15-20 (15-20)	55-60 (50-55)	296	398	-	-
<b>Mr Philip Tooze</b> Director Custodial Services	70-75 (60-65)	33 (27)	0-2.5 (0-2.5)	2.5-5.0 (2.5-3.0)	15-20 (15-20)	55-60 (50-55)	226	252	22	-
<b>Mrs Alice Chapman*</b> Director Youth Conference Service	40-45 (40-45)	- (-)	0-2.5 (0-2.5)	0-2.5 (2.5-5)	15-20 (15-20)	50-55 (45-50)	278	355	4	-
<b>Mr David Weir</b> Acting Director of Community Services (from 12 October 2006)	20-25 <sup>3</sup> (N/A)	- (N/A)	0-2.5 (N/A)	2.5-5 (N/A)	15-20 (N/A)	50-55 (N/A)	270	299	26	-

(2005-06 amounts are disclosed in brackets)

\*Salary and benefit disclosures for Mr. M. Gunning (Director of Corporate Services) and Mrs. A. Chapman (Director of Youth Conference Service) are based on 2006-2007 amounts before the application of 2006-2007 pay rise which is still to be agreed.

<sup>1</sup> Figure quoted is for the period 9 October 2006 to 19 February 2007. The full year equivalent is £56,937.

<sup>2</sup> Figure quoted is for the period 1 April 2006 to 8 October 2006. The full year equivalent is £51,762.

<sup>3</sup> Figure quoted is for the period 12 October 2006 to 31 March 2007. The full year equivalent is £43,647.

# Management Board Remuneration Report

## Benefits in Kind [audited information]

During the year ended 31 March 2007, the Agency paid £33k to HM Revenue & Customs in respect of income tax due on relocation expenses of £50k paid on behalf of Philip Tooze, Director of Custodial Services, between 2003-04 and 2005-06.

## Chief Executive [audited information]

The Chief Executive, Bill Lockhart, received total remuneration excluding pension contributions of £72,730 (2005-2006 £65,807). The Chief Executive is an ordinary member of the Principal Civil Service Pension Scheme (GB). Artie O'Neill received £23,701 for the period as Acting Chief Executive. Artie O'Neill is an ordinary member of the Teachers' Superannuation Scheme.

## Pensions

Pension benefits are provided through the Principal Civil Service (PCS) pension arrangements, the Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC) and the Teachers' Superannuation Scheme (TSS).

### Principal Civil Service Pension Arrangements

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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service Pension arrangements can be found at the website [www.civilservicepensions.gov.uk](http://www.civilservicepensions.gov.uk)

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

This scheme is a defined benefits type, and the fund is invested in suitable investments, managed by the Committee. For 2006-2007 the contribution rates were 11% employer's, and 6% employee's (2005-2006, 8.6% employer's and 6% employee's).

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 2007.

# Management Board Remuneration Report

## 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 2006-2007 the contribution rates were 14% employer's and 6% employee's (2005-2006, 14% employer's and 6% employee's).

## Cash Equivalent Transfer Value (CETV)

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 2003-2004 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.

## The Real Increase in the Value of the CETV

This 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.

**Bill Lockhart**

Accounting Officer

12 June 2007

## Appendices

## Appendix 1 - Community Services Caseload

Caseload - by Area - April 2006 to March 2007

2006-2007 REFERRALS, ADMISSIONS AND DISCHARGES					
Project	No of existing cases at 1 April 2006	New referrals accepted 2006-2007	Total casework for year 2006-2007	Cases discharged during 2006-2007	No of existing cases at 31 March 07
Andersonstown	15	25	40	20	20
Antrim	17	27	44	17	27
Armagh	23	57	80	53	27
Ballymena	46	15	61	24	37
Banbridge	11	9	20	18	2
Bangor	20	56	76	45	31
Coleraine	10	41	51	23	28
Craigavon	12	57	69	38	31
Downpatrick	15	21	36	24	12
East Belfast	32	31	63	34	29
Enniskillen	25	48	73	47	26
Falls	22	64	86	62	24
Foyle	41	64	105	66	39
Larne	16	18	34	16	18
Lisburn	15	34	49	33	16
Magherafelt	15	35	50	22	28
Newry	24	35	59	30	29
Newtownabbey	13	50	63	37	26
Newtownards	25	39	64	32	32
North Belfast	29	48	77	49	28
Omagh	14	37	51	30	21
South Belfast	19	37	56	38	18
Shankill	0	25	25	8	17
Strabane	7	32	39	20	19
<b>Total for Year</b>	<b>466</b>	<b>905</b>	<b>1,371</b>	<b>786</b>	<b>585</b>

[Note: the Banbridge caseload was combined with that of Craigavon in the course of the year - the two outstanding cases having been referred before the amalgamation. The caseload for Limavady is combined with that of Foyle.]

# Appendices

## Source of Referrals - April 2006 to March 2007

Attendance Centre Orders	108
Community Responsibility Orders	57
Reparation Orders	1
Youth Conference Plans and Orders	210
Other Justice Agencies	226
Health and Social Services	197
Education Services	45
Self Referrals	61
<b>Total</b>	<b>905</b>

## Appendices

## Appendix 2 - Youth Conference Service Caseload

## Referrals – by Area and Source - April 2006 to March 2007

YCS Area	Diversiory	Court	Total
Belfast <sup>1</sup>	248	465	713
North East (Ballymena) <sup>2</sup>	16	37	53
North West (L'Derry) <sup>3</sup>	18	55	73
South East (Banbridge) <sup>4</sup>	97	127	224
South West (Omagh)	125	110	235
<b>Total</b>	<b>504</b>	<b>794</b>	<b>1298</b>

## Plans approved – by Area and Source - April 2006 to March 2007

YCS Area	Diversiory	Court	Total
Belfast	171	342	513
North East (Ballymena)	2	12	14
North West (L'Derry)	2	17	19
South East (Banbridge)	62	81	143
South West (Omagh)	109	82	191
<b>Total</b>	<b>346</b>	<b>534</b>	<b>880</b>

<sup>1</sup>YCS commenced in Lisburn, Newtownards and Bangor courts on 1 October 2006

<sup>2</sup>YCS commenced in Ballymena, Antrim and Larne courts on 1 December 2006

<sup>3</sup>YCS commenced in L'Derry, Coleraine and Magherafelt courts on 1 December 2006

<sup>4</sup>YCS commenced in Craigavon and Downpatrick courts on 1 December 2006

# Appendices

## Appendix 3 - Analysis of Admissions to Custody

### Admissions to Custody – by Status - April 2006 to March 2007

Status	Admissions
P.A.C.E	157
Remand	237
Committal	42

### Admissions to Custody – by Status and Month of Admission - April 2006 to March 2007

Status	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
P.A.C.E.	21	11	10	12	7	16	19	15	17	5	10	14	157
Remand	22	15	12	24	20	16	23	22	20	18	23	22	237
Committal	2	7	4	4	4	3	2	1	2	6	3	4	42

### Admissions to Custody – by Status and Gender - April 2006 to March 2007

Status	Male	Female	Total
P.A.C.E	140	17	157
Remand	211	26	237
Committal	41	1	42



# Appendices

## Appendix 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 Commissioner's 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 Commissioner's general regulations.

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

- Qualified/Unqualified Careworker
- Residential Unit Manager
- Project Manager
- Manager of Support Services
- Second Non-Executive Director
- Domestic Assistant

APPLICANTS		APPOINTEES	
Religious Affiliation		Religious Affiliation	
Protestant	107	Protestant	7
Roman Catholic	70	Roman Catholic	4
Non-determined	9	Non-determined	0
<b>Total</b>	<b>186</b>	<b>Total</b>	<b>11</b>

Gender		Gender	
Male	103	Male	5
Female	83	Female	6
<b>Total</b>	<b>186</b>	<b>Total</b>	<b>11</b>

The Religious affiliation and gender breakdown of the workforce within the Youth Justice Agency is provided to Department of Finance and Personnel.

# Appendices

Appendix 5 - Youth Justice Agency - Statistics on Complaints Received - October 2006 - March 2007

Period	Directorate against which complaint made	No. of Complaints Received	No. of Complaints Submitted by		Status of Complaint	Step of investigation/Resolved at						
			"C"	"R"		Step 1	Step 2	Step 3	Step 4	Sub-Totals		
Oct 06 - Mar 07	Community Service	0	0	0	Ongoing	0	0	0	0	0	0	0
	Corporate Services	1	0	1	Ongoing	0	0	0	0	0	0	0
	Custodial Services	12	12	0	Resolved	0	1	0	0	0	0	1
					Ongoing	0	1	0	0	0	1	
	Youth Conference Service	1	0	1	Resolved	10	1	0	0	0	11	
					Ongoing	0	0	0	0	0	0	
	TOTALS		14	12	2	-	10	4	0	0	0	14

**Abbreviations:**

**1. Complaints Submitted By:**

- "C" - Complainant
- "R" - Representative

**2. Step of Investigation / Investigation resolved at:**

Complaint is currently being dealt with or was resolved by -

- "1" - Member of staff that received the complaint
- "2" - Senior Manager
- "3" - Chief Executive
- "4" - Independent Complaints Reviewer

# Appendices

## Appendix 6 - Addresses and Contact Details

### Youth Justice Agency

41-43 Waring Street

Belfast BT1 2DY

Tel: (028) 9031 6400

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

[www.youthjusticeagencyni.gov.uk](http://www.youthjusticeagencyni.gov.uk)

### Corporate Services & Chief

#### Executive

41-43 Waring Street

Belfast BT1 2DY

Tel: (028) 9031 6452

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

### Community Services Headquarters

41-43 Waring Street

Belfast BT1 2DY

Tel: (028) 9031 6477

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

### Youth Conference Service

#### Headquarters

41-43 Waring Street

Belfast BT1 2DY

Tel: (028) 9031 6418

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

## Woodlands Juvenile Justice Centre

1 Mosswood Close

Mosswood Avenue

Rathgael Road

Bangor BT19 1TA

Tel: (028) 9185 4600

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

## Community Services Centres

### Youth Justice Community Services

#### Antrim

10A Dublin Road

Antrim BT41 4EA

Tel: (028) 9448 7556

### Youth Justice Community Services

#### Armagh

15 Abbey Street

Armagh BT61 7DX

Tel: (028) 3751 0122

### Youth Justice Community Services

#### Ballymena

2 Broadway Avenue

Ballymena BT43 7AA

Tel: (028) 2563 8288

### Youth Justice Community Services

#### Bangor

54 Abbey Street

Bangor BT20 4JB

Tel: (028) 9146 4577

### Youth Justice Community Services

#### Coleraine

Suite 5 River House

Castle Lane

Coleraine BT51 3DR

Tel: (028) 7032 9346

### Youth Justice Community Services

#### Craigavon

Unit 7 Legahory Centre

Brownlow

Craigavon BT65 5BE

Tel: (028) 3834 4257

### Youth Justice Community Services

#### Downpatrick

13A English Street

Downpatrick BT30 6AB

Tel: (028) 4461 2817

### Youth Justice Community Services

#### East Belfast

8 Library Court

Upper Newtownards Road

Belfast BT4 3EY

Tel: (028) 9065 2440

### Youth Justice Community Services

#### Enniskillen

18A Shore Road

Enniskillen BT74 7EF

Tel: (028) 6632 0560

### Youth Justice Community Services

#### Falls

471 Falls Road

Belfast BT12 6DD

Tel: (028) 9024 5858

# Appendices

**Youth Justice Community Services  
Foyle**

4th Floor Embassy Building  
3 Strand Road  
Londonderry BT48 7BH  
Tel: (028) 7136 5593

**Youth Justice Community Services  
Larne**

9-11 Main Street  
Larne BT40 1JW  
Tel: (028) 2826 3360

**Youth Justice Community Services  
Lisburn**

Office Suite 4  
Lisburn Square House  
Haslems Lane  
Lisburn BT28 1TS  
Tel: (028) 9260 6820

**Youth Justice Community Services  
Magherafelt**

9A Broad Street  
Magherafelt BT45 6EB  
Tel: (028) 7963 4943

**Youth Justice Community Services  
Newry**

14A The Mall  
Newry BT34 1BJ  
Tel: (028) 3025 1115

**Youth Justice Community Services  
Newtownabbey & Carrickfergus**

The Norah Bain 'A' House  
Whiteabbey Hospital  
Doagh Road  
Newtownabbey BT37 9RH  
Tel: (028) 9086 2990

**Youth Justice Community Services  
Newtownards**

19 Mill Street  
Newtownards BT23 4LU  
Tel: (028) 9182 0611

**Youth Justice Community Services  
North Belfast**

171-179 Duncairn Gardens  
Belfast BT15 2GE  
Tel: (028) 9035 1982

**Youth Justice Community Services  
Omagh**

1st Floor Anderson House  
Market Street  
Omagh BT78 1EE  
Tel: (028) 8225 2398

**Youth Justice Community Services  
Shankill**

Unit 10 Argyle Business Centre  
39 North Howard Street  
Belfast BT13 2AP  
Tel: (028) 9089 1750

**Youth Justice Community Services  
South Belfast**

2 Hawthorns  
Belfast BT10 ONR  
Tel: (028) 9030 1611

**Youth Justice Community Services  
Strabane**

4th Floor Embassy Building  
3 Strand Road  
Londonderry BT48 7BH  
Tel: (028) 7136 5593

## Youth Conference Service Centres

**Youth Conference Service - Belfast  
Area**

41-43 Waring Street  
Belfast BT1 2DY  
Tel: (028) 9031 6418

**Youth Conference Service - North  
East**

6-8 Broadway Avenue  
Ballymena BT43 7AA  
Tel: (028) 2563 9800

**Youth Conference Service - North  
West**

2nd Floor Embassy Building  
Strand Road  
Londonderry BT48 7BA  
Tel: (028) 7127 8070

**Youth Conference Service - South  
East**

15 Castlewellan Road  
Banbridge BT32 4AX  
Tel: (028) 4062 9158

**Youth Conference Service - South  
West**

1st Floor Anderson House  
Market Street  
Omagh BT78 1EE  
Tel: (028) 8225 2398

**PART 2:**  
**ANNUAL ACCOUNTS 2006-2007**

## Statement of Agency's and Chief Executive'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 2007 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 Provision and Corporate Services and two Non-Executive Directors.

The Agency's Audit Committee is chaired by a Non-Executive Director and the other members are :

- The Chief Executive
- The Director of Corporate Services
- The Director of Custodial Services
- The Director of the Youth Conference Service
- The Director of Community Services
- Head of Financial Management Services for the Agency

The NIO Internal Audit and the Northern Ireland Audit Office are also represented.

The Audit Committee operates under the agreed Terms of Reference below which are reviewed as and when required.

### Role of Audit Committee

To support the Accounting Officer with his responsibilities for issues of risk, control, governance and associated assurances.

### Objectives of the Audit Committee

To advise the Accounting Officer on:

- The Agency's risk management process and preparation and updating of the risk management framework.
- The adequacy of arrangements for internal control and risk management including the preparation of the Statement of Internal Control.
- The accounting policies, the accounts and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors.
- Planned activity of internal audit and external audit.
- The results of internal and external audit activity including ensuring appropriate action has been taken through quarterly reviews of the relevant Action Plans.
- Assurances relating to the corporate governance requirements for the organisation.

A Risk Management Framework detailing the top risks for the Agency has been produced, taking into account the findings of the Agency's review of risk and management assurance. The Top Risks Framework is reviewed and updated by the Audit Committee each quarter.

Directorate Risk Registers underpin the Agency Top Risk Framework and these are also reviewed by the Audit Committee on a quarterly basis.

## 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 2007 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 Audit Committee review and update the high level risks facing the Agency together with the likelihood, impact and controls in place to mitigate the risks.
- Directorate Risk Registers are also reviewed quarterly as these underpin the Corporate Risk Register.

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 Assistant 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, and a summarised version has been issued to all staff.

## 4. The Risk and Control Framework

Each key performance target and development objective within the 2007-2008 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. The 'NIO Risk Management – A Practical Guide' has been used to provide clear approaches to risk management in the Agency.

The Risk Management policy of the Agency 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 reports produced by internal auditors and implementation of their recommendations together with 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 throughout the year on the effectiveness of the system on internal control by the Board and Audit Committee.

Action plans are developed to address weaknesses and monitored to ensure improvement of the systems in place. Action Plans as a result of internal control reports and external audit reports are reviewed and updated at each quarterly Audit Committee meeting.

Risk Registers at both Corporate and Directorate level are also reviewed and revised at each Audit Committee meeting.

This year I have introduced Assurance Statements at Directorate level. The purpose of the Assurance statements is to improve management and control by identifying managements' specific responsibilities and seeking written assurance that these have been exercised with due care and attention. These Assurance Statements also inform the Annual Statement of Internal Control.

I have ensured effective management of financial and non-financial resources, by following good management practice as well as specific guidelines or instruction issued by Personnel Services Division, Financial Services Division and from elsewhere in the Northern Ireland Office. The budgets which were delegated to me have not been exceeded (except where approval from Financial Services Division has been received).

During this 2006-2007 year three internal audits were completed:

- Compliance with HM Treasury Corporate Governance Code of Good Practice
- Risk Management
- Agency Transport Policy and Procedures

Action Plans to implement the Internal Audit reports recommendations were drawn up. All agreed recommendations have now been implemented or are in the process of implementation. All of the recommendations contained in the Northern Ireland Audit Office management letter pertaining to 2005-2006 Accounts have been implemented apart from the one relating to a business continuity plan for the Agency.

## 6. Significant Internal Control Problems

While each of the four Directorates' has continuity arrangements in place for specific areas of their business, the Agency does not have an overarching business continuity plan. This will be a major piece of work to be taken forward in 2007-2008.

**Bill Lockhart**  
Accounting Officer

12 June 2007

## The Certificate and Report of the Comptroller and Auditor General to the House of Commons

I certify that I have audited the financial statements of Youth Justice Agency for Northern Ireland for the year ended 31 March 2007 under the Government Resources and Accounts Act 2000. These comprise the Operating Cost Statement and Statement of Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### Respective responsibilities of the Agency, the Chief Executive and Auditor

The Agency and Chief Executive, as Accounting Officer, are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions made there under and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises the Directors' Report, the Financial Review, and the unaudited part of the Management Board Remuneration Report is consistent with the financial statements. I also report 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.

In addition, I report to you if the Agency has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Agency's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or to form an opinion on the effectiveness of the Agency's corporate governance procedures or its risk and control procedures.

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 report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

### Basis of Audit Opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most 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 and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, 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 also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## Opinions

### Audit Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act 2000 and directions made there under by HM Treasury, of the state of the Agency's affairs as at 31 March 2007, and of the net operating cost, recognised gains and losses and cashflows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- The information given within the Annual Report, which comprises the Directors' Report, the Financial Review, and the unaudited part of the Management Board Remuneration Report, is consistent with the financial statements.

### Audit Opinion on Regularity

In my opinion, 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.

### Report

I have no observations to make on these financial statements.

### John Bourn

Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London SW1W 9SP

27 June 2007

## Financial Statements for the Year Ended 31 March 2007

## OPERATING COST STATEMENT

For the Year Ended 31 March

	Notes	2006-07 £'000	2005-06 £'000 restated
<b>Income</b>	2	(64)	(106)
<b>Expenditure</b>			
Staff Costs	3	14,323	12,351 <sup>1</sup>
Depreciation	7&8	3,032	1,532
Other Current Expenditure	4	<u>6,970</u>	<u>5,078<sup>2</sup></u>
<b>Total Expenditure</b>		<u>24,325</u>	<u>18,961</u>
<b>Net Operating Costs Before Interest</b>		24,261	18,855
Finance Costs	5b	39	161 <sup>1&amp;2</sup>
Cost of Capital Charges	5a	<u>469</u>	<u>497</u>
<b>Net Cost of Operations before Exceptional Costs</b>		<u>24,769</u>	<u>19,513</u>
<b>Exceptional Costs</b>			
Impairment of Land & Buildings		<u>1,318</u>	<u>0</u>
<b>Net Cost of Operations</b>		<u><u>26,087</u></u>	<u><u>19,513</u></u>

## Notes

<sup>1</sup> Prior-Year comparative restated due to Prior-Year Adjustment in respect of pension liabilities – see Note 14

<sup>2</sup> Prior-Year comparative restated due to reclassification of certain costs – see Note 4

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

The notes on pages 64 to 84 form part of these financial statements

## STATEMENT OF RECOGNISED GAINS &amp; LOSSES

For the Year Ended 31 March

	Notes	2006-07 £'000	2005-06 £'000 restated
Net Gain/(Loss) on Actuarial Valuation of NILGOSC Pension Deficit	14	838	(145)
Net Gain on Revaluation of Tangible Fixed Assets	15	<u>120</u>	<u>1,002</u>
<b>Recognised Gains and Losses for the Year</b>		<u><b>958</b></u>	<u><b>857</b></u>
Prior Year Adjustment - FRS 17	14	<u>(4,365)</u>	
<b>Recognised Gains and Losses Since Last Financial Statements</b>		<u><b>(3,407)</b></u>	

The notes on pages 64 to 84 form part of these financial statements

## BALANCE SHEET AT 31 MARCH

	Notes	2006-07 £'000	2005-06 £'000 restated
<b>Fixed Assets</b>			
Tangible fixed assets	7	20,077	19,130 <sup>1</sup>
Intangible fixed assets	8	70	84
		<u>20,147</u>	<u>19,214</u>
<b>Current Assets</b>			
Debtors due in less than one year	9	291	386
Cash at bank and in hand	10	19	17
		<u>310</u>	<u>403</u>
<b>Current Liabilities</b>			
Creditors due within one year	11	2,575	1,474
<b>Net Current Liabilities</b>		<u>2,265</u>	<u>1,071</u>
<b>Total Assets Less Current Liabilities</b>			
		<u>17,882</u>	<u>18,143</u>
Provisions for liabilities and charges	13	458	354
<b>Net Assets Excluding Pension Deficit</b>		<u>17,424</u>	<u>17,789</u>
Pension deficit	14	4,123	4,365 <sup>2</sup>
<b>Net Assets Including Pension Deficit</b>		<u>13,301</u>	<u>13,424</u>
<b>Taxpayers' Equity</b>			
General fund	15	12,976	11,185 <sup>1</sup>
Revaluation reserve	15	325	2,239
		<u>13,301</u>	<u>13,424</u>

**Notes**

1 Prior-Year comparative restated due to correction of opening balance – see Notes 7 & 15

2 Prior-Year comparative restated due to Prior Year Adjustment in respect of pension liabilities – see Note 14

**Bill Lockhart**

Accounting Officer

12 June 2007

The notes on pages 64 to 84 form part of these financial statements

# Accounts

## 2006-2007

### CASH FLOW STATEMENT

For the Year Ended 31 March	Notes	2006-07	2005-06
		£'000	£'000
<b>Operating Activities</b>			
Net Cash Outflow from Operating Activities	16(i)	(18,945)	(18,490)
<b>Capital Expenditure and Financial Investment</b>			
Net Cash Outflow from Capital Expenditure	16(ii)	(334)	(189)
Proceeds of Disposals of Fixed Assets		0	3
<b>Net Cash Outflow before Financing</b>		<b>(19,279)</b>	<b>(18,676)</b>
Financing from the Consolidated Fund		19,296	18,022
<b>Increase/(Decrease) in Cash</b>	16(iii)	<b>17</b>	<b>(654)</b>

The notes on pages 64 to 84 form part of these financial statements

## Notes to the Financial Statements

### 1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the requirements of the 2006-2007 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where FReM 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.

In line with Departmental policy, the Agency does not capitalise expenditure on improvements or enhancements to its leasehold properties. 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

Plant & Machinery includes :

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

#### 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.



### Realised Element of Depreciation from Revaluation Reserve

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

### 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.

### Pension Costs

The Agency's staff belong to one of four 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 (GB), PCSPS(NI), 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.

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

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 2007.

Pension scheme assets are measured using the market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

The increase in the present value of the liabilities of the Agency's defined benefit pension scheme arising from employee service in the period is charged to the Operating

Cost Statement. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the Statement of Recognised Gains and Losses.

### 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.

	2006-07	2005-06
	£'000	£'000
<b>2 OPERATING INCOME</b>		
<b>Administration Income</b>		
Rental	0	0
Catering	0	0
Other	3	4
	<u>3</u>	<u>4</u>
<b>Programme Income</b>		
Contribution to Running Costs	60	96
Contribution to Projects	0	0
Youth Conference Income	0	2
Student Placement Income	0	3
Miscellaneous Income	1	1
	<u>61</u>	<u>102</u>
<b>Total Operating Income</b>	<u><u>64</u></u>	<u><u>106</u></u>

**3 STAFF COSTS & NUMBERS**

(i) Staff costs consist of:

	Permanent Staff £'000	Others £'000	Total 2006-07 £'000	Total 2005-06 £'000
Wages & salaries	11,222	468	11,690	10,185
Social security costs	950	12	962	885
Annual service cost (NILGOSC)	1,285	0	1,285	939 <sup>1</sup>
Employer's pension contributions	380	5	385	342 <sup>1</sup>
<b>Total Employment Costs</b>	<u><u>13,837</u></u>	<u><u>485</u></u>	<u><u>14,322</u></u>	<u><u>12,351</u></u>

(ii) Employee Numbers

The average number of persons employed during the year is set out below.

	Permanent Staff Nos	Others Nos	Total 2006-07 Nos	Total 2005-06 Nos
Admin & support staff	30	-	30	29
Operational staff	338	31	369	342
<b>Total</b>	<u><u>368</u></u>	<u><u>31</u></u>	<u><u>399</u></u>	<u><u>371</u></u>

**Note**<sup>1</sup> Prior-Year comparative restated due to Prior-Year Adjustment in respect of pension liabilities - see note 14.

**(iii) Pensions**

Pension benefits are provided through the Principal Civil Service (PCS) pension arrangements and through the Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC) and the Teachers' Superannuation Scheme (TSS).

*Principal Civil Service Pension Arrangements*

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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service Pension arrangements can be found at the website [www.civilservicepensions.gov.uk](http://www.civilservicepensions.gov.uk). The Principal Civil Service Pension Scheme (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](http://www.civilservice-pensions.gov.uk))

For 2006-2007 employers contributions detailed in the table below were payable at one of four rates in the range 17.1 to 26.5 per cent of pensionable pay, based on salary bands.

Pension Provider	Contribution	Contribution
	1/4/06-31/3/07	1/4/05-31/3/06
	£'000	£'000
PCSPS (GB)	18	23

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.

No Youth Justice Agency 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](http://www.civilservicepensions.ni.gov.uk)).

For 2006-2007 employer's contributions detailed in the table below were payable to the PCSPS(NI) at one of four rates in the range 16.5 to 23.5 per cent of pensionable pay, based on salary bands (2005-2006, 16.5% to 23.5%)

Pension Provider	Contribution 1/4/06-31/3/07 £'000	Contribution 1/4/05-31/3/06 £'000
PCSPS (NI)	217	195

From 1 April 2007 the salary bands will be revised however the rates will remain between the range of 16.5% and 23.5% in line with the latest actuarial valuation.

The contribution rates reflect benefits as they are accrued in a period, 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.

No Youth Justice Agency 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 2006-2007 the contribution rates were 14% employer's, and 6% employee's (2005-2006, 14% employer's and 6% employee's).

The total employer pension cost under the Scheme was £123k (2005-2006, £122k).

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

This scheme is a defined benefits type, and the fund is invested in suitable investments, managed by the Committee. For 2006-2007 the contribution rates were 11% employer's, and 6% employee's (2005-2006, 8.6% employer's and 6% employee's). 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 £728k (2005-2006, £504k).

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 2007.

The Agency operates a defined benefit scheme for specific employees. The assets of the Scheme are held separately from the Agency.

Pension scheme assets are measured using the market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Agency's defined benefit pension scheme arising from employee service in the period is charged to the Operating Cost Statement. The expected return on the Scheme's assets and the increase during the year in the present value of the Scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the Statement of Recognised Gains and Losses.

# Accounts

## 2006-2007

	2006-07	2005-06
	£'000	£'000
<b>4 OTHER CURRENT EXPENDITURE</b>		
<b>Administration Costs</b>		
Staff Related Costs	590	440 <sup>1</sup>
Travel & Subsistence	264	235 <sup>1</sup>
Support Services	0	0 <sup>1</sup>
Rentals Under Operating Leases – Non Land & Buildings	21	19
Rentals Under Operating Leases – Land & Buildings	515	460 <sup>1</sup>
Accommodation Costs	767	301 <sup>1</sup>
General Office Costs	545	530 <sup>1</sup>
Utilities	371	259
Maintenance & Repairs	854	833 <sup>1</sup>
Professional Services & Advisory Costs	438	461 <sup>1</sup>
Hospitality	22	8 <sup>1</sup>
Loss on Disposal of Fixed Assets	2	10
Permanent Diminution of Fixed Assets	16	10
Write –off of Fixed Assets	83	0
Other Administration Costs	79	100 <sup>1</sup>
	<u>4,567</u>	<u>3,666</u>
<b>Programme Costs</b>		
Supplies, Services & Stores	431	428
Compensation	1	0 <sup>1</sup>
Current Initiatives	1,559	758 <sup>1</sup>
Other Programme Costs	102	203 <sup>1</sup>
	<u>2,093</u>	<u>1,389</u>
<b>Notional Costs</b>		
<b>Provided by Parent Department:</b>		
IT Support	168	0
Internal Audit	4	0
Personnel Support	23	0
Pay	41	0
Welfare	5	0
Training	43	0
	<u>284</u>	<u>0</u>
<b>Provided by Other Departments &amp; Agencies:</b>		
Audit Fee	15	15
Miscellaneous Costs	11	8
	<u>26</u>	<u>23</u>
Total Other Current Expenditure	<u>6,970</u>	<u>5,078</u>

**Note**

<sup>1</sup>Prior year comparatives have been restated to bring amounts into line with the reclassification of certain costs in 2006-07.

**5 COST OF CAPITAL & INTEREST**

(a) 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 2006-2007 this amounted to £469k (2005-2006, £497k)

**(b) OTHER FINANCE COSTS**

	2006-07	2005-06
	£'000	restated £'000
<b>NILGOSC Pension Liability</b>		
Expected return on pension scheme assets	828	650
Interest on pension scheme liabilities	(867)	(747)
Net Return	<u>(39)</u>	<u>(97)</u>
<b>Unwinding of Discount on Provisions</b>		
Early Retirement Costs	0	(64)
	<u>(39)</u>	<u>(161)</u>

**6 EXCEPTIONAL COST**

The Operating Cost Statement contains an impairment change of £1,318k (2005-06, £nil) representing the difference in depreciated capitalised cost of the building at 31 March 2007 and the valuation of the building (based on depreciated replacement cost) as provided by the Valuation and Lands Agency

## 7 TANGIBLE FIXED ASSETS

	Land & Buildings £'000	Furniture & Fittings £'000	Vehicles £'000	Plant & Equipment £'000	IT Equipment £'000	Assets Under Construction £'000	Assets Awaiting Disposal £'000	Total 2006-2007 £'000
<b>Cost or Valuation</b>								
At 1 April 2006	14,545	393	237	440	430	7,616	0	23,661
Op bal adjustment <sup>1</sup>	-	-	-	(1)	-	-	-	(1)
<b>Restated at 1 April 2006</b>	<b>14,545</b>	<b>393</b>	<b>237</b>	<b>439</b>	<b>430</b>	<b>7,616</b>	<b>0</b>	<b>23,660</b>
Additions	0	57	0	67	195	11,738	0	12,057
Transfer of completed AUC	18,905	238	0	128	0	(19,271)	0	0
Transfer surplus F&F and P&E to AAD	0	(87)	0	(178)	0	0	265	0
Transfer of building to AAD (6,611)		0	0	0	0	0	6,611	0
Transfer of surplus land to AAD	(6,804)	0	0	0	0	0	6,804	0
Disposal of building	0	0	0	0	0	0	(6,611)	(6,611)
Disposal of land to parent department	0	0	0	0	0	0	(6,804)	(6,804)
Disposals -other	0	0	0	(2)	(44)	0	0	(46)
Impairment/Write - off	(1,395)	0	0	0	0	(83)	0	(1,478)
Revaluation	70	7	2	7	(32)	0	0	54
<b>At 31 March 2007</b>	<b>18,710</b>	<b>608</b>	<b>239</b>	<b>461</b>	<b>549</b>	<b>0</b>	<b>265</b>	<b>20,832</b>
<b>Depreciation</b>								
At 1 April 2006	3,956	105	98	189	183	0	0	4,531
Op bal adjustment <sup>1</sup>	-	-	2	-	-	-	-	2
<b>Restated at 1 April 2006</b>	<b>3,956</b>	<b>105</b>	<b>100</b>	<b>189</b>	<b>183</b>	<b>0</b>	<b>0</b>	<b>4,533</b>
Charge for Year	2,772	52	34	61	85	0	0	3,004
Transfers	(6,611)	(43)	0	(118)	0	0	6,772	0
Disposals	0	0	0	(1)	(43)	0	(6,611)	(6,655)
Impairment/Write - off	(77)	0	0	0	0	0	0	(77)
Revaluation	(40)	2	2	2	(16)	0	0	(50)
<b>At 31 March 2007</b>	<b>0</b>	<b>116</b>	<b>136</b>	<b>133</b>	<b>209</b>	<b>0</b>	<b>161</b>	<b>755</b>
<b>Net Book Value</b>								
<b>At 31 March 2007</b>	<b>18,710</b>	<b>492</b>	<b>103</b>	<b>328</b>	<b>340</b>	<b>0</b>	<b>104</b>	<b>20,077</b>
At 31 March 2006	10,589	288	139	251	247	7,616	0	19,130

7 TANGIBLE FIXED ASSETS (continued)

All land & buildings disclosed above are freehold. Land held by the Agency was valued at £734k at 31/3/07 (£7,537k at 31/3/06).

***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. Interim valuations for the Agency's two properties in Bangor and Belfast were provided at 31 March 2007.

The next valuation of land & buildings will be at 31 March 2008.

***Assets Under Construction / Impairment of Land & Buildings***

The Asset under Construction relates to the construction of the new Juvenile Justice Centre at Rathgael which was completed in year at a total capitalised cost of £18,905k and transferred to land & buildings in January when it became operational. At 31 March 2007 the carrying value of the building was impaired by £1,318k to £17,510k, being the valuation of the building (at depreciated replacement cost) provided by the Valuation & Lands Agency).

***Assets Awaiting Disposal***

Surplus land at Rathgael vacated during the transfer to the new Juvenile Justice Centre was transferred through reserves to the NIO Core department at its book value of £6,804k in March 2007. Assets Awaiting Disposal at 31 March 2007 comprise surplus plant & equipment and furniture & fittings from the old Juvenile Justice Centre which will be disposed of in 2007-2008.

***'Opening Balance Adjustment***

The opening net book value of vehicles has been credited with £3k to correct rounding errors in a previous year, The corresponding debit adjustment is to the opening general fund balance – see note 15.



# Accounts

## 2006-2007

### 8 INTANGIBLE FIXED ASSETS

	2006-07	2005-06
	£'000	£'000
<b>Cost or valuation</b>		
At 1 April	141	129
Additions	15	12
Disposals	(1)	0
Revaluation		
<b>At 31 March</b>	<u>155</u>	<u>141</u>
<b>Depreciation</b>		
At 1 April	57	30
Charged in year	28	27
Disposals	0	0
Revaluation	0	0
<b>At 31 March</b>	<u>85</u>	<u>57</u>
<b>Net Book Value</b>		
<b>At 31 March 2007</b>	<u><u>70</u></u>	
At 31 March 2006	<u><u>84</u></u>	

### 9 DEBTORS

	2006-07	2005-06
	£'000	£'000
<b>(i) Amounts due in less than 1 year</b>		
Recoverable VAT	125	104
Prepayments & Accrued Income	142	232
Other Debtors	24	50
	<u>291</u>	<u>386</u>

## 10 CASH AT BANK AND IN HAND

	2006-07	2005-06
	£'000	£'000
Bank	12	11
Cash in Hand	7	6
	<u>19</u>	<u>17</u>
Bank Overdraft	(372)	(387)
<b>Total Cash at Bank and in Hand</b>	<u><u>(353)</u></u>	<u><u>(370)</u></u>

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 (2005-06, £1k).

## 11 CREDITORS

	2006-07	2005-06
	£'000	£'000
<b>(i) Due within one year</b>		
Trade Creditors	140	31 <sup>1</sup>
Accruals & Deferred Income	1,530	1,045 <sup>1</sup>
Taxation & Social Security	272	11
Other Creditors	261	0
	<u>2,203</u>	<u>1,087</u>
Bank Overdraft	372	387
	<u>2,575</u>	<u>1,474</u>

<sup>1</sup> Prior Year Adjustment

Prior year comparatives have been restated to bring amounts into line with the reclassification of certain liabilities in 2006-07.

## 12 INTRA-GOVERNMENTAL BALANCES

	Debtors: Amounts Falling Due within one year £'000	Debtors: Amounts Falling Due after one year £'000	Creditors: Amounts Falling Due within one year £'000	Creditors: Amounts Falling Due after one year £'000
--	---	--	---	--

*Included in debtors and creditors are the following intra-governmental balances at 31 March 2007*

NIO Core, its Agencies & NDPBs	0	0	260	0
Other Central Government Bodies	125	0	752	0
Local Authorities	0	0	1	0
NHS Trusts	16	0	24	0
Public Corporations & Trading Funds	0	0	2	0
Bodies External to Government	150	0	1,536	0
	<b>291</b>	<b>0</b>	<b>2,575</b>	<b>0</b>

*Included in debtors and creditors are the following intra-governmental balances at 31 March 2006*

	£'000	£'000	£'000 restated	£'000
NIO Core, its Agencies & NDPBs	0	0	605	0
Other Central Government Bodies	136	0	36	0
Local Authorities	0	0	2	0
NHS Trusts	58	0	18	0
Public Corporations & Trading Funds	0	0	0	0
Bodies External to Government	192	0	813 <sup>1</sup>	0
	<b>386</b>	<b>0</b>	<b>1,474</b>	<b>0</b>

<sup>1</sup> Prior Year Adjustment

The prior year comparatives have been restated to include the bank overdraft within the total for 'Creditors: amounts falling due within one year'.

## 13 PROVISIONS FOR LIABILITIES &amp; CHARGES

	Legal Cost Provision £'000	Early Retirement Provision £'000	Total 2006-07 £'000
At 1 April 2006	16	338	354
Provided in the Year	151	22	173
Provision Utilised in Year	(13)	(37)	(50)
Amounts Released	(8)	(11)	(19)
Unwinding of Discount	0	0	0
<b>At 31 March 2007</b>	<b>146</b>	<b>312</b>	<b>458</b>

The provisions for liabilities and charges represent the best estimate of the amount payable at the balance sheet date.

The legal cost provision relates to staff personal injury and industrial tribunal cases against the Agency which are likely to be settled in the next financial year.

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 payable over the lifetime of the retired staff member and his/her spouse (where applicable).

## 14 PENSION COMMITMENTS

The Youth Justice Agency makes employer contributions to the Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC) which is a funded scheme of the defined benefit type.

Previously the Agency took advantage of the multi employer provisions within FRS 17 and accounted for pension costs in line with the employer contributions paid. However, from 2006-2007 it is now possible to define the Agency's share of the funds assets/liabilities and as a result the following disclosures are provided inline with FRS 17.

The latest actuarial valuation of the scheme was carried out at 31 March 2007, the liability and cost calculations are shown below.

The financial assumptions used by the actuary were:

	31/3/07	31/3/06	31/3/05
Rate of increase in salaries	4.70%	4.50%	4.40%
Rate of increase in pensions in payment	3.20%	3.00%	2.90%
Discount rate	5.30%	4.90%	5.30%
Inflation assumption	3.20%	3.00%	2.90%

## 14 PENSION COMMITMENTS (continued)

The market value of assets in the scheme and the expected rate of return were:

	Long term rate of return expected at 31/3/07 %	Value at 31/3/07 £'000	Long term rate of return expected at 31/3/07 %	Value at 31/3/06 £'000	Long term rate of return expected at 31/3/05 %	Value at 31/3/05 £'000
Equities	6.80%	12,135	6.30%	10,601	6.70%	7,808
Property	6.30%	1,517	5.80%	1,325	6.20%	976
Gilts	4.80%	1,213	4.30%	1,060	4.70%	781
Cash	5.25%	303	4.50%	265	4.75%	195
		<b>15,168</b>		<b>13,251</b>		<b>9,760</b>

The following amounts at 31 March 2007, 31 March 2006, and 31 March 2005 were measured in accordance with the requirements of FRS 17:

	2007 £'000	2006 £'000	2005 £'000
Total market value of assets	15,168	13,251	9,760
Present value of scheme liabilities	(19,291)	(17,616)	(13,448)
<b>Net Pension Liability</b>	<b>(4,123)</b>	<b>(4,365)</b>	<b>(3,688)</b>

## 14 PENSION COMMITMENTS (continued)

## Analysis of Amount Charged to Operating Cost Statement in Respect of Defined Benefit Scheme

	2006-07 £'000	2005-06 £'000
<b>Operating Cost Statement</b>		
Current Service Cost	1,285	939
	<b>1,285</b>	<b>939</b>
<b>Analysis of Amount Charged to Other Finance Costs</b>		
Expected return on pension scheme assets	828	650
Interest on pension scheme liabilities	(867)	(747)
<b>Net Return</b>	<b>(39)</b>	<b>(97)</b>

## Statement of Recognised Gains and Losses

	2006-07 £'000	2005-06 £'000
Actual return less expected return on pension scheme assets	(29)	1,992
Experience gains and losses arising on the scheme liabilities	8	46
Changes in assumptions underlying the present value of the scheme liabilities	859	(2,183)
<b>Actuarial Gain/ (Loss) Recognised in the SRGL</b>	<b>838</b>	<b>(145)</b>

	2006-07 £'000	2005-06 £'000
<b>Movement in Deficit During the Year</b>		
Deficit in scheme at the beginning of the year	(4,365)	(3,688)
Movement in the year:		
Current service cost	(1,285)	(939)
Contributions	728	504
Other finance charge	(39)	(97)
Actuarial gain/(loss)	838	(145)
<b>Deficit in Scheme at the End of the Year</b>	<b>(4,123)</b>	<b>(4,365)</b>

## 14 PENSION COMMITMENTS (continued)

Details of Experience Gains and Losses	2006-07	2005-06
<b>Difference Between the Expected and Actual Return on Scheme Assets</b>		
Amount (£'000)	(29)	1,992
Percentage of scheme assets (%)	0%	15%
<b>Experience Gains and Losses on Scheme Assets</b>		
Amount (£'000)	8	46
Percentage of the present value of the scheme assets (%)	0%	0%
<b>Total Amount Recognised in Statement of Recognised Gains and Losses</b>		
Amount (£'000)	838	(145)
Percentage of the present value of the scheme assets (%)	4%	(1%)

## 15 RECONCILIATION OF MOVEMENT IN RESERVES

	General Fund	Revaluation Reserve	Total 2006-07	Total 2005-06 restated
	£'000	£'000	£'000	£'000
At 1 April	15,550	2,239	17,789	10,444
Prior Year Adjustment	(4,365) <sup>1</sup>	0	(4,365)	(3,688) <sup>1</sup>
Restated at 1 April	11,185	2,239	13,424	6,756
Op bal adjustment	(3) <sup>2</sup>	0	(3)	0
<b>Restated</b>	<b>11,182</b>	<b>2,239</b>	<b>13,421</b>	<b>6,756</b>
Net Vote Funding in Year	19,296	0	19,296	18,022
Net Cost of Operations	(26,087)	0	(26,087)	(19,513) <sup>1</sup>
Agency Expenditure Funded by Parent Dept	11,738	0	11,738	6,782
Transfer of Land to Parent Department	(6,804)	0	(6,804)	0
Actuarial Gain / (Loss) on NILGOSC Pension Deficit	838	0	838	(145) <sup>1</sup>
Transfer b/w Revaluation Reserve & General Fund	2,034	(2,034)	0	0
Surplus on Revaluation	0	120	120	1,002
Notional Costs	310	0	310	23
Interest on Capital Employed	469	0	469	497
<b>At 31 March 2007</b>	<b>12,976</b>	<b>325</b>	<b>13,301</b>	<b>13,424</b>

The General Fund includes a deficit of £4,123k (2005-2006, £4,365k) in respect of pension scheme liabilities of the NILGOSC pension fund

<sup>1</sup> Prior Year Adjustment and Impact of New Standard

The prior year adjustment relates to a change in the accounting treatment of the assets and liabilities of the NILGOSC pension scheme under FRS 17.

The adoption of FRS 17 has resulted in an increase in staff costs of £557k (2005-2006, £435k) an increase in other finance costs of £39k (2005-2006 £97k), an increase in the net cost of operations for the year of £569k (2005-2006: £532k) an increase in the recognised gains and losses of £838k (2005-2006 £145k loss).

	£'000
<b>Analysis of Prior Year Adjustment :</b>	
Adjustment to Opening funds at 1 April 2005	3,688
Adjustment to General Fund for the Year Ended 31 March 2006	532
Adjustment to Statement of Recognised Gains and Losses for the year ended 31 March 2006	145
<b>Adjustment to Opening Funds at 1 April 2006</b>	<b>4,365</b>

<sup>2</sup> Opening Balance Adjustment

The opening balance on the General Fund has been debited by £3k to correct rounding errors in a previous year. The credit adjustment is to the opening net book value of fixed assets (vehicles) – see Note 7.



## 16 NOTES TO THE CASH FLOW STATEMENT

## (i) Reconciliation of Net Cost of Operations to Net Cash Flow from Operating Activities

	Notes	2006-07 £'000	2005-06 £'000 restated
<b>Net Cost of Operations</b>		<b>(26,087)</b>	<b>(19,513)</b> <sup>1</sup>
<b>Adjustment for Non-Cash Transactions</b>			
Depreciation	7&8	3,032	1,532
Diminution of Fixed Assets	7	16	10
Loss on Disposal of Fixed Assets	7	2	10
Impairment of Fixed Assets	6	1,318	0
Write-off of Fixed Assets	4	83	0
Notional Cost of Capital	5	469	497
Notional Costs	4	310	23
Unwinding of Discount / Interest	13	39	161
Net Provision provided in Year	13 & 14	1,439	863
<b>Adjustments for Movements in Provisions &amp; Working Capital</b>			
Decrease / (Increase) in Debtors	9	95	(172)
Increase in Creditors Less than 1 Year	11	1,117	142
Provision Utilised in Year	13 & 14	(778)	(2,043)
<b>Net Cash Outflow from Operating Activities</b>		<b>(18,945)</b>	<b>(18,490)</b>
<b>(ii) Reconciliation of Purchase of Fixed Assets</b>			
Total Capital Additions in Year	7&8	(12,072)	(6,971)
Less Non Cash Additions in Year Funded by Parent Dept	7&8	11,738	6,782
<b>Total Cash Additions in Year</b>		<b>(334)</b>	<b>(189)</b>
<b>(iii) Reconciliation of Net Cash Flow to Movement in Net Funds</b>			
Increase / (Decrease) in Cash during the Year	10	17	(654)
Net Funds at start of Year	10	(370)	284
<b>Net Funds at end of Year</b>		<b>(353)</b>	<b>(370)</b>
<b>Net Funds Comprise of:</b>			
Cash at Bank and in Hand	10	19	17
Bank Overdraft	10	(372)	(387)
		<b>(353)</b>	<b>(370)</b>

<sup>1</sup> Prior Year Adjustment

The prior year adjustment relates to the change in the accounting treatment of the assets and liabilities of the NILGOSC pension scheme under FRS 17 - see Notes 14 and 15

## 17 CAPITAL COMMITMENTS

	2006-07	2005-06
	£'000	£'000
Capital Expenditure, which at year -end was contracted for but not provided for in the accounts.	0	10,600*

\*This relates to the construction of the new Juvenile Justice Centre at Rathgael which became operational in January 2007. All construction costs have been capitalised in these, or previous years', financial statements.

## 18 LEASING COMMITMENTS

	2006-07	2005-06
	£'000	£'000
<b>Land &amp; Buildings</b>		
Expiry within 1 year	91	165
Expiry after 1 year but not more than 5 years	203	204
Expiry thereafter	266	103
	<u>560</u>	<u>472</u>
<b>Other</b>		
Expiry within 1 year	5	4
Expiry after 1 year but not more than 5 years	16	23
Expiry thereafter	0	0
	<u>21</u>	<u>27</u>

## 19 OTHER FINANCIAL COMMITMENTS

The total amount of non-cancellable financial commitments at 31 March 2007 are as follows:

	2006-07	2005-06
	£'000	£'000
Security Staff at Juvenile Justice Centre	172	0
Maintenance Contract at Juvenile Justice Centre	84	0
	<u>256</u>	<u>0</u>

## 20 CONTINGENT LIABILITIES

The Agency is currently contesting a number of personal injury or industrial tribunal claims brought by staff or young people. Provision has been made in these financial statements for cases where it is considered probable that payment may be made in the future- see Note 13.

However, there are other cases which have not been provided for as the Agency does not consider it likely that payment will be made e.g. because it expects that the Agency should be able to successfully defend these cases. The estimated value of such cases at 31 March 2007 is £58k (2005-06, £nil) and if payments materialise, they will do so during the 2007-2008 financial year.

## 21 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 transacts with other entities for which the NIO is the parent Department, viz:

- The Northern Ireland Prison Service
- 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.

Whilst none of the members of the Management Board or key management of the Agency had any personal transactions with the Agency, the Agency had transactions with the following organisations connected to members of the Management Board and key management:

Mr David Weir, Acting Director of Community Services, is a member of Include Youth and NIACRO, which received £24,277 and £287,000 respectively for services provided to the Agency during the year.

The Youth Justice Agency also received £44,448 from NIACRO for the reimbursement of salary costs incurred by the Agency.

Mena Wilson, the wife of Mr Thompson Best, Assistant Director of Community Services is the Director of "Unicorn Consultancy", which received £4,185 for Training Services provided to the Agency during the year.

All these transactions were conducted at arm's length.

## 22 FINANCIAL INSTRUMENTS

FRS 13, Derivatives and Other Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the largely non-trading nature of its activities and the way in which it is financed, the Youth Justice Agency is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS 13 mainly applies. The Youth Justice Agency has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Agency in undertaking its activities.

As permitted by FRS 13, debtors and creditors which mature or become payable within twelve months from the balance sheet date have been omitted from the currency profile.

Liquidity Risk

The Youth Justice Agency's net revenue resource requirements are financed by resources voted annually by Parliament, as is its capital expenditure. The Youth Justice Agency is not therefore exposed to liquidity risk.

Interest Rate Risk

The Youth Justice Agency is not exposed to any interest rate risk.

Foreign Currency Risk

The Youth Justice Agency is not exposed to any foreign currency risk.

23 POST BALANCE SHEET EVENTS

There have been no Post Balance Sheet Events which impact on these financial statements.

24 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 2006	Gross Inflows	Gross Outflows	31 March 2007
	£'000	£'000	£'000	£'000
Monetary assets such as bank balances and balances on deposit	1	17	17	1

25 ACCOUNTABILITY

No exceptional kinds of expenditure such as losses and special payments that require separate disclosure because of their nature or amount were incurred.

26 DATE ON WHICH THE FINANCIAL STATEMENTS WERE AUTHORISED FOR ISSUE

These financial statements were authorised for issue (dispatched to the House of Commons) on 3 July 2007.