

Criminal Justice Inspection
Northern Ireland
a better justice system for all



ANNUAL REPORT & ACCOUNTS 2020-21

A BETTER JUSTICE SYSTEM FOR ALL

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED
31 MARCH 2021

The Annual Report is laid before the Northern Ireland Assembly under paragraph 4 of Schedule 8 to the Justice (Northern Ireland) Act 2002 (as amended by paragraph 24(5) of Schedule 13 to the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010) by the Department of Justice.

The Statement of Accounts and Report of the Comptroller and Auditor General is laid before the Northern Ireland Assembly under paragraph 6 of Schedule 8 to the Justice (Northern Ireland) Act 2002 (as amended by paragraph 24(7) of Schedule 13 to the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010) by the Comptroller and Auditor General for Northern Ireland

on

7 July 2021

© Criminal Justice Inspection Northern Ireland copyright 2021.

This information is licensed under the [Open Government Licence v3.0](#).

Any enquiries regarding this publication should be sent to the Business and Communications Manager,
Criminal Justice Inspection Northern Ireland, Block 1, Knockview Buildings, Stormont Estate, Belfast, BT4 3SJ,
Tel 028 90 765764 or info@cjini.org.

This publication is also available on [our website](#).

ISBN: 978-1-905283-95-8

CONTENTS

PERFORMANCE REPORT

Overview

| | |
|--|----|
| Statement by the Chief Inspector..... | 7 |
| Purpose and activities of CJI, its business model and environment..... | 9 |
| Organisational structure and corporate ethos..... | 13 |
| Performance summary..... | 16 |
| Principal issues and risks affecting CJI in 2020-21..... | 17 |

Performance analysis

| | |
|---|----|
| Performance management..... | 19 |
| Performance against objectives and targets..... | 20 |
| Risk profile of CJI during 2020-21 and impact of the COVID-19 pandemic..... | 30 |
| How CJI is funded and allocated its budget in 2020-21..... | 32 |
| Forward look..... | 34 |
| Financial review..... | 35 |

ACCOUNTABILITY REPORT

Corporate Governance Report

| | |
|---|----|
| Directors' Report..... | 40 |
| Reports of the Non-Executive Members of CJI's Audit and Risk Assurance Committee..... | 43 |
| Statement of Chief Inspector of Criminal Justice and Chief Executive and Accounting Officer's Responsibilities..... | 45 |
| Governance Statement..... | 46 |
| Remuneration and Staff Report..... | 55 |

Assembly Accountability and Audit Report

| | |
|---|----|
| Assembly accountability disclosures..... | 66 |
| Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly..... | 67 |

FINANCIAL STATEMENTS

| | |
|---|----|
| Statement of Comprehensive Net Expenditure..... | XX |
| Statement of Financial Position..... | XX |
| Statement of Cash Flows..... | XX |
| Statement of Changes in Taxpayers' Equity..... | XX |
| Notes to the Accounts..... | XX |

PERFORMANCE REPORT

The Performance Report provides information on Criminal Justice Inspection Northern Ireland (CJI) and its performance during 2020-21.

In this section of the Annual Report, you will find information about the remit and purpose of CJI and how it is structured. The Performance Report also provides information on CJI's Corporate and Business objectives and how the organisation has performed against the targets it set for the financial year. It outlines the key risks that CJI identified to achieving these objectives, other key risks that CJI faces and details of plans for the future.

The Performance Report is presented in two parts:

- the **Overview** summarises key information about CJI and its principal business objectives and performance in 2020-21. It highlights the risks CJI identified in-year to achieving its objectives and what steps CJI has taken to manage their impact; and
- the **Performance Analysis** provides more detailed information on CJI's performance during the financial year, how this performance supports the achievement of CJI's Corporate Objectives and links to the objectives of the current Programme for Government (PfG).

A BETTER JUSTICE SYSTEM FOR ALL

OVERVIEW



JACQUI DURKIN

Chief Inspector of Criminal Justice in Northern Ireland.

STATEMENT BY THE CHIEF INSPECTOR

This year was a year like no other for everyone as the COVID-19 pandemic and required health regulations and guidance determined how and where we all worked.

I want to pay tribute to the CJI Team who sustained and continued inspection services and publications throughout the year during challenging times and concerns for their own health and wellbeing while supporting, educating and taking care of their families.

I am very proud of and grateful for the way every member of the team quickly adapted to required working arrangements and focussed on what we could do to ensure inspections were progressed and completed. We are a small team and the benefits of personal interaction and being together in the same place were missed.

I am also grateful to the inspected organisations and stakeholders who worked with us despite their own challenges and changed working arrangements. We were mindful of the pressures on front line services to maintain service delivery and adapt to a frequently changing environment under constant public and media scrutiny.

We published 11 reports this year, seven full Inspection reports, one report following a Ministerial Request and three Follow-up Review reports. This demonstrates the effectiveness of our business continuity and commitment to maintaining inspection services. We also undertook some visits to 'Approved Premises' and Woodlands Juvenile Justice Centre.

Our publications included three reports, two Prison reports and one on Police Custody, relating to our role as a member of the United Kingdom National Preventive Mechanism.

Thematic reports on Modern Slavery and Human Trafficking, Child Sexual Exploitation and the Care and Treatment of Victims and Witnesses as well as a report on Probation Practice provided valuable evidence and recommendations for improvements that were all accepted by the relevant organisations and the Department of Justice.

The Committee for Justice were briefed on the Care and Treatment of Victims and Witnesses report in February 2021.

I have agreed to a request from the Minister of Justice to review the Care and Supervision Units in all Northern Ireland prisons. This review is being undertaken in partnership with the Regulation and Quality Improvement Authority and the Education and Training Inspectorate; it involved essential on-site fieldwork following a thorough COVID-19 risk assessment and agreed practices. I am particularly grateful to our Inspectors who agreed to undertake it despite the risks and consequences to their own health.

During the year the Deputy Chief Inspector, James Corrigan, and I have maintained regular contact with Department of Justice senior officials and acted as a critical friend throughout the monitoring of the pandemic impact on case progression and disposal across the criminal justice system and the recovery plans.

In the autumn we welcomed two new Inspectors and despite the challenges of largely remote induction and training, they are already making an impact and are valuable additions to our team.

We have also improved how we communicate inspection findings and the accessibility of information on our website to reach a wider audience.

This has been a productive financial year despite the pandemic and I look forward to the restoration of more in person engagement and on-site inspection fieldwork, while retaining the benefits of our experiences and working methods in 2021-22.



JACQUI DURKIN
Chief Inspector of Criminal Justice
in Northern Ireland.

28 June 2021



A BETTER JUSTICE SYSTEM FOR ALL

PURPOSE AND ACTIVITIES OF CJI

As Chief Executive and Accounting Officer, I am pleased to present the Annual Report and Accounts for the financial year ended 31 March 2021.

The background to CJI

The Office of the Chief Inspector of Criminal Justice in Northern Ireland was established as an Executive Non-Departmental Public Body (NDPB) under s.45 of the Justice (Northern Ireland) Act 2002.

The first Chief Inspector was appointed by the Secretary of State for Northern Ireland in August 2003, to inspect or ensure the inspection of all aspects of the criminal justice system. The courts administration was initially omitted from the organisation's inspection remit but was added following legislative change in 2007. CJI became operational in October 2004 and from that time, it conducted a programme of inspections which were agreed annually with the Secretary of State for Northern Ireland.

Following the devolution of policing and justice matters on 12 April 2010, responsibility for agreeing CJI's inspection programme passed to the locally-elected Minister of Justice. At this time, CJI became an Executive NDPB of the Department of Justice (DoJ). During 2020-21 CJI's formal accountability was to the locally appointed Minister of Justice.



JAMES CORRIGAN

Chief Executive and Accounting Officer.

Remit of CJI

CJI has a remit to inspect a wide variety of organisations and bodies under s.46 of the Justice (Northern Ireland) Act 2002, and s.45 of the Justice and Security (Northern Ireland) Act 2007, as amended by Schedule 13 to the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

CJI is required to carry out Inspections in relation to these criminal justice bodies or organisations unless the Inspectorate is satisfied they are subject to a satisfactory inspection regime.

Organisations that fall within CJJ's remit include:

- the Police Service of Northern Ireland (PSNI);
- the Public Prosecution Service for Northern Ireland (PPS);
- the Northern Ireland Prison Service (NIPS);
- the Probation Board for Northern Ireland (PBNi);
- the Youth Justice Agency (YJA);
- the Northern Ireland Courts and Tribunals Service (NICTS);
- the Office of the Police Ombudsman for Northern Ireland (OPONI);
- Forensic Science Northern Ireland (FSNI);
- the State Pathologist's Department;
- the Legal Services Agency Northern Ireland (LSANI); and
- the Parole Commissioners for Northern Ireland.

CJJ's remit is broader than this and includes other bodies that also have a regulatory or prosecutorial role that engage with the criminal justice system. They include:

- the Department of Agriculture, Environment and Rural Affairs;
- the Health and Social Care Board and Trusts;
- the Department for the Economy;
- the Health and Safety Executive for Northern Ireland;
- the Department for Communities (Benefit Fraud);
- the Department for Communities (Child Maintenance and Enforcement Division);
- Royal Mail Group;
- Belfast International Airport Ltd;
- Belfast Harbour Commissioners; and
- Larne Harbour Ltd.

CJJ's vision, values and approach

Our vision

Our vision is for '*a better justice system for all*' where the delivery of our services is subject to continuous performance improvement and effectiveness and efficiency is embedded in our ISO 9001:2015 accredited methodology and working practices.

We are focussed on ensuring the vulnerable are protected, that strategy, governance and delivery can meet the challenges and outcomes lead to effective services and increased public confidence in the justice system for the benefit of everyone.

This vision requires the collaboration of all agencies and organisations within the criminal justice system to bring it about. It involves working with the voluntary, community and social enterprise sector, politicians and Government to support the development of meaningful partnerships, which will deliver for the community.

Our values

We have seven organisational values that shape how we engage with criminal justice organisations and bodies that we inspect and carry out our inspection work.

Diagram 1 Organisational values of CJI**Our approach**

We work with the inspected organisations in a professional, mature way to produce relevant, evidence-based inspection reports that contain strategic and operational recommendations, which focus on achieving meaningful change linked to our five themes of:

Better services and delivery

Better efficiency and effectiveness

Better protecting and safeguarding

Better strategy and governance

Better outcomes

We will achieve this by:

- ✓ maintaining our organisational values;
- ✓ producing reports that are balanced, objective and evidence-based;
- ✓ taking account of sensitive issues;
- ✓ communicating clearly, frankly and openly with those we inspect and work with;
- ✓ listening to all interested parties;
- ✓ benchmarking and identifying innovative practice found in other jurisdictions;
- ✓ identifying and sharing good practice found within the criminal justice system;
- ✓ where necessary, supporting organisations to achieve accepted inspection recommendations and implement change; and
- ✓ pursuing excellence.

METHOD OF WORKING

Our method of working focuses on independence, partnership, performance and communication.

Independence

CJI provides independent, impartial and evidence-based information and expert opinion to the public, political representatives and criminal justice stakeholders about the work and performance of inspected bodies and the entire criminal justice system.

Partnership

By working in partnership with inspected bodies and stakeholders to prepare, conduct and publish a programme of Inspections and Follow-up Reviews, CJI ensures its work is risk-based and reflects the key challenges of the criminal justice system.

Where appropriate CJI utilises the knowledge and professional expertise of other Inspectorates and independent specialists to further enhance the professional expertise of the Inspection Team and quality of our inspection reports.

CJI works in partnership with other oversight and regulatory bodies in Northern Ireland where they also have a statutory obligation to carry out inspections involving organisations and bodies within CJI's remit or provide services to those organisations.

During 2020-21 CJI undertook inspection work with Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS),

Her Majesty's Inspectorate of Probation (HMI Probation), Her Majesty's Inspectorate of Prisons (HMIP), the Education and Training Inspectorate (ETI) and the Regulation and Quality Improvement Authority (RQIA).

Performance

CJI aims to secure improvements to the effectiveness and efficiency of the criminal justice system by making strategic and operational recommendations that are evidence-based. Our recommendations take account of benchmarking with other jurisdictions and sectors and aim to promote and secure innovation and best practice.

CJI also seeks to ensure that the criminal justice organisations in Northern Ireland are fair and equitable in all their policies and operations.

Communication

Good communication is central to the work of CJI and enables it to influence and affect positive change. Raising awareness of the findings of CJI Inspections and Follow-up Reviews contributes to achieving a better justice system for all. CJI uses its website and social media platforms like Twitter and You Tube to make its Inspection Reports and Follow-up Reviews as accessible as possible.

CJI engages widely and communicates its inspection findings in a clear, consistent, easily accessible way, while remaining responsive to the wider context in which inspected organisations deliver their services, without compromising our independence.

ORGANISATIONAL STRUCTURE AND CORPORATE ETHOS

Diagram 2 The organisational structure of CJI



The Chief Inspector is the head of CJI and has responsibility for ensuring the Inspectorate carries out a programme of inspection among the criminal justice agencies within its legislative remit. She has responsibility to report the findings of the Inspectorate's work to the Minister of Justice and to ensure CJI's reports are laid in the Northern Ireland Assembly.

The Deputy Chief Inspector's role is to support the Chief Inspector in the delivery and management of the Inspection Programme. The Deputy Chief Inspector is also the Chief Executive and Accounting Officer for CJI with responsibility for the day-to-day running of the organisation and ensuring the relevant responsibilities assigned to him as Chief Executive and Accounting Officer are met. This includes controlling the Inspectorate's budget and monitoring expenditure to ensure the most efficient and effective use of resources.

The Deputy Chief Inspector has line management responsibility for the Inspection Team, Business and Communication Manager, Corporate Secretariat Officer and Website and Compliance Manager.

Working together, the Chief Inspector and Deputy Chief Inspector have responsibility for directing and controlling the major activities of the organisation. They are the key members of CJI's Senior Management Team.

Minutes of CJI's Senior Management Team meetings are publicly available on the CJI website. Details of other staff who attended the Senior Management Team can be found within the Directors' Report.

While CJI does not have a Management Board, it has an Audit and Risk Assurance Committee (ARAC) which includes two non-executive members. The ARAC meets four times during the financial year.

CJI also participates in quarterly oversight and pay remit meetings with officials from its sponsor division within the DoJ.

Corporate ethos

CJI aims to manage itself according to best principles and endeavours to make a positive contribution to the justice system and the wider community.

Although the terms and conditions of staff members are broadly aligned with those of the Northern Ireland Civil Service (NICS), the culture of the organisation is modelled on a modern, knowledge-based business where staff development, wellbeing and equality is supported and promoted where possible.

Staff members are expected to comply with the standards of conduct laid down by s.4 of the Civil Service Management Code and the **NICS Standards and Conduct** guidance, which sets out in detail the rules governing confidentiality, acceptance of outside appointments and involvement in political activities. Staff members adhere to the ethics and principles outlined in the **NICS Code of Ethics**.

CJI's Inspection work

Inspections are evidence-led and identified on a risk-based approach. They are undertaken in line with CJI's published **Inspection Programme** for each financial year, although CJI retains the ability to adjust and reprioritise the Inspection Programme in-year if required.

It is through this inspection activity that CJI makes its contribution to Outcome Seven of the PfG 2016-21 '*We have a safe community where we respect the law, and each other*' via its work in support of the DoJ's indicator '*increased effectiveness of the justice system*'. CJI's Inspection and Follow-up Review work also contributes to other DoJ indicators including '*keeping communities safe and reducing crime*' and '*reducing reoffending*'.

Further detail on the **Inspection Process** is available from the CJI website.

Inspections conducted by CJI fully reflect the **Cabinet Office principles for the inspection of public services**.

CJI involvement in the United Kingdom's National Preventive Mechanism

CJI is also one of four designated independent bodies in Northern Ireland involved with the National Preventive Mechanism (NPM), which ensures the rights of those in places of detention.

Inspection work undertaken in relation to the prisons in Northern Ireland, the transportation of prisoners and other detained individuals; police and court custody facilities and juvenile justice centres specifically relates to CJI's NPM function.

Further detail on the NPM and its role in relation to the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT) international human rights treaty can be found at **CJINI - Criminal Justice Inspection Northern Ireland - National Preventive Mechanism** or on the **NPM website**.



During 2020-21, CJI published three inspections related to its NPM function. They were an inspection of **Ash House Women's Prison, Hydebank Wood** and **Hydebank Wood Secure College** (June 2020) and **an inspection of Police Custody** (September 2020). They were carried out in partnership with the RQIA.

Ongoing monitoring visits to Woodlands Juvenile Justice Centre (Woodlands JJC) were also conducted.

CJI's objectives

The strategic objectives of the organisation during 2020-21 were to:

- effectively deliver a risk-based, responsive and relevant inspection programme;
- improve communication;
- focus on achieving better outcomes;
- encourage recommendation implementation to achieve improvements and outcomes; and
- be an effective NPM body in support of OPCAT and promote performance improvement and better collaboration within the criminal justice system and with relevant external organisations.



PERFORMANCE SUMMARY

At the start of the financial year CJI developed an annual Business Plan and Inspection Programme for 2020-21 that took account of the views expressed by stakeholders during consultation meetings with the Chief Inspector, the outcomes identified in the PfG and the stated priorities of the Minister of Justice.

CJI's business objectives and performance targets were set to cover four areas. They were: Inspection Programme; Communication; Corporate Governance and People. You can find further detail on the specific business objectives and performance against individual targets in the Performance Analysis section of this report.

During the reporting period, CJI fully achieved seven of its nine (78%) performance targets and partially achieved the remaining two targets (22%) set in relation to the Inspection Programme. All strategic and operational recommendations made by the Inspectorate were accepted. CJI commenced 75% of the Inspections and Follow-up Reviews listed in the 2020-21 Business Plan. Progress against the planned Inspection Programme was affected by the impact of the COVID-19 pandemic restrictions on organisations CJI inspects; the ability of the Inspectorate to carry out on-site fieldwork and CJI's agreement to undertake a Ministerial Request.

CJI met all of its communication targets (100%) for the year including the publication of seven Inspections, one Ministerial Request and three Follow-up Reviews. Each inspection report and review was laid before the Northern Ireland Assembly and published on the CJI website. During 2020-21, CJI developed the

accessibility of its website and increased its social media presence. A Twitter channel was established and CJI expanded its use of You Tube as part of its wider communications activity.

A Key Facts document was introduced summarising each Inspection Report and Follow-up Review and highlighting inspection recommendations and progress towards the implementation of recommendations.

As part of its Corporate Governance work, CJI fully achieved four of its six targets (67%) for the year, which supported efforts to maintain effective governance of the organisation and a sound system of financial control. CJI also partially achieved two further targets (33%) in this area.

CJI retained its ISO 9001:2015 certification standard for its Quality Management System (QMS) following an audit in March 2021. CJI continues to undertake a programme of internal audits and evaluations of procedures to deliver continuous improvement of its QMS and high quality inspection reports. A remote certification audit was carried out in compliance with the COVID-19 pandemic public health guidance.

CJI achieved 100% of its targets in relation to people by ensuring new staff were effectively inducted into the organisation and all staff were supported to pursue relevant training and development opportunities.

PRINCIPAL ISSUES AND RISKS AFFECTING CJI DURING 2020-21

The 2020-21 financial year has presented a number of unique challenges for the organisation that impacted our ability to carry out our work in the usual way. It required CJI to show flexibility to mitigate risks identified throughout the year and maintain a focus on the delivery of the Inspection Programme and achieving our business objectives.

CJI examined the possible risks that could affect the organisation's ability to deliver its objectives on three occasions during 2020-21. These reviews considered the cause of these risks, the likelihood of the risks materialising and their potential impact. Mitigating actions CJI could take to minimise the impact of these risks to the organisation, its ongoing operation and its objectives, were identified.

Throughout the financial year, CJI maintained a focus on the quality of its inspection products, its relevance both to and within the criminal justice system and its resilience and sustainability.

It identified insufficient funding to maintain or secure the resources necessary to deliver a quality inspection product as a particular area of concern. CJI also considered the impact of a budget reduction or insufficient budget allocation in 2021-22 on the organisation's ability to effectively plan and commit resources to undertake the proposed Inspection Programme for that year. Throughout 2020-21 CJI engaged with its sponsor division within the DoJ to raise awareness of this risk, the negative impact it would have on the delivery of the Inspection Programme and to clarify its future budget allocation.

During the year CJI recruited two additional Inspectors to address known staffing issues within the Inspection Team and improve its resilience.

The impact of the COVID-19 public health pandemic and the changes to normal working practices, particularly CJI's ability to carry out on-site inspection fieldwork was a key issue throughout 2020-21. In person on-site fieldwork was very limited and reserved for when it was absolutely essential and risk assessed. Instead, CJI sought to mitigate the risk to the delivery of the Inspection Programme by carrying out remote fieldwork making full use of video technology for evidence gathering, meetings and focus groups.

A more detailed explanation of the risk profile of CJI can be found within the Performance Analysis section of the Annual Report.

Emerging issues that may affect future performance

COVID-19 pandemic recovery

CJI recognises that the impacts of COVID-19 will continue to be evident for some time. The pace at which the risk to health posed by the COVID-19 pandemic reduces and public health restrictions are lifted, may impact the future performance of the Inspectorate and its ability to complete its planned Inspection Programme for 2021-22.

The timeframe for the recovery of on-site fieldwork is key as some inspections included in our 2020-21 programme, which required on-site fieldwork that was not possible without

compromising the health and safety of our team, staff in inspected organisations and service users, have been re-scheduled to begin in 2021-22.

CJI recognises the speed at which the wider criminal justice system is able to recover operations and services paused as a result of the COVID-19 pandemic, or to introduce alternative ways of working to mitigate any risk posed to the health of their staff or service users, has the potential to influence its future business performance.

Budgetary pressures in 2021-22

CJI commenced the 2021-22 year with a known budgetary pressure as the allocated baseline budget of £1.127m (the same as 2020-21) represents a financial cut in real terms.

We have raised the risk presented by an insufficient budget allocation with our sponsor division within the DoJ. Any delay in addressing this issue will directly affect CJI's ability to deliver a risk-based Inspection Programme, which has been designed with independence at its core.

It will impinge on CJI's ability to undertake Ministerial Requests and secure external assistance for planned inspections such as prisons, child protection and forensic services as well as other inspection delivery costs.

Going concern

The Statement of Financial Position at 31 March 2021 shows negative Taxpayers' Equity of £199,396 (2019-20: £146,971). Future financing of CJI's liabilities is accordingly to be met by future Grants of Supply to the DoJ and the application of future income, both to be approved annually by the Northern Ireland Assembly. There is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of the CJI's financial statements for 2020-21.

PERFORMANCE ANALYSIS

The Performance Analysis section of the Annual Report provides a detailed view of CJI's performance against its business objectives for 2020-21 and how the organisation's business objectives link to the 2016-21 PfG, particularly Outcome Seven '*We have a safe community where we respect the law and each other*'.

It provides further detail on CJI's risk profile, the risks it has faced in-year and the steps taken to mitigate the impact of these risks on its performance, as well as highlighting any risk that may affect the future plans or performance of the Inspectorate.

It explains how CJI is funded, allocated its funds within the public sector budgeting framework and explains what the organisation has done during 2020-21 to promote equality, sustainability and diversity.

Performance management

As part of its ongoing business activities CJI reviews and manages organisational performance through discussions and reports presented to the CJI Senior Management Team (SMT) on a monthly basis.

The Deputy Chief Inspector reports performance and progress in relation to the Inspection Programme, while the Business and Communications Manager reports on communications activity and business management matters. CJI's accountant reports organisational spend against the profiled budget for the financial year on a monthly basis.

Throughout the year CJI undertook a programme of internal audits and evaluations of procedures to deliver continuous improvement of its QMS and high quality inspection reports.

Staff performance in CJI is continually managed through discussions between staff members and their line manager and formally recorded on a biannual basis through the performance review reporting system.

Overall organisational performance linked to corporate governance is reported to the CJI Audit and Risk Assurance Committee (ARAC) and CJI's sponsor division, while financial performance is monitored by way of monthly returns and quarterly monitoring exercises to the DoJ Financial Services Division (FSD).

Corporate and Business Planning

In May 2020 CJI published its three year **Corporate Plan for 2020-23 and a Business Plan and Inspection Programme for 2020-21** which set out the objectives and targets for the reporting period and the resources CJI intended to employ to achieve them. The Business Plan included an overview of the programme of Inspections and Follow-up Reviews the Inspectorate intended to undertake.

As part of the work to develop the Inspection Programme, CJI's Chief Inspector engaged with representatives of other criminal justice bodies and stakeholders working within the criminal justice sector, which CJI has responsibility for inspecting, as well as senior management in each of the key criminal justice organisations. Discussions were also held with political parties represented in the Northern Ireland Assembly. The meetings were held to gain their views on the topics and areas which CJI proposed to include in its Inspection Programme prior to its submission to the Minister of Justice for permission to publish.

PERFORMANCE AGAINST OBJECTIVES AND TARGETS

In this section CJI reports in detail on its performance during the financial year as outlined in its 2020-21 Business Plan. Through this work CJI has sought to make its contribution to the PfG Outcome Seven and the DoJ indicator of the increased effectiveness of the justice system. Based on the organisational performance in 2020-21 CJI

assesses 83% (19/23) of targets set as achieved and 17% (4/23) as partially achieved.

Further detail on CJI's objectives, performance targets and inspection findings for 2020-21 can be found in the following table. Where available, performance information relating to the prior financial year is also included.

| INSPECTION PROGRAMME | | |
|--|--|--|
| Performance objective: To undertake the approved annual Inspection Programme and respond to Ministerial Requests. | | |
| 2020-21 | 2019-20 | |
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| Commence 90% of Inspections and Follow-up Reviews listed in the Business Plan. |  Partially achieved The COVID-19 pandemic affected the criminal justice organisations CJI inspects and CJI's ability to carry out on-site fieldwork to support the Inspection Programme. As a result of these challenges and a Ministerial Request made in-year which CJI agreed to undertake, CJI commenced 75% of planned Inspections and Follow-up Reviews listed in the 2020-21 Business Plan. CJI commenced seven of nine planned Inspections and two of three Follow-up Reviews. Work CJI was unable to progress before 31 March 2021 has carried forward to the 2021-22 Inspection Programme. | 2019-20 Target: To commence all those inspections listed in the Business Plan within the 2019-20 year. 2019-20 Performance:  Partially achieved Three Inspections listed in the Inspection Programme commenced in-year; two unplanned DoJ requests were undertaken and three Inspections postponed. |
| Consider and respond to any Ministerial Request for a review. |  Achieved CJI was requested in November 2020 to undertake a Ministerial Request - a review into the operation of Care and Supervision Units in the NIPS. Work commenced in-year and CJI will report its findings during 2021-22. | 2019-20 Target: To complete Ministerial or DoJ requests in line with agreed timeframes. 2019-20 Performance:  Achieved Two DoJ requests were completed in line with agreed timeframes. |

INSPECTION PROGRAMME**Performance objective:**

To undertake the approved annual Inspection Programme and respond to Ministerial Requests.

| 2020-21 | | 2019-20 |
|---|---|--|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| Monitor the acceptance rate for all strategic and operational recommendations made in-year and request a written response for any recommendations not accepted. |  Achieved All strategic and operational recommendations were accepted by the inspected organisations. | 2019-20 Target: All strategic and 90% of operational recommendations to be accepted by the inspected organisations. 2019-20 Performance:  Achieved All recommendations were accepted. |
| Agree and implement appropriate monitoring arrangements for recommendations achieved, part achieved and not achieved. |  Achieved CJI continued to monitor the implementation of its recommendations by way of a programme of risk-based Follow-Up Reviews. During 2020-21 CJI published three Follow-up Reviews. CJI also monitored recommendation implementation by way of self assessments and engaged with the DoJ in relation to how the status of all CJI recommendations are monitored. Work in this area will continue in 2021-22. | 2019-20 Target: Utilise a risk-based approach to conduct a series of Follow-up Reviews and make the findings of these reviews publicly available. 2019-20 Performance:  Achieved CJI used a risk-based approach to review progress in implementing recommendations made in three previously published inspection reports. Details were made available on the CJI website. |
| Maintain effective working relationships with criminal justice organisations in our statutory remit, relevant community and voluntary organisations and other stakeholders. |  Achieved Effective relationships were largely maintained through telephone and video conferencing in-year. Face-to-face meetings took place where it was possible and safe to do so within the COVID-19 public health guidelines. Engagement with voluntary, community and academic stakeholders occurs as part of inspection fieldwork. The Chief Inspector carried out consultation meetings to inform the development of the 2021-22 Inspection Programme. | 2019-20 Target: To actively engage with criminal justice organisations following the completion of inspection work in support of the achievement of strategic recommendations. 2019-20 Performance:  Achieved |

INSPECTION PROGRAMME

Performance objective:

To undertake the approved annual Inspection Programme and respond to Ministerial Requests.

| 2020-21 | | 2019-20 |
|---|---|--|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| Effectively fulfil our responsibilities as a member of the National Preventive Mechanism. | <p> Achieved</p> <p>CJI published two prison inspections and an inspection of Police Custody linked to its NPM responsibilities. Inspectors also undertook ongoing monitoring visits of Woodlands JJC in-year. CJI contributed to the 11th NPM Annual Report and the NPM’s response to the UK Government’s consultation on Strengthening Independent Scrutiny Bodies through improving their legislative basis. A CJI Inspector remains an active member of the NPM Steering Group overseeing the overall strategy and activity of the NPM.</p> | <p>2019-20 Target:</p> <p>To conduct a series of inspections within the legislative remit of CJI and make the findings of these inspections publicly available.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>CJI published two prison inspections. CJI also undertook ongoing monitoring visits at Woodlands JJC, contributed to the NPM Annual Report and participated in meetings of the NPM Steering Group.</p> |
| Maintain effective working relationships with partner Inspectorates and explore opportunities for agreed joint cross cutting inspections. | <p> Achieved</p> <p>CJI’s Chief Inspector engaged with the heads of HMICFRS; HMIP; Her Majesty’s Inspectorate of Constabulary Scotland (HMICS); An Garda Síochána Inspectorate (AGSI); Her Majesty’s Crown Prosecution Service Inspectorate (HMCPSI), Her Majesty’s Inspectorate of Probation (HMI Probation), RQIA and ETI.</p> <p>The Deputy Chief Inspector also met with colleagues from HMICFRS; HMICS and the AGSI to co-ordinate inspection plans, discuss the impact of COVID-19, inspection methodology and potential areas for collaboration.</p> <p>Planning for a joint thematic inspection on Child Protection to be undertaken during 2021-22 with RQIA and ETI with support from HMICFRS commenced in-year. Preparation work for forthcoming prison inspections with HMIP, ETI and RQIA have also commenced.</p> | No comparable target set during the 2019-20 financial year. |

INSPECTION PROGRAMME**Performance objective:**

To undertake the approved annual Inspection Programme and respond to Ministerial Requests.

2020-21**2019-20****Performance targets****Progress against objectives and targets at year end & status****Performance reported in prior financial year (where applicable)**

By 31 March 2021 agree a revised Memorandum of Understanding (MoU) with RQIA.

**Partially achieved**

A revised MoU has been drafted and is under consideration by CJI and RQIA.

The agreed MoU will be signed early in 2021-22.

No comparable target set during the 2019-20 financial year.

Consult on an annual Inspection Programme.

**Achieved**

The Chief Inspector consulted on the 2021-22 Inspection Programme with the heads of all inspected organisations; senior directors within the DoJ; the Minister of Justice; stakeholders from the voluntary sector and academia; the Lord Chief Justice and Attorney General for Northern Ireland. Consultation was undertaken during late 2020/early 2021 in line with COVID-19 public health guidance.

2019-20 Target:

To undertake consultation activity to support the formation and development of the 2020-21 Inspection Programme.

2019-20 Performance:**Achieved**

The Chief Inspector consulted on the 2020-21 Inspection Programme with heads of all Inspected organisations; senior directors within the DoJ; the Minister of Justice; stakeholders from the voluntary sector and academia; the Lord Chief Justice and Attorney General for Northern Ireland. This was carried out in March 2020 by email because of the impact of the COVID-19 pandemic.

COMMUNICATIONS

Performance objective:

To develop and implement an effective communications strategy.

| 2020-21 | | 2019-20 |
|--|---|---|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| <p>On approval, publish all Inspections and Follow-up Reviews by laying before the Northern Ireland Assembly and on the CJI website.</p> | <p> Achieved</p> <p>Seven full Inspections, one Ministerial Request and three Follow-up Reviews were published.</p> | <p>2019-20 Target:</p> <p>To publish by laying before the Northern Ireland Assembly all inspection reports as soon as is practicable after receiving written permission of approval to publish from the Minister of Justice/ DoJ, subject to the Assembly timetable and presenting to the Northern Ireland Assembly all inspection Follow-up Reviews. This material will be made publicly available via the CJI website - www.cjini.org - during the financial year.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>Seven full Inspections published and two Follow-up Reviews published in line with performance measure.</p> |
| <p>Maintain effective engagement with key stakeholders.</p> | <p> Achieved</p> <p>CJI's Chief Inspector; Deputy Chief Inspector and Lead Inspectors engaged with all inspected organisations to ensure a clear understanding of the evidence base and findings from Inspection and Follow-up Reviews prior to publication.</p> <p>CJI maintained engagement with voluntary and community sector stakeholders through remote fieldwork for Inspections/Follow-up Reviews during the COVID-19 pandemic.</p> <p>CJI engaged with inspected organisations and stakeholders as part of the communication strategy employed for each publication.</p> | <p>2019-20 Target:</p> <p>To ensure recommendations contained within CJI inspection reports are clearly understood.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>Engagement undertaken with inspected bodies in advance of publication. Recommendations used as focus for communications messaging at point of publication.</p> |

COMMUNICATIONS**Performance objective:**

To develop and implement an effective communications strategy.

2020-21**Performance targets**

Effectively brief the Justice Committee, Ministers and other political representatives on request.

**Achieved**

During 2020-21 CJI provided copies of all published Inspection reports, Ministerial Requests and Follow-up Reviews to the Committee for Justice. The Chief Inspector gave evidence to the Committee following the publication of its Victims and Witnesses inspection report and provided a response to the Committee on the potential impact of CJI's 2021-22 draft budget allocation.

The Chief Inspector also engaged with other political representatives on request.

2019-20**Performance reported in prior financial year (where applicable)**

No comparable target set during the 2019-20 financial year.

Obtain feedback on CJI's work from the heads of the main criminal justice agencies; the Minister of Justice for Northern Ireland/DoJ; the Attorney General for Northern Ireland; the Lord Chief Justice and the justice spokespersons of the main political parties represented in the Northern Ireland Assembly.

**Achieved**

The Chief Inspector engaged with the heads of the main criminal justice agencies; the Minister of Justice for Northern Ireland and DoJ officials; the Attorney General for Northern Ireland; the Lord Chief Justice and the justice representatives of the main political parties represented in the Northern Ireland Assembly.

CJI used video conferencing technology and socially distanced meetings to facilitate these discussions in line with COVID-19 public health guidance.

2019-20 Target:

Obtain feedback on CJI's work from the heads of the main criminal justice agencies; the Minister of Justice for Northern Ireland/DoJ; the Attorney General for Northern Ireland; the Lord Chief Justice and the justice spokespersons of the main political parties represented in the Northern Ireland Assembly at least once during 2019-20

2019-20 Performance:**Achieved**

CJI's Chief Inspector met with the heads of the main criminal justice agencies; the Minister of Justice for Northern Ireland and DoJ officials; the Attorney General for Northern Ireland; the Lord Chief Justice and the justice representatives of the main political parties represented in the Northern Ireland Assembly between December 2019 and February 2020.

COMMUNICATIONS

Performance objective:

To develop and implement an effective communications strategy.

| 2020-21 | | 2019-20 |
|---|--|---|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| Consult on a new Corporate Plan, annual Business Plan and Inspection Programme. | <p> Achieved</p> <p>The Chief Inspector consulted on the 2021-22 Inspection Programme with heads of all Inspected organisations; senior directors within the DoJ; the Minister of Justice; stakeholders from the voluntary and community sector and academia; the Lord Chief Justice and Attorney General for Northern Ireland.</p> <p>CJI used video conferencing technology and socially distanced meetings to facilitate these discussions between late 2020/early 2021 in line with COVID-19 public health guidance.</p> | <p>2019-20 Target:</p> <p>To undertake consultation activity to support the formation and development of the 2020-21 Inspection Programme.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>The Chief Inspector consulted on the 2020-21 Inspection Programme with heads of all Inspected organisations; senior directors within the DoJ; the Minister of Justice; stakeholders from the voluntary sector and academia; the Lord Chief Justice and Attorney General for Northern Ireland. This was carried out in March 2020 by email because of the impact of the COVID-19 pandemic.</p> |
| Maintain a quality website and introduce and maintain an effective social media presence. | <p> Achieved</p> <p>CJI undertook extensive work in-year to ensure CJI's website is accessible to people of all abilities and disabilities, including older audiences, and those with visual, hearing, cognitive or motor impairments. CJI's website complies with the requirement of the Public Sector Bodies (Websites and Mobile Applications (No.2) Accessibility regulations 2018, and the organisation aims for its website to be fully compliant with Web Content Accessibility Guidelines version 2.1 AA standard.</p> <p>CJI introduced a Twitter social media channel and increased its use of You Tube to promote public knowledge and understanding of the findings of its inspection work and the wider work of the Inspectorate.</p> | No comparable target set during the 2019-20 financial year. |

CORPORATE GOVERNANCE**Performance objective:**

To effectively fulfil required Corporation Sole governance arrangements.

| 2020-21 | | 2019-20 |
|---|--|---|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| <p>Publish an annual Business Plan which has been approved by the Minister of Justice.</p> | <p> Achieved</p> <p>CJI's Business Plan for 2020-21 was approved by the Minister of Justice and published on the CJI website along with the 2020-23 Corporate Plan in May 2020.</p> | <p>2019-20 Target:</p> <p>To publish a Business Plan for the 2019-20 year which has been approved by the Minister of Justice/DoJ.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>A Business Plan for 2019-20 was approved by the DoJ and published on the CJI website in June 2019.</p> |
| <p>Maintain effective sponsor arrangements and relationships with the DoJ sponsor team and develop an appropriate Corporation Sole Partnership Agreement.</p> | <p> Partially achieved</p> <p>CJI has participated in four oversight meetings during 2020-21 and worked closely with its sponsor team to progress the approval of Pay Remits for 2019 for all staff groups within the organisation.</p> <p>CJI has worked with its sponsor team to progress an appropriate Corporate Sole Partnership Agreement but delays outside of CJI and DoJ's control has meant this work will carry forward to the next financial year.</p> | <p>No comparable target set during the 2019-20 financial year.</p> |
| <p>Obtain an unqualified audit certificate from the Comptroller and Auditor General for Northern Ireland and publish by laying before the Northern Ireland Assembly, CJI's Annual Report and Accounts for the year in the required timescale.</p> | <p> Achieved</p> <p>CJI secured an unqualified audit certificate from the Comptroller and Auditor General for Northern Ireland for its 2019-20 Accounts.</p> <p>The Annual Report and Accounts were laid before the Northern Ireland Assembly on 12 November 2020 as preparation of the accounts and linked audit fieldwork was impacted by the COVID-19 pandemic and linked public health restrictions.</p> | <p>2019-20 Target:</p> <p>To seek a clean (unqualified) audit certificate from the Comptroller and Auditor General for Northern Ireland for the 2018-19 accounts and publish by laying before the Northern Ireland Assembly, CJI's Annual Report and Accounts for the year 2018-19 before the start of the 2019 summer recess period.</p> <p>2019-20 Performance:</p> <p> Achieved</p> <p>CJI secured a clean (unqualified) audit certificate from the Comptroller and Auditor General for Northern Ireland for its 2018-19 Accounts.</p> <p>The Annual Report and Accounts were laid before the Northern Ireland Assembly and published on 5 July 2019.</p> |

CORPORATE GOVERNANCE

Performance objective:

To effectively fulfil required Corporation Sole governance arrangements.

| 2020-21 | | 2019-20 |
|--|--|---|
| Performance targets | Progress against objectives and targets at year end & status | Performance reported in prior financial year (where applicable) |
| Process all payments in line with DoJ sponsor requirements. |  Partially achieved During 2020-21, CJI processed 98% of payments within 10 days (54/55) and 100% of payments (55/55) within 30 days. Performance against the 10-day target improved by 3% during this reporting period. | 2019-20 Target: To process all payments within 10 days of receipt of a valid invoice or request for payment in line with Government recommendations in partnership with Financial Services Division, DoJ and Account NI. 2019-20 Performance:  Not Achieved CJI processed 95% of payments within 10 days and 99% payments within 30 days during 2019-20. |
| To effectively respond to requests for information under the Freedom of Information Act 2000, input to DoJ Assembly Questions and Justice Committee briefings. |  Achieved | 2019-20 Targets: To seek to respond within 20 working days to all requests for information made to CJI under the Freedom of Information Act 2000. To respond to all Assembly Questions made of CJI within the specified timeframe advised by the DoJ. 2019-20 Performance:  Achieved |
| Maintain a QMS (ISO 9001:2015). |  Achieved CJI retained its ISO 9001:2015 certification standard for its QMS following an audit in March 2021. | 2019-20 Target: To maintain a quality management system within CJI. 2019-20 Performance:  Achieved CJI retained its ISO 9001:2015 certification standard for its QMS following a comprehensive audit in January 2020. |

PEOPLE**Performance objective:**

To effectively develop and deploy the CJI team to achieve business objectives.

2020-21**2019-20***Performance targets**Progress against objectives and targets at year end & status**Performance reported in prior financial year (where applicable)*

Provide training and development opportunities for staff.

**Achieved**

CJI provided training and development opportunities for staff including participation by two Inspectors in the Common Purpose Senior Leaders and Emerging Leaders programmes.

No comparable target set during 2019-20 financial year.

Effectively induct and train a new Inspector.

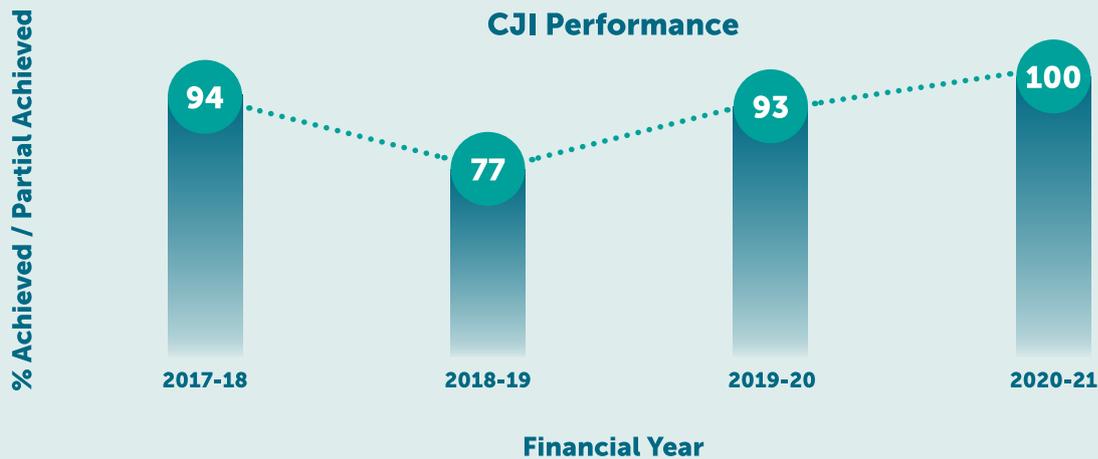
**Achieved**

CJI appointed two new Inspectors in-year and commenced a comprehensive induction programme which was modified to take account of the impact of COVID-19 public health guidance and linked restrictions. Both Inspectors have undertaken Deputy Inspector roles in 2020-21 and will act as Lead Inspectors for inspections included in the 2021-22 Inspection Programme.

No comparable target set during 2019-20 financial year.

The graph below shows CJI's overall performance against targets (fully and partially achieved) over the past four years.

Graph 1 CJI performance against targets 2017-18 to 2020-21.



Risk profile of CJI during 2020-21 and impact of the COVID-19 pandemic

As outlined within the Performance Overview, CJI identified three key risks which could affect the organisation's ability to achieve its stated objectives. Two of these risks concerned the reputation of the organisation with the third focusing on its delivery and organisational resilience. CJI's risk appetite in each case has been classed as 'cautious.'

The continued production of a quality inspection product is central to CJI's reputation. CJI identified the risk presented by the COVID-19 pandemic public health restrictions to the organisation's ability to undertake on-site fieldwork, face-to-face meetings and focus groups, case file reviews and visits to inspected organisations to gather evidence to support inspection findings and recommendations, as a key issue both during 2020-21 and into 2021-22.

To mitigate this risk, CJI maintained close contact with inspected organisations and has undertaken fieldwork and focus groups using video and teleconferencing technology. Where on-site fieldwork was preferred to ensure the quality of the inspection product, senior management postponed planned inspection work until 2021-22 when it is envisaged public health restrictions will reduce. During 2020-21, CJI conducted on-site fieldwork only in exceptional circumstances and following a risk assessment.

To support the health and safety of our staff during the pandemic CJI was required to purchase a quantity of Personal Protective Equipment (PPE) in 2020-21 including hand sanitiser, surface wipes and disinfectant spray, face coverings and disposable gloves. These items were purchased in line with procurement guidelines for PPE and using suppliers identified for use by the public sector. Expenditure in relation to COVID-19 PPE was £579.

To mitigate the risk to the organisation presented by a poor quality inspection product, CJI has in place a series of key controls. They include maintaining regular formal and informal stakeholder engagement; close engagement with partner Inspectorates in other jurisdictions and oversight bodies/regulators; effective inspection planning including pre-engagement with inspected organisations to ensure acceptance of CJI's authority; and a programme of in-house audits conducted to ensure compliance with the ISO 9001:2015 QMS and the Inspection Process.

CJI identified its need to maintain a focus on its relevance both to and within the criminal justice system as a risk, with the impact of the COVID-19 pandemic on inspection fieldwork leading to delays in projected timeframes for the completion of inspection reports. It also identified the risk of limited coverage and public discussion of inspection report findings as an issue.

CJI has sought to mitigate these impacts through its risk-based approach to inspection work and through close engagement at a leadership level with inspected organisations. CJI has maintained production and publication of Inspection Reports/Follow-up Reviews throughout the pandemic and sought to effectively use video messaging, social media platforms and engagement with stakeholders to disseminate the inspection findings. Pro-active early engagement and weekly in-house communication planning meetings have been central to this work.

Maintaining the resilience and sustainability of the organisation has been core to CJI's risk management in-year. CJI successfully recruited two new Inspectors to address known capacity and succession planning

issues within the Inspection Team and commenced development of contingency documentation for key business support functions.

It also identified the need to maintain an effective remote working business model and the risk an insufficient budget settlement for 2021-22 would have on the ability of the Chief Inspector to develop and then deliver, in line with consultation expectations, a comprehensive Inspection Programme with independence at its core, in keeping with the Corporate Plan for 2020-23.

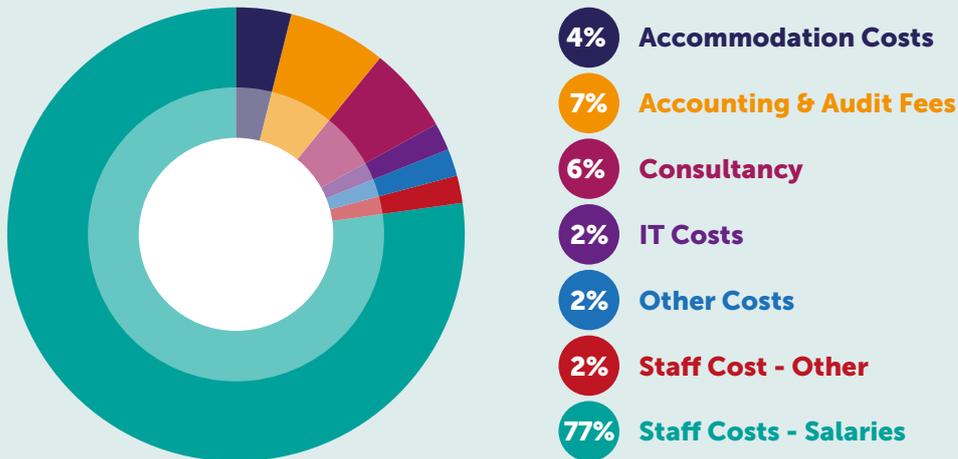
Early formal and informal engagement with CJI's sponsor division within DoJ was a key mitigating action. CJI has advised the Committee for Justice of the potential implications for planned Inspection work should CJI's known financial pressures not be met in 2021-22.

UK withdrawal from the European Union (EU)

CJI considered the implications of the UK's withdrawal from the EU in the run up to the ratification of the withdrawal agreement by the UK Parliament on 31 January 2020. CJI's Senior Management Team identified the impact would be minimal on the day-to-day operation of the Inspectorate.

Any potential impact on CJI's NPM responsibilities after 1 January 2021 will be considered and taken forward in line with the response proposed by the United Kingdom NPM.

There was no expenditure incurred by CJI in-year that related to the UK's withdrawal from the EU.

Chart 1 CJI Resource Budget Allocation 2020-21.**Resource Budget Allocation 2020-21****How CJI is funded and allocated its budget in 2020-21**

CJI is funded on an annual basis by Grant-in-aid funding from the DoJ. During 2020-21 the annual resource baseline budget of CJI was £1.127m. This money was allocated in line with the public sector budgeting framework. A further £18,000 was allocated to CJI for capital expenditure.

Of the resource funding available, 77% of CJI's budget was allocated for staff salaries and a further 2% allocated to other staff costs. Of the remaining 21%, 14% (£151,000) was allocated to other contractually committed expenditure including accommodation, accountancy and audit fees and IT costs.

A total of 6% of CJI's overall budget was allocated as discretionary spending to CJI's consultancy budget. This funding was used in-year by CJI to secure expertise from other Inspectorates to support the delivery of its Inspection Programme. CJI published four Inspection reports during 2020-21 where support from other Inspectorates was obtained.

They were inspections of Hydebank Wood Secure College and Ash House Women's Prison Hydebank Wood (Her Majesty's Inspectorate of Prisons); Probation Practice in Northern Ireland (Her Majesty's Inspectorate of Probation); and a thematic inspection of how the criminal justice system deals with child sexual exploitation in Northern Ireland (Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services).

In 2020-21 CJI had a capital budget of £18,000, however due to the impact of the COVID-19 pandemic and the requirement for all CJI staff to work remotely for the majority of the year, planned replacement of office furniture was not taken forward. Unspent capital money of £7,000 was advised to the DoJ in February 2021 via the monthly financial reporting process.

The CJI Resource and Capital Budgets were subject to adjustment in-year. Actual spend at year-end is detailed within the Financial Statements.

Prompt Payment

The Office of CJI is committed to the prompt payment of bills for goods and services received in accordance with the Confederation of British Industry's Prompt Payers Code. Unless otherwise stated within the contract, payment is due within 30 days of the receipt of the goods or services, or the presentation of a valid invoice or similar demand. From November 2008, CJI has complied with the Government's 10-working day turnaround for goods/services and invoices.

During the year ended 31 March 2021 98% (2019-20: 95%) were paid in this 10-day timeframe and 100% of payments within 30 days (2019-20: 99%).

How CJI has promoted equality of delivery of services to different groups in society

Equality is a core element of the **Inspection Framework** CJI applies when carrying out its inspection work. Equality and fairness forms an integral part of all Inspection work and is applied as Inspectors examine strategy and governance, delivery and outcomes across the criminal justice system.

Inspectors look for evidence within inspected organisations that managers and leaders are role models and promote high standards of behaviour, fairness and equality; that organisational delivery is customer focused and inclusive of diversity; and the measurement of outcomes integrates diversity issues to ensure fairness and equality.

Inspectors also engage with a wide range of stakeholders to inform their understanding of the experience and views of different

groups within the community in relation to the work and performance of criminal justice organisations.

Recommendations for improvement made as a result of Inspection work, often focus on increasing equality of opportunity and access to services by different groups in Northern Ireland.

During the financial year, CJI produced a number of reports which contribute to its work in this area including:

- inspections of Ash House Women's Prison Hydebank Wood and Hydebank Wood Secure College (June 2020);
- a thematic inspection of Child Sexual Exploitation in Northern Ireland (June 2020);
- a thematic inspection of the Care and Treatment of Victims and Witnesses by the criminal justice system (July 2020);
- an inspection of the detention of persons in Police Custody (September 2020); and
- an inspection of the how the criminal justice system deals with Modern Slavery and Human Trafficking in Northern Ireland (October 2020).

In addition CJI has published Follow-up Reviews on the Police Use of Discretion incorporating Penalty Notices (February 2021) and the Without Witness report on the handling of sexual violence and abuse (March 2021) which are relevant in this context.

Copies of all **Inspection Reports** and **Follow-up Reviews** are available from the **CJI website**.

Forward look

CJI is engaged in planning for the future development of the organisation. This activity will ensure CJI's business priorities and contribution to the continued development of the criminal justice system in Northern Ireland remains relevant and supports meaningful change. CJI is focused on ensuring it makes the best use of its available human and financial resources to do this.

Annual Business Plan incorporating the 2021-22 Inspection Programme

During late 2020/early 2021, the Chief Inspector engaged with the heads of all organisations subject to inspection by CJI. She also met with senior directors within the DoJ, the Minister of Justice, the Committee for Justice, political parties represented in the Northern Ireland Assembly, stakeholders from the voluntary, community and social enterprise sector, academia and the heads of other Inspectorates and oversight bodies.

These discussions helped inform and support the development of the annual Business Plan and refinement of the Inspection Programme for 2021-22.

The impact of the COVID-19 pandemic on the organisations CJI inspects and CJI's own team was considered, as was the Inspectorate's ability to undertake on-site fieldwork during the first half of the year. The potential that further disruption may occur later in 2021-22 was also taken into account. CJI has rescheduled Inspection work it was unable to progress in 2020-21 due to COVID-19 restrictions and the need to undertake on-site fieldwork, as part of its 2021-22 Inspection Programme.

Staff resources

A business case to reduce the length of the CJI Inspectors pay scale from 10 to eight points was approved by the DoJ and Department of Finance (DoF) in-year. The revised pay scale was implemented as part of the application of the 2019 Pay Award.

CJI also completed a recruitment competition appointing two new Inspectors on a full and part time basis to mitigate known pressures and improve the sustainability of the organisation.

The use of digital technology to support inspection work and evidence gathering which was introduced during the COVID-19 pandemic, will be maintained by CJI in addition to returning to on-site fieldwork during 2021-22.

FINANCIAL REVIEW

Financial provision and income

CJI was financed as part of the one-year budget allocation for the DoJ for 2020-21 which was presented in a written Ministerial Statement made to Parliament by the Secretary of State for Northern Ireland in February 2019. Revenue Grant from the sponsoring Department for the year was

£1,080,000 (2019-20: £1,124,000). There was no income in 2020-21 (2019-20: £48).

Net expenditure review

The net expenditure of CJI for 2020-21 is compared to the previous two financial years in the table below:

| | 2020-21 £ | 2019-20 £ | 2018-19 £ |
|-------------------------------------|------------------|------------------|------------------|
| Total operating income | - | (48) | (28) |
| Staff Costs | 906,314 | 842,737 | 785,557 |
| Purchase of goods and services | 220,669 | 238,558 | 263,159 |
| Depreciation and impairment charges | 5,656 | 3,495 | 4,876 |
| Total operating expenditure | 1,132,639 | 1,084,790 | 1,053,592 |
| Net operating expenditure | 1,132,639 | 1,084,742 | 1,053,564 |
| Net expenditure for the year | 1,132,639 | 1,084,742 | 1,053,564 |

Non-current assets

Non-Current Asset expenditure movements are detailed in the Notes to the financial statements. Capital expenditure in 2020-21 in relation to Property, Plant and Equipment totalled £10,367 (2019-20: £905) and for Intangible Assets £344 (2019-20: £5,354).

Financial position

The total net liabilities of CJI at 31 March 2021 were £199,396 (at 31 March 2020: £146,971).

Cash flow

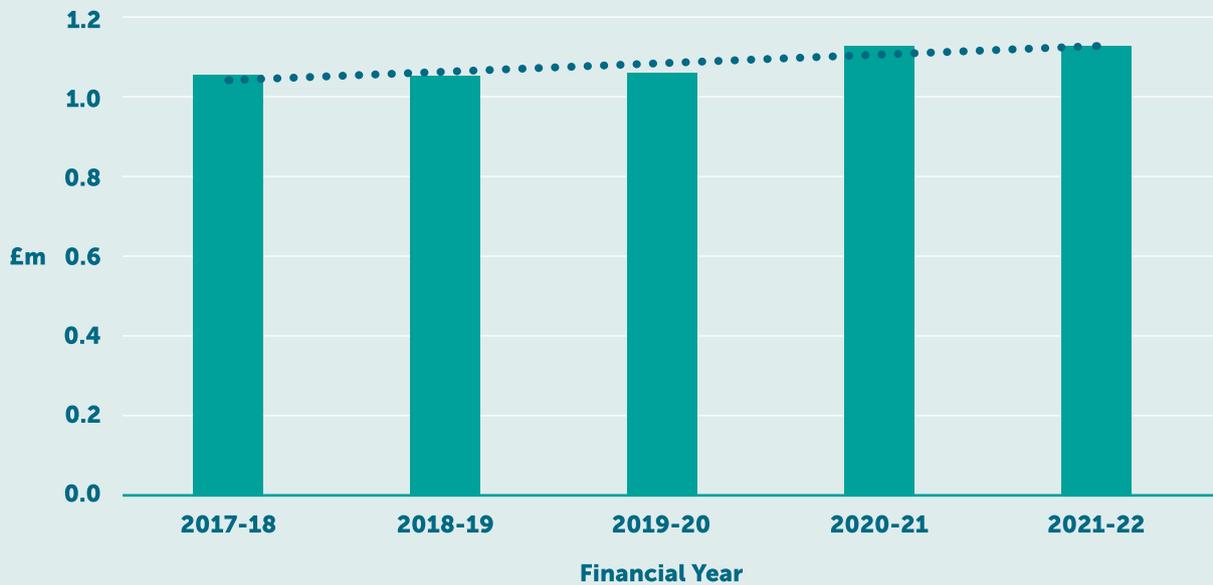
CJI's net decrease in cash and cash equivalents in the year was £3,137 (2019-20: £2,114 decrease).

Financial risk

The cash requirements of CJI are met through Revenue and Capital Grant-in-aid provided by the DoJ and the risk to this funding is low. CJI accounts for all transactions in sterling and has no borrowings. As such, CJI is not exposed to any exchange rate or liquidity risk.

Long term expenditure trends

The following chart shows the movement in CJI's opening baseline for non-ringfenced Resource Departmental Expenditure Limit (DEL) over the period 2017-18 to 2021-22. This budget pays for programme delivery and running costs excluding non-cash charges for depreciation and impairment of assets.

Graph 2: CJI Non-Ringfenced Resource DEL opening baselines

2019-20 financial year

On 28 February 2019, the Secretary of State for Northern Ireland set out the 2019-20 Resource and Capital allocations for Northern Ireland Government Departments in a written Ministerial Statement made to Parliament.

The DoJ's non-ringfenced Resource DEL Budget was as follows:

- a flat cash allocation (2018-19 opening baseline);
- £31.1m of additional security funding for the PSNI was provided from the 'Fresh Start' Agreement;
- £11.3m was provided towards pressures identified by the Department;
- £32.0m contribution towards pension pressures; and
- £10.7m of funding for EU Exit costs.

CJI commenced 2019-20 with a slightly increased opening budget of £1,060,000 compared to the prior financial year.

2020-21 financial year

On 31 March 2020, the Finance Minister set out the 2020-21 budgets for Northern Ireland Departments which have been agreed by the Executive.

The DoJ's non-ringfenced Resource DEL Budget was as follows:

- a flat cash allocation (2019-20 opening baseline);
- £29.7m of additional security funding for the PSNI was provided from the 'Fresh Start' Agreement;
- £22.5m was provided towards pressures identified by the Department;
- £5.0m contribution towards Legacy Inquest costs; and
- £10.7m of funding for EU Exit costs.

CJI commenced the 2020-21 year with an increased opening budget of £1,127,000 compared to the prior financial year. This was as a result of additional monies allocated to meet increased pension contributions and anticipated financial pressures.

2021-22 financial year

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

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

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

CJI commenced the 2020-21 year with an opening budget of £1,127,000, the same as the prior financial year. This represents a cut in funding in real terms.

Audit

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Justice (Northern Ireland) Act 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice functions) Order 2010.

The C&AG is head of the Northern Ireland Audit Office (NIAO) and reports his findings to the Northern Ireland Assembly. The C&AG and his staff are wholly independent of CJI.

The audit fee for the work performed by the staff of the C&AG during the reporting period was £12,700 (2019-20: £12,500). No amounts were paid to the auditors for non-audit work for 2020-21 (2019-20: £Nil).

Sustainable development

CJI is committed to sustainable development by promoting and maintaining a positive and inclusive culture amongst staff and stakeholders. Its aim is to foster governance and leadership in sustainability and to work collaboratively to avoid and minimise adverse impacts of the organisation's activities on the environment and society and reduce the organisation's carbon footprint.

During 2020-21, CJI maintained its recycling policy for non-sensitive paper waste, aluminium and plastics across the organisation in partnership with other business areas in adjacent office accommodation when staff were permitted to visit the office. It continues to promote the electronic publication and distribution of its inspection reports and other corporate publications.

Whistleblowing, anti-fraud and anti-bribery

CJI adheres to the NICS policy in respect of whistleblowing which is designed to reassure staff that it is safe and acceptable to speak up when they have a concern about malpractice. The procedures provide arrangements so that such concerns can be addressed at an early stage and in a fair and proper way.

CJI also has in place an anti-fraud and anti-bribery policy and associated action plan which sets out the procedures and responsibilities for reporting and investigating suspected fraud within CJI and the prosecution of offenders. The policy and associated action plan supports CJI to manage the risk of fraud and bribery in the context of managing wider organisational risks.

INSPECTION REPORTS

During 2020-21 CJI published:



**FULL INSPECTION
REPORTS**



**MINISTERIAL
REQUEST**



**FOLLOW-UP
REVIEWS**

Copies of all reports can be found via the **'The Inspections'** page on the CJI website.

Published reports included:

-  Inspections of Ash House Women's Prison, Hydebank Wood and Hydebank Wood Secure College;
-  an inspection of the criminal justice system's response to Child Sexual Exploitation in Northern Ireland;
-  an inspection of the Care and Treatment of Victims and Witnesses by the criminal justice system;
-  an inspection of the detention of persons in Police Custody;
-  an inspection of how the criminal justice system deals with Modern Slavery and Human Trafficking; and
-  an inspection of Probation Practice in Northern Ireland.

CJI also published a review of the disclosure of information regarding legacy cases between the Police Service of Northern Ireland (PSNI) and the Office of the Police Ombudsman for Northern Ireland (OPONI) (Ministerial Request).

Work commenced in 2020-21, but not due to be published until 2021-22 includes:

-  a review into the operation of Care and Supervision Units in the Northern Ireland Prison Service (Ministerial Request);
-  a Follow-up Review of the No Excuse inspection on the handling of domestic violence and abuse cases by the criminal justice system in Northern Ireland;
-  an inspection of effective penalty enforcement and the impact of the current fine default strategy and services in Northern Ireland;
-  an inspection of the operation of bail and remand; and
-  an inspection of females in conflict with the law.

Performance Report



James Corrigan
Chief Executive and Accounting Officer

28 June 2021

ACCOUNTABILITY REPORT

The Accountability section of this Annual Report demonstrates how CJI meets its key accountability requirements to the Northern Ireland Assembly and ensures best practice in relation to corporate governance is achieved.

The Accountability Report has three sections:

- The **Corporate Governance Report** explains CJI's governance structures and how they support the achievement of the Inspectorate's objectives. It comprises a *Directors' Report* which outlines CJI's executive management structure; how it identifies and manages potential conflicts of interest; its information assurance and data management practices and how the organisation handles and learns from complaints it receives. The *Reports of the Non-Executive Members of CJI's Audit and Risk Assurance Committee* summarise the areas of interest for the ARAC during the 2020-21 year and their opinions on the operation of CJI. The *Corporate Governance Report* also includes a *Statement of the Chief Inspector of Criminal Justice and the Chief Executive and Accounting Officer's Responsibilities* and the *Governance Statement*, which summarises its key corporate governance processes and the internal controls in place within CJI during 2020-21.
- The **Remuneration and Staff Report** provides information on the policies in place within CJI governing the remuneration of staff within the organisation and the salary and pension entitlements of the most senior staff within the Inspectorate. It also outlines CJI's staff policies which were in operation during the reporting period.
- The **Assembly Accountability and Audit Report** details the scope of the audit and the opinion of the C&AG in relation to regularity of expenditure, the financial statements prepared by CJI and other matters on which the C&AG wishes to comment or make observations.

CORPORATE GOVERNANCE REPORT

DIRECTORS' REPORT

Chief Inspector

The Chief Inspector of Criminal Justice in Northern Ireland is the head of the organisation. The current Chief Inspector Jacqui Durkin was appointed by the Permanent Secretary of the DoJ in the absence of a Northern Ireland Executive and Minister of Justice on 30 November 2019 for a period of three years.

Executive management

The Chief Inspector has responsibility for ensuring the Inspectorate carries out a programme of inspection among the criminal justice organisations within its legislative remit.

The Chief Inspector is supported in executing her responsibilities and directing and controlling the major activities of the organisation during the year by James Corrigan, Deputy Chief Inspector, Chief Executive and Accounting Officer for CJI, and by other staff members who attend CJI's Senior Management Team meetings. Other attendees include:

- J Jamison
Accountant, Financial Services Division (FSD), DoJ;
- M McVeigh
Business and Communications Manager, CJI; and
- a representative of the Inspection Team on a rotational basis.

Further detail on the work of the CJI Senior Management Team can be found in the **Senior Management Team Meeting Minutes**. Additional information on the role of the Chief Inspector and Chief Executive and Accounting Officer can be found within the Performance Report (Performance Overview section) and Statement of the Chief Inspector of Criminal Justice and Chief Executive and Accounting Officer's Responsibilities (Corporate Governance Report within the Accountability Report).

Audit and Risk Assurance Committee (ARAC)

CJI has in place an ARAC which was established by the Accounting Officer in 2006. The ARAC supports the Accounting Officer in his responsibilities for issues of risk, control and governance, by reviewing the comprehensiveness of assurances in meeting the Accounting Officer's and CJI's Senior Management Team's needs and reviewing the reliability and integrity of these assurances.

Membership of the ARAC is reviewed every three years with non-executive/independent members serving a maximum of two three-year terms in succession, subject to satisfactory performance and attendance.

The current Committee which meets four times per year includes two non-executive/independent members who are supported by the Business and Communications Manager and a nominated CJI Inspector. It benefits from the attendance of colleagues from

External Audit, Internal Audit, a representative of DoJ sponsor division, a representative of Financial Services Division, DoJ, CJI's Chief Inspector and the Accounting Officer.

Register of interests

The members of CJI's Senior Management Team are required to disclose personal or business interests including company directorships or other significant interests which could conflict or impact on their management responsibilities. These disclosures are made on an annual basis by way of a declaration of interest statement. An online **Register of Interests of CJI's Senior Management Team** members is available to view on the CJI website.

All ARAC members, attendees and other CJI staff members are also required to provide information on personal or business interests that may be perceived by a reasonable member of the public to influence their judgment in the exercise of their public duty.

Information management

CJI has aligned itself with the Information Management arrangements in place within the DoJ. These arrangements mirror policies and procedures in place within other Departments in the Northern Ireland Executive.

Protected personal data, data handling and the General Data Protection Regulation (GDPR)

The Chief Executive is required to report personal data related incidents which occurred during the financial year. Personal data includes any information that links one or more identifiable living person with information about them, the release of which would put them at significant risk of harm or

distress, or any source of information about 1,000 or more identifiable individuals, other than information sourced from the public domain.

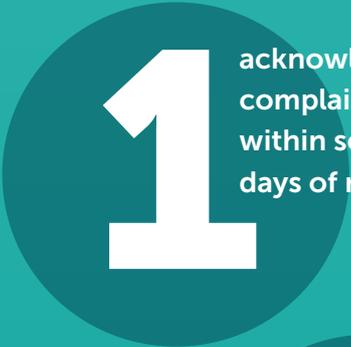
Since 2018 CJI has been subject to the GDPR. The GDPR applies to 'personal data', meaning any information relating to an identifiable person who can be directly or indirectly identified in particular by reference to an identifier.

There were no personal data related incidents which CJI had responsibility for, to report to the Information Commissioner during 2020-21 (2019-20: Nil). Information risk is managed within the context of the risk management framework referred to in CJI's Governance Statement.

Complaints

CJI seeks to ensure it adheres to best practice in all aspects of its business activities. In support of this aim, it has in place a **complaints procedure** that is publicly available on its website. We welcome and will be responsive to any complaints or other feedback from our customers. CJI defines a complaint as when a person expresses dissatisfaction with any aspect of CJI's standard of service. This may include the conduct of any permanent or temporary member(s) of CJI staff or other people carrying out inspection related work for or on behalf of CJI. CJI has a Complaints Officer appointed to co-ordinate the management of any complaints it receives.

Should CJI receive a complaint either verbally or in writing it will:



1

acknowledge the complaint in writing, within seven working days of receiving it;



2

attempt to resolve the complaint by informal resolution;



3

attempt to resolve a first stage complaint as soon as we can and in any case, within 15 working days of receiving it; and



4

if we have been unable to resolve a complaint within 15 working days of receipt of it, we will write to the individual/organisation and keep them informed of its progress.



If an individual is dissatisfied with CJI's response, they may contact the Northern Ireland Public Services Ombudsman.

During 2020-21, CJI did not receive any complaints (2019-20: Nil).

REPORTS OF THE NON-EXECUTIVE MEMBERS OF CJI'S AUDIT AND RISK ASSURANCE COMMITTEE

I have been an Independent Non-Executive Member of CJI's ARAC since January 2016.

I remain very pleased to support the work of CJI as an ARAC Member/(alternating) Chair, in its vital role inspecting all aspects of our criminal justice system (apart from the judiciary). It has been a privilege to bring my experience to bear – having worked across the public, statutory and third Sectors and currently as Chief Executive of an Arms Length Body (ALB), during what has been a unique period.

This past year where we had to respond to the challenges of the global health pandemic COVID-19 has necessitated unprecedented changes to working life and practices. CJI like all organisations across the public sector, adapted to working from home, use of online platforms including in inspection processes, and addressed the risks inherent in such 'ways of working' while still delivering on its statutory remit. It is testament to the professionalism of the Staff Team and Leadership that business continuity was maintained.

I attended the four ARAC meetings during the year covering all relevant areas of governance, risk identification and management, internal controls, finance, internal and external audit work reporting and policy adherence/development, advising on the necessary assurances to the Accounting Officer and senior staff in CJI.

Robust systems and processes have been maintained again this year – reflecting the impact of COVID-19 as necessary, and staff are to be commended on this and ongoing timely presentation of papers/reports for ARAC scrutiny and follow-up actions. I was very pleased to see the 'satisfactory' outcomes of NIAO work and of Internal Audit on their 'independent opinion on the Finance Support System for CJI'.

The NIAO issued helpful publications during 2020 for example '*Guide for audit and risk committees on financial reporting and management during COVID-19*'; '*COVID-19 Fraud Risks*' and '*Raising Concerns*'. Both I and my fellow Independent ARAC Member, also completed the self-assessment checklist in line with good practice. I look forward to the year ahead with and for CJI.

Mairéad McCafferty

I was appointed as a Non-Executive member of the CJI ARAC on 23 April 2018 and I have attended four meetings throughout the 2020-21 year. It is an honour to serve CJI in this capacity and I have extensive past knowledge and experience of the valuable role that it provides, delivering independent scrutiny of the Northern Ireland justice system, through my previous role as the Head of Internal Audit and Assurance for the DoJ.

The ARAC meetings are structured around an annual programme and cover a range of standing items that include:

- Risk Assessment and Corporate Risk Register;
- Annual Accounts and Governance Statement;
- Report to those charged with governance;
- Annual Internal Audit report and opinion;
- Internal and External Audit plans;
- Whistleblowing;
- Fraud; and
- Senior officer expenses.

I have found CJI to be a model of best practice in terms of governance and the scrutiny exercised via the ARAC. Senior officer support is evidenced through the regular attendance by both the Chief Inspector and the Chief Executive. The work carried out is under strain from budgetary pressures and is having to be prioritised accordingly.

During the past business year, which brought challenges never before experienced as a result of the COVID-19 crisis, the ARAC has continued to focus on relevant areas of governance, systems of internal control, accounts, internal and external audit work and reports, risk identification and management and policy adherence in advising on the necessary assurances to the Accounting Officer and senior staff in CJI.

Robust governance mechanisms and processes have been maintained despite the significant challenges caused by the COVID-19 lockdown. I must commend CJI staff for their continued professionalism and timely presentation of papers/reports for ARAC scrutiny and follow-up actions.

Derek Anderson

STATEMENT OF THE CHIEF INSPECTOR OF CRIMINAL JUSTICE AND CHIEF EXECUTIVE AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under paragraph 6 of Schedule 8 to the Justice (Northern Ireland) Act 2002 (as amended) the DoJ has directed the Chief Inspector to prepare for each financial year of the Office of the Chief Inspector of Criminal Justice, a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Office of the Chief Inspector of Criminal Justice and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- observe the Accounts Direction issued by the DoJ, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and

- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer of the DoJ has appointed the Chief Executive as Accounting Officer of the Office of the Chief Inspector of Criminal Justice. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Office of the Chief Inspector of Criminal Justice's assets, are set out in Managing Public Money Northern Ireland published by the DoF.

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

GOVERNANCE STATEMENT

Governance Framework

Scope of responsibility

Criminal Justice Inspection Northern Ireland (CJI) is an Arm's Length Body (classified as an Executive Non-Departmental Public Body (NDPB)) of the Department of Justice for Northern Ireland (DoJ) established under the Justice (Northern Ireland) Act 2002 as amended. The organisation is led by the Chief Inspector of Criminal Justice. The Chief Inspector is a public appointee, appointed by the DoJ in the absence of a Minister of Justice, who operates as a Corporation Sole.

The Senior Management Team of CJI acts as its Board and is made up of the Chief Inspector, who acts as Chair, and the Deputy Chief Inspector, who is also Chief Executive and Accounting Officer. Also in attendance is the Business and Communications Manager, an individual Inspector and a representative from FSD of the DoJ who provide finance and accountancy services to CJI.

The accountability arrangements within CJI encompass oversight and pay remit meetings with its DoJ sponsor division, monthly Senior Management Team meetings, monthly Inspectors' meetings and four Audit and Risk Assurance Committee (ARAC) meetings per year. The quality and performance of the third party services provided by FSD are managed through a detailed Service Level Agreement. CJI also prepares financial statements subject to independent audit by the Northern Ireland Audit Office (NIAO).

CJI complies with the Code of Good Practice Northern Ireland ('The 2013 Code') in line with government policy for Corporate Governance and specifically complies with the principles governing the relationships between Departments and their Arm's Length Bodies (ALBs). To this end, a Management Statement and Financial Memorandum govern *inter alia* the relationship between the DoJ and CJI with particular emphasis on:

- CJI's overall aims, objectives and targets in support of the DoJ's wider strategic aims, outcomes and targets contained in its current Management Statement and Financial Memorandum;
- the rules and guidelines relevant to the exercise of CJI's functions, duties and powers;
- the conditions under which any public funds are paid to CJI;
- how CJI is to be held accountable for its performance; and
- the appointment of the CJI Accounting Officer with a documented record of this appointment and the terms and conditions that pertain.

In November 2019 a Partnership Agreement template was approved by the Northern Ireland Civil Service (NICS) Board. Partnership Agreements are intended to provide sponsoring Departments and ALBs with a new model 'relationship document' setting out the partnership arrangements between an ALB and the Department and will supersede existing Management Statements and Financial Memorandums.

Partnership Agreements will set out the overall governance framework within which ALBs should operate, including the framework through which the necessary assurances are provided to stakeholders in order to satisfy accountability requirements and explore the concept of proportionate autonomy. During 2020-21, CJI engaged with its sponsor branch within DoJ to commence work to take forward the development a Partnership Agreement. This work was on going at the end of the financial year and will continue in 2021-22.

The role of the Senior Management Team

The Senior Management Team is ultimately responsible for strategy and overseeing the performance of CJI and in this regard acts as the Board of CJI. In support of this focus, the following matters are reserved for the Senior Management Team to approve or monitor:

Setting Direction

- Vision, Mission, Values, Ethics and Business Practice.

Approval

- Corporate and Business Plans;
- Annual budget and programme expenditure;
- Pay remits;
- Capital expenditure; and
- Change programmes.

Oversight and Control

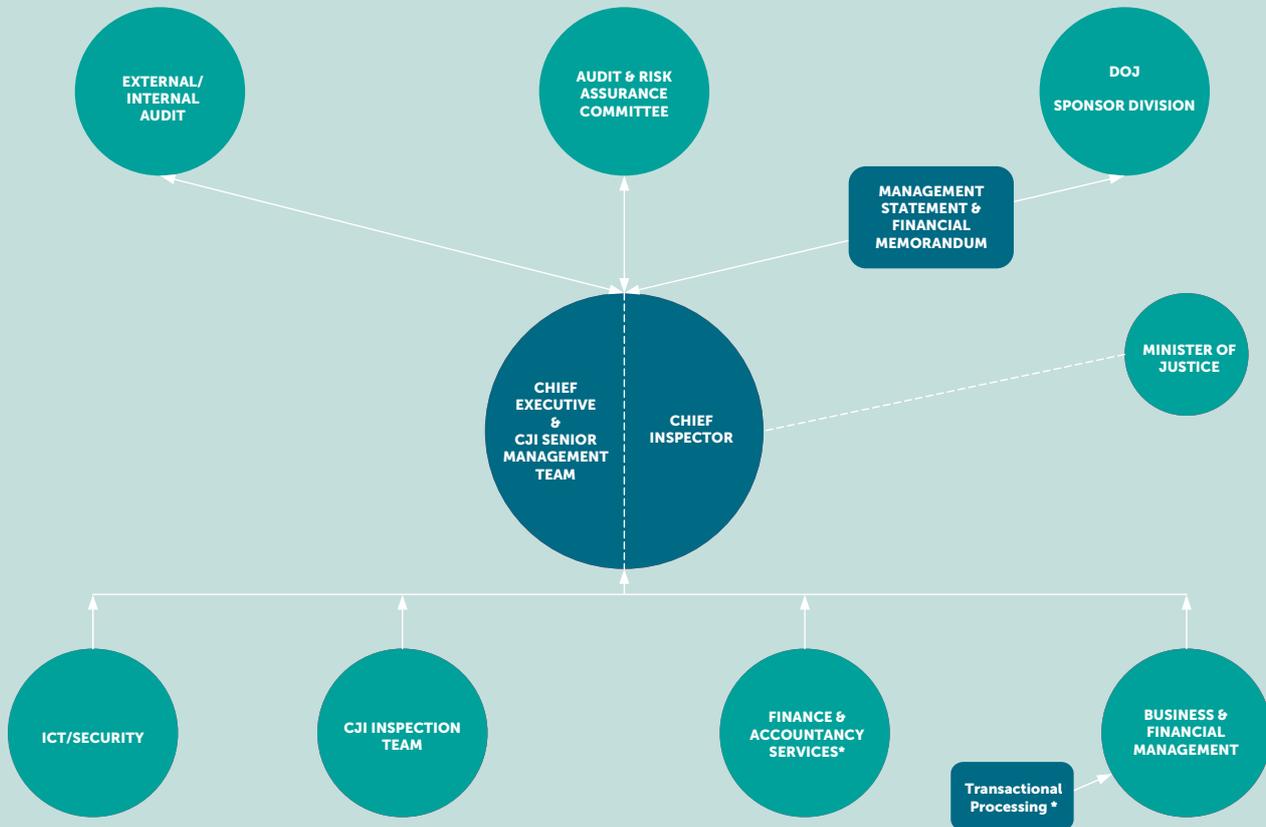
- Operating and financial performance;
- Internal controls; and
- Compliance (governance, risk, financial and regulatory).

Stakeholder relationships

- External communications, the Annual Report, press releases, social media, web accessibility; and
- Engagement with inspected organisations.

The Senior Management Team (Board) of CJI receives monthly management reports including updates on the Inspection Programme, current resource and capital expenditure against budget, a preparation schedule confirming completion and checks for management accounts and reports on specific projects such as realignment of the Inspector Pay Scale and progress on Pay Remits, web accessibility, social media development, internally conducted ISO 9001: 2015 audit reports of the quality management system and the CJI COVID-19 Sustainability and Recovery Plan. The acceptability of the information provided to the Senior Management Team (Board) of CJI has been endorsed by the Chief Inspector and the Chief Executive and Accounting Officer of CJI. The Chief Inspector in turn gains her assurance on financial data from the DoJ FSD representative and their compliance with the CJI/FSD Service Level Agreement. The Inspection Programme information is validated by the Chief Executive, who has line management responsibility for all Inspectors and oversees the delivery of the Inspection Programme.

Diagram 3 CJI accountability arrangements



* Services provided via a Service Level Agreement with FSD, DoJ.

Risk management and internal control

The Senior Management Team is responsible for CJI’s system of internal controls and risk management and for reviewing the effectiveness of these systems. Key features are:

- a Risk Register identifying CJI’s key risks and the means to manage and mitigate them;
- a well-established system of financial and business controls, the operation of which are regularly reported to the ARAC and the Chief Executive;
- regular assessments of internal controls by CJI’s Internal Audit service; and

- the review of the effectiveness of the internal control processes by the ARAC on behalf of the Senior Management Team.

CJI conducts periodic reviews of its Risk Register involving all staff to identify and prioritise the risks to the achievement of CJI policies, aims and objectives; the likelihood or impact of those risks being realised; and establish the mitigating actions required.

The outcome of these reviews are reported to the ARAC. The Senior Management Team has reviewed the CJI risk appetite and uses five categories of risk with assessments of the risk appetite:

| Category of Risk | Risk Appetite |
|--------------------------------|--|
| Reputation | Cautious (preference for safe options that offer a low degree of residual risk and may offer limited reward). |
| Delivery | Cautious (preference for safe options that offer a low degree of residual risk and may offer limited reward). |
| Change Programmes | Open (willing to consider all potential delivery options and choose one most likely to result in success). |
| Finance/value for money | Cautious (preference for safe options that offer a low degree of residual risk and may offer limited reward). |
| Legal/regulatory | Minimal (choose safe option with low degree of inherent risk). |

The risk appetite has been ratified by the CJI ARAC. It is refreshed annually and is linked to the ongoing assessment of risk expressed by the CJI Corporate Risk Register.

Risk assessment

A number of risks were re-evaluated during the year and the Risk Register was updated to reflect the highest priority risks to CJI. The most significant risks to the organisation identified in-year were those impacting on the organisation's reputation and the delivery of its core business. These risks were linked to the quality of the inspection products, CJI's relevance to and within the criminal justice system and the resilience and sustainability of the organisation. CJI has sought to mitigate the impact of these risks on its core business and the achievement of its objectives by adopting a risk-based approach to the timing of the Inspection Programme. CJI has also recruited two new Inspectors and maintained close contact with its sponsor division both formally and informally to raise awareness of the risk and impact of an insufficient budget allocation for 2021-22 on CJI's ability to secure external support for inspection work and deliver its planned Inspection Programme.

CJI also reviewed its risks throughout the year to take account of the impact of the COVID-19 pandemic on the health and safety of staff, public awareness of its inspection findings and the day-to-day business of the Inspectorate especially on-site Inspection fieldwork. CJI recognises the ongoing impact of the COVID-19 pandemic, which continues to disrupt CJI's ability to conduct on-site fieldwork, case file reviews and face-to-face meetings to support current and planned inspection work. CJI continues to manage the risks linked to COVID-19 by complying with UK Government and Northern Ireland Executive guidance to support the health and wellbeing of staff, and by seeking to progress inspection fieldwork using video and conferencing technology to host meetings and focus groups with inspected organisations and to engage with stakeholders. Where on-site fieldwork was carried out during 2020-21, it was undertaken only in exceptional circumstances and in line with the health and safety requirements of CJI and those of the inspected organisation.

Senior management have liaised with sponsor division within the DoJ to ensure a clear understanding of the impact on CJI's business and the progression of inspection work throughout the pandemic.

The DoJ recognises the unique challenges the COVID-19 pandemic presents to CJI and the impact that adhering to Coronavirus regulations and guidelines has had, and continues to have, on the inspection schedule. The DoJ will continue to work with CJI throughout the crisis providing support on finance and sponsorship matters when requested to do so.

Audit and Risk Assurance Committee

The CJI ARAC have formally agreed Terms of Reference that are reviewed on an annual basis. The ARAC comprises two independent non-executive members, who are supported by the Business and Communications Manager, and a nominated CJI Inspector. The Chief Inspector, the Accounting Officer (Deputy Chief Inspector), a representative from DoJ sponsor division, representatives of the NIAO/Deloitte (NI) Limited (External Audit), NICS Group Internal Audit (formerly DoJ Internal Audit), and FSD (financial services provider to CJI) also attended meetings held by way of video conference during 2020-21 due to COVID-19 pandemic restrictions.

| | No. of Meetings Attended/Held |
|---|-------------------------------|
| CJI Audit and Risk Assurance Committee Members | |
| M McCafferty (non-executive member/Chairperson)* | 4/4 |
| D Anderson (non-executive member/Chairperson)* | 4/4 |
| CJI Audit and Risk Assurance Committee Attendees | |
| J Durkin (Chief Inspector) | 2/4 |
| J Corrigan (Chief Executive and Accounting Officer) | 4/4 |
| M McVeigh (Business and Communications Manager) | 3/4 |
| Dr I Cameron (CJI Inspector) | 2/4 |
| Representative of DoJ Financial Services Division, | 3/4 |
| Representative of DoJ (Sponsor Division) | 4/4 |
| NIAO (External Audit) | 4/4 |
| Deloitte(NI) Limited (External Audit) | 4/4 |
| Representative of NICS Group Internal Audit | 3/4 |
| Audit and Risk Assurance Committee Secretary | 4/4 |

* The role of Chairperson was rotated between the non-executive members of the ARAC during 2020-21.

The ARAC has access to all internal audit reports, external reviews, risk registers and management reports. Standing agenda items at each of the four meetings include: progress of management responses and actions against assurance reviews (internal and external); adequacy of response to the Risk Register; reports on fraud and whistleblowing; direct award contracts; chief officers' expenses; and gifts and hospitality. The ARAC considers and approves, the Governance Statement and the Annual Report and Accounts of CJI, before submission to the DoJ/external auditor. It undertakes an annual self-assessment of performance which is presented to the ARAC with recommendations for development made to CJI's Senior Management Team.

Internal audit

The CJI Internal Auditor provides a report on internal audit activity each year. During 2020-21 the Internal Auditor completed an audit of CJI's Financial Support arrangements. The annual assurance report includes the Internal Auditor's independent opinion on the adequacy and effectiveness of CJI's system of internal control with recommendations for improvement.

CJI's Internal Audit service was provided by the NICS Group Internal Audit Team which incorporates the former DoJ Internal Audit Team.

Core business risks

All CJI inspections include a formal risk assessment with mitigating plans in place and responsibility for delivery clearly assigned. Risk policies and processes are supported and maintained by the Business and Communications Manager who is responsible for advising on corporate risk management

and the escalation of risks from the risk and control framework to the Senior Management Team and, if relevant, to the DoJ. This system of internal control has been in place in CJI for the year ended 31 March 2021 and up to the date of approval of the Annual Report and Accounts. It accords with Department of Finance (DoF) guidance relating to corporate governance and management of risk.

Shared services

Financial

CJI's Payroll and HR transactional support functions are provided via NICS HR and the NICS HRConnect service. Finance transactional support functions have been provided by FSD via the NICS Account NI shared service system with internal control exercised by the DoJ since July 2012 with CJI's budget and financial reporting services provided by FSD since November 2012. The control responsibility and internal audit processes for those internal elements of the transaction streams that remain within CJI rest with the CJI Accounting Officer. These include validation of expenditure requests; compliance with delegated limits; segregation of duties; and adherence to the CJI Financial Procedures Manual. The Deputy Director, Finance (DoJ) and the CJI Accounting Officer have individual responsibility to ensure that the two sets of controls provide an environment of appropriate control for their respective organisation/business area. These controls are incorporated into the Service Level Agreement governing the delivery of the service.

Throughout the year CJI has continued to ensure that its own controls and processes are operating effectively, with manual checking of data integrity and accuracy where necessary,

specifically in the area of expense monitoring and approval (travel and subsistence) which lies with the CJI Accounting Officer. Any changes to CJI processes are managed within the ISO 9001:2015 Quality Management System to ensure that objectives are still delivered and the control implications assessed, agreed and managed.

ICT

CJI's ICT requirements during 2020-21 were provided by the NICS Enterprise Shared Services IT Assist platform. A detailed Service Level Agreement governs the delivery of the services. The Service Level Agreement is reviewed on an annual basis with supporting in-year reviews carried out by the CJI Website and Compliance Manager to monitor the service.

Information security and General Data Protection Regulation

CJI's information security is managed by the Website and Compliance Manager. Staff awareness of information management and security is supported by the ISO 9001:2015 certified Quality Management System, which gives staff full access to all relevant and current security policies and guidance.

Information management within CJI is further supported by CJI's Website and Compliance Manager, the DoJ Information Security Managers Forum and Security Branch. An Information and Asset Risk Register is in place to assist CJI to manage its responsibilities in relation to the retention, handling and processing of data including personal data and compliance with the General Data Protection Regulation (GDPR).

CJI provides the DoJ with details of its information management procedures and compliance with HM Government mandatory requirements on request.

During 2020-21 CJI focussed on ensuring sound information security practices were maintained by staff working remotely.

Value for money

All proposed business changes are examined through the preparation of an appropriate and proportionate business case. If appropriate, benefit realisation plans and monitoring are built into all such developments with direct periodic reporting to the Senior Management Team for corporate projects. All procurement and contract management complies with UK and/or EU procurement regulations to ensure full and fair competition among prospective suppliers of goods and services. All procurement and contract management activities are managed in line with the Cabinet Office transparency guidelines and approvals processes, with supplier engagement compliant with UK Government and DoF procurement guidelines. CJI attends and is a member of the DoJ Procurement Forum and utilises the eTendersNI platform in relation to the letting of contracts where the value exceeds £5,000.

As part of the selection process for new contracts, tender evaluation incorporates monetary and non-monetary factors and contracts are awarded to the most economically advantageous tender. CJI reviews supplier performance information to ensure that quality and services are maintained for the duration of the contract and that contract management evaluations take place.

Budget position 2021-22 financial year

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

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

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

CJI commenced the 2020-21 year with an opening budget of £1,127,000, the same as the prior financial year. This represents a cut in funding in real terms.

UK withdrawal from the European Union (EU)

CJI considered the implications of the UK's withdrawal from the EU in the run up to the ratification of the withdrawal agreement by Parliament on 31 January 2020. CJI's Senior Management Team identified that the impact would be minimal on the day-to-day operation of the Inspectorate. While CJI has yet to identify any impact on its NPM responsibilities following the withdrawal of the UK from the EU on 31 January 2020, CJI will keep this matter under review. Any future response will be taken forward in line with the response proposed by the UK NPM.

Review of effectiveness

- The Senior Management Team assesses achievement of the CJI Business Plan objectives and performance on a continuous basis. The outcome of this continuous assessment is used to inform annual Business Plan(s) for the succeeding period and the development of future Corporate Plans.
- At the monthly Senior Management Team meetings the review of CJI financial reports indicated potential variances from budget that were satisfactorily explained.
- CJI fully or partially achieved all of its objectives. This included: commencing work on seven of nine planned Inspections, two of three planned Follow-up Reviews and work to carry out a Ministerial Request; effectively fulfilling its required Corporate Sole corporate governance requirements; maintaining a quality management system; effectively inducting new Inspectors; and publishing seven inspections, one Ministerial Request, and three Follow-Up Reviews in 2020-21.
- Annual Internal Audit reviews were conducted by the independent NICS Group Internal Auditor to test the adequacy and effectiveness of systems of internal control as defined in the Public Sector Internal Audit Standards (PSIAS). CJI attained a satisfactory level of assurance in the Head of Internal Audit's Annual Report and Opinion report.
- There were no significant lapses in security in-year.

- CJI received an annual assurance statement from FSD providing information on the FSD internal controls governing risk and control monitoring activities, and other relevant reporting processes and assurances provided by DoJ Internal Audit and other relevant sources of assurance.
- CJI retained its ISO 9001:2015 certification for its Quality Management System following an audit by independent assessors. ISO 9001:2015 is a continuous improvement regime that maintains the quality standards for all CJI processes.

Conflicts of interest

All ARAC members, CJI staff members and attendees (with the exception of Internal and External Audit representatives) are required to complete an annual declaration of potential personal or business interests. This information is used to identify where potential conflicts of interest may apply. Should this information change in-year, CJI staff members, ARAC members and attendees (with the exception of Internal and External Audit representatives) are required to inform the Chief Executive and update their declaration of interests accordingly. The CJI **Register of Interests** is available for public inspection.

Members and attendees at the CJI ARAC (with the exception of Internal and External Audit representatives) are also required to disclose any potential conflicts of personal or business interest at the start of each ARAC meeting. Where a conflict arises, the individual is required to absent themselves from the subsequent discussion.

Significant internal control issues

There were no significant internal control issues or Ministerial directions during 2020-21.

Accounting Officer Statement on Assurance

CJI has an established and robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity and by the NICS Group Internal Audit Services operating to PSIAS. They deliver an agreed prioritised programme of system based audits covering all CJI systems over time. The Head of Internal Audit provides me with an Annual Report and their professional opinion on the level of assurance that they can provide based on the work done. For the 2020-21 year they have provided overall satisfactory assurance.

REMUNERATION AND STAFF REPORT

Remuneration Report

The Remuneration Report provides information on the terms and conditions of employment applicable to CJI's senior management and the salary and pension entitlements along with any additional remuneration which is payable to the Inspectorate's most senior staff. This ensures transparency in relation to how staff salaries are set as well as the payments made and due to staff as a result of their employment.

Remuneration policy

The position of Chief Inspector of Criminal Justice in Northern Ireland is a public appointment and remuneration is a decision for the Minister of Justice (or in their absence, the DoJ) in line with any guidance issued by the Commissioner for Public Appointments Northern Ireland.

Other directly recruited staff employed by CJI are remunerated largely in line with NICS pay agreements and the CJI pay strategy approved by the DoF (formerly Department of Finance and Personnel (DFP)) in spring 2012. The CJI remuneration arrangements are based on a system of pay scales for each grade within CJI containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance.

The pay remit for Northern Ireland Public Sector employees, including those aligned with the NICS Senior Civil Service (SCS) pay scales, is approved by the Minister of Finance. The Minister has set the 2020-21 Northern Ireland public sector pay policy (September 2020) in line with the overarching HM Treasury

(HMT) parameters. Annual pay awards are made in the context of the wider public sector pay policy. The pay award for staff aligned with NICS pay scales, including SCS for 2020-21 has been finalised, but not yet paid.

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

Service contracts

Directly recruited appointments are made in accordance with the Civil Service Commissioners (Northern Ireland) Order 1999, which requires appointment to be on merit, on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made otherwise.

The current Chief Inspector was appointed in the absence of a Northern Ireland Executive and a Minister of Justice by the Permanent Secretary, DoJ in November 2019 for a period of three years.

The Deputy Chief Inspector and other members of staff hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

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

Remuneration and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior employees including the

Accounting Officer/Chief Executive who are members of the Senior Management Team (Board).

Remuneration (including salary) and pension entitlements (audited information)

| Single total figure of remuneration | | | | | | | | |
|---|---------------|---|---------------------------------------|---------|--|---------|--------------|-----------|
| | Salary (£000) | | Benefits in kind (to nearest £100) | | Pension Benefits* (to nearest £1,000) | | Total (£000) | |
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| Ms J Durkin Chief Inspector (from 30 November 2019) | 110 - 115 | 35 - 40 (110 - 115 full year equivalent) | - | - | 246 | 86 | 355-340 | 110 - 115 |
| Mr B McGuigan CBE Chief Inspector (until 29 November 2019) | - | 70 - 75 (105 - 110 full year equivalent) | - | - | - | 24 | - | 90 - 95 |
| Mr J Corrigan Deputy Chief Inspector and Chief Executive | 75 - 80 | 70 - 75 | - | - | 40 | 25 | 115-120 | 95 - 100 |

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

Salary

'Salary' includes gross salary and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid during the financial year (2019-20: £Nil).

Pay multiples (audited information)

| | 2020-21 | 2019-20 |
|--|-----------|-----------|
| Band of Highest Paid Director's Total Remuneration* (£000) | 110 - 115 | 110 - 115 |
| Median Total remuneration (£) | 51,386 | 54,556** |
| Ratio | 2.19 | 2.06** |

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

**The median total remuneration has been restated from £57,602 to £54,556 and the median ratio has been restated from 1.97 to 2.06 in 2019-20 as the calculation incorrectly included the highest paid director.

Reporting bodies are required to disclose the relationship between the median staff remuneration and the mid-point of the banded remuneration of the highest paid director. The banded remuneration of the highest-paid director in CJJ in the financial year 2020-21 was £110,000 - £115,000

(2019-20: £110,000 - £115,000). This was 2.19 times (2019-20: 2.06 restated**) the median remuneration of the workforce, which was £51,386 (2019-20: £54,556 restated**). Remuneration ranged from £25,000 - £30,000 to £110,000 - £115,000 (2019-20: £25,000 - £30,000 to £110,000 - £115,000).

Pension entitlements (audited information)

| Name | Accrued pension at pension age as at 31/03/21 and related lump sum | Real increase in pension and related lump sum at pension age | CETV at 31/03/21 | CETV at 31/03/20 | Real increase in CETV | Employer contribution to partnership pension account |
|--|--|--|------------------|------------------|-----------------------|--|
| | £'000 | £'000 | £'000 | £'000 | £'000 | Nearest £100 |
| Ms J Durkin Chief Inspector | 50-55 plus a lump sum of 125-130 | 10-12.5 plus a lump sum of 22.5-25 | 1076 | 833 | 209 | - |
| Mr J Corrigan Deputy Chief Inspector and Chief Executive | 20-25 | 2.5-5 | 380 | 331 | 24 | - |

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

Northern Ireland Civil Service (NICS) Pension Schemes

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

The **alpha** pension scheme was introduced for new entrants from 1 April 2015. The **alpha** scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the **classic**, **premium**, **classic plus** and **nuvos** pension arrangements also moved to **alpha** from that date. Members who on 1 April 2012 were within 10 years of their normal pension age

did not move to **alpha** and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to **alpha** on 1 April 2015 or at a later date determined by their age. **Alpha** is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the DoF. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period.

The different pension benefits relates to the different schemes for example, **classic**, **alpha** etcetera, and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the Civil Service Pensions schemes including the scheme valuation outcomes. Further information on this will be included in the NICS pension scheme accounts which are available at www.finance-ni.gov.uk/publications/dof-resource-accounts.

Currently new entrants joining can choose between membership of **alpha** or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (**partnership** pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the **nuvos** arrangement or they could have opted for a **partnership** pension account. **Nuvos** is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (**classic**, **premium** and **classic plus**). From April 2011, pensions payable under **classic**, **premium**, and **classic plus** are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of **premium** or joining the **partnership** pension account.

Benefits in **classic** accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement.

For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). **Classic plus** is essentially a variation of **premium**, but with benefits in respect of service before 1 October 2002 calculated broadly as per **classic**.

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

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of **classic**, **premium**, and **classic plus** and 65 for members of **nuvos**.

The normal scheme pension age in **alpha** is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and

are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2020 was 0.5% and HM Treasury has announced that public service pensions will be increased accordingly from April 2021.

Employee contribution rates for all members for the period covering 1 April 2021- 31 March 2022 are as follows:

Scheme Year 1 April 2021 to 31 March 2022

| Annualised Rate of Pensionable Earnings (Salary Bands) | | Contribution rates - All members |
|--|-------------|------------------------------------|
| From | To | From 1 April 2021 to 31 March 2022 |
| £0 | £24,199.99 | 4.60% |
| £24,200.00 | £55,799.99 | 5.45% |
| £55,800.00 | £153,299.99 | 7.35% |
| £153,300.00 and above | | 8.05% |

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Details of pensions within Accounting Policies can be located at paragraph 1(b) of Note 1 to the Accounts.

Compensation for loss of office

No compensation on early retirement or for loss of office was paid to members of senior management during 2020-21 (2019-20: £Nil).

STAFF REPORT

Staff costs (audited information)

Staff costs comprise:

| | | | 2020-21 | 2019-20 |
|------------------------------|------|------------------------------------|----------------|----------------|
| | Note | Permanently employed staff £ | Total £ | Total £ |
| Wages and salaries | 3 | 630,335 | 630,335 | 586,056 |
| Social security costs | 3 | 72,653 | 72,653 | 66,622 |
| Other pension costs | 3 | 203,326 | *203,326 | *190,059 |
| Total gross/net costs | | 906,314 | 906,314 | 842,737 |

*Other pension costs include employer's contributions not yet payable in relation to outstanding pay awards and untaken annual leave.

Main pension arrangements

The Northern Ireland Civil Service pension arrangements are unfunded multi-employer defined benefit schemes but CJI is unable to identify its share of the underlying assets and liabilities.

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

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2016 scheme

valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The DoF have also commissioned a consultation in relation to the Cost Cap Valuation which will close on 25 June 2021. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. On completion of the consultation, the 2016 Valuation will be completed and the final cost cap results will be determined.

For 2020-21, employers' contributions of £199,424 were payable to the NICS pension arrangements (2019-20 restated £188,725) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £Nil (2019-20: £Nil) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2019-20: 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £Nil, 0.5% (2019-20: £ Nil, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £Nil. Contributions prepaid at that date were £Nil.

No persons (2019-20: Nil persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £Nil (2019-20: £Nil).

Average number of persons employed

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

| | 2020-21 Number | 2019-20 Number |
|-----------------------------------|-------------------|-------------------|
| Permanently employed staff | | |
| Senior management | 2.00 | 2.00 |
| Inspectors | 5.70 | 5.25 |
| Administration and support staff | 2.50 | 2.50 |
| Other | | |
| Secondment | - | - |
| Total | 10.20 | 9.75 |

At the start of the 2020-21 financial year, CJI had a complement of 11 permanent staff (9.3 Full Time Equivalent (FTE)). There were a number of staff changes in-year including the retirement of one part time Inspector, a part time Inspector temporarily increasing their working hours and the appointment of two new Inspectors. This brought CJI staffing levels to 12 permanent staff (11.1 FTE) at the end of the year.

The Chief Inspector has line management responsibility for the Deputy Chief Inspector, while the Deputy Chief Inspector has line management responsibility for the Inspection staff and Business Support staff.

Financial support continues to be provided to CJI by colleagues from FSD, DoJ under a Service Level Agreement established following the transfer of finance functions to the NICS's Account NI shared service.

Staff composition (audited information)

The number of staff employed at 31 March 2021 was as follows:

| | Female staff | Male staff | Total staff |
|-----------------------------------|--------------|------------|-------------|
| | Number | Number | Number |
| Permanently employed staff | | | |
| Senior management* | 1 | 1 | 2 |
| Inspectors | 4 | 3 | 7 |
| Administration and Support Staff | 2 | 1 | 3 |
| Total | 7 | 5 | 12 |

* During 2020-21 CJI had two employees who were equivalent to NICS Senior Civil Service grades. They were the Chief Inspector (Grade 3 equivalent) and the Deputy Chief Inspector and Chief Executive (Grade 5 equivalent).

Sickness absence

In 2020-21 the average level of staff sickness absence stood at 14.33 days per employee (0.76 days in 2019-20). This was primarily due to a period of long-term sickness absence. When the long-term sickness absence is excluded the average level of staff sickness absence for 2020-21 stood at 2.36 per employee.

Staff turnover

During the 2020-21 financial year CJI had a staff turnover of 0.09% based on the number of leavers during the year divided by the average number of staff in post.

Staff Engagement

As employees of CJI are public not civil servants, staff do not participate in the NICS Staff Survey. CJI senior management maintain on-going engagement with staff on a formal and informal basis.

Staff policies - recruitment, training and career development of disabled persons

CJI is an equal opportunities employer that seeks to appoint candidates for roles within the organisation based on merit through fair and open competition. CJI staff who participate in recruitment panels undertake NICS Recruitment and Selection training, which includes raising awareness of unconscious bias. CJI seeks to ensure equality of opportunity for all staff regardless of gender, age, community background or disability in relation to its employment practices.

In respect of disabled persons, CJI's staff policies default to those of the DoJ (its sponsoring Department) and the wider NICS with regard to Section 75 of the Northern Ireland Act 1998, the Disability Discrimination Act 1995 and the maintenance and promotion of a diverse and inclusive workforce. This includes supporting alterations to the working environment if required by disabled persons. CJI is committed to creating an inclusive workplace where all staff feel valued.

During 2019-20, CJI commenced a recruitment exercise to appoint a new Inspector. This process was impacted by the COVID-19 pandemic and continued into the 2020-21 financial year. Through the recruitment exercise, CJI gave full and fair consideration to any applications for employment received by disabled persons, having regard to their particular aptitudes or abilities. Following its conclusion, CJI appointed two new Inspectors who commenced employment with CJI in October 2020 on a full and part time basis.

CJI was not required to arrange appropriate training for staff who had become disabled during the reporting period to ensure their continuing employment.

Other employee matters

a) Equality and diversity

CJI is committed to creating an inclusive working environment where individual differences are valued and respected, in which each employee is able to fulfil their potential and maximise their contribution. CJI seeks to provide a harmonious workplace where staff feel valued, respected and included and defaults to the NICS policy on **Equality, Diversity and Inclusion**.

CJI continues to meet its statutory obligations under the Fair Employment & Treatment (Northern Ireland) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and Article 55 Reviews to the Equality Commission for Northern Ireland, both of which assess the composition of the CJI workforce and the composition of applicants and appointees.

Information on the gender profile of CJI's workforce can be found within the Staff Composition information contained in this and previous Annual Reports.

As a designated public authority, CJI has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions. Further information on CJI's **equality scheme and reports** can be found online. Information on work carried out by CJI in-year to promote equality, diversity and good relations can be found in the Performance Analysis section of this report.

b) Health and safety

CJI undertakes to comply fully with the requirements of the Health and Safety at Work (Northern Ireland) Order 1978 and all other relevant statutory provisions.

CJI will, as far as reasonably practicable, provide and maintain a safe place of work, maintain safe systems of work, and provide working conditions that will ensure a healthy and safe working environment. The health, safety and welfare of all personnel and all others affected by the conduct of their undertakings will be ensured as far as is reasonably practicable. CJI has in place a Health and Safety Policy which reflects this aim and its responsibilities as an employer.

During 2020-21 CJI has adhered to UK Government and Northern Ireland Executive guidance around the COVID-19 pandemic.

c) Staff support and wellbeing

The health and wellbeing of CJI staff members is of paramount concern and has been a feature of CJI's response to the COVID-19 pandemic and its Sustainability and Recovery Plan. As in other Inspectorates, staff will be expected to work beyond conditioned hours when the need arises, but that will be matched by time off in lieu and flexibility in working practices to meet the needs of those with caring responsibilities. CJI staff have access to the NICS Welfare Support Service and Employee Assistance Programme. During 2020-21 senior management sought to maintain strong links with all staff working remotely.

d) Learning and development

CJI is committed to supporting the continued learning and development of staff acknowledging that skilled and engaged staff are an essential resource in terms of meeting the Inspectorate's current and future business needs and the achievement of its corporate objectives. CJI sees learning and development as a collaborative process involving individual staff members and line managers which is linked to the Performance Management system. CJI is a participant in the Interchange Scheme which provides secondment/development opportunities for staff working within the public sector. Senior management and members of the Inspection Team in CJI are also members of the Chief Executives' Forum and attended a number of virtual events, seminars and training events organised by the Forum throughout the year.

Expenditure on consultancy and temporary staff

During the 2020-21 financial year, CJI did not incur any expenditure in relation to external consultancy or temporary staff (2019-20: Nil). Expenditure in relation to internal consultancy (that is, work carried out by other Government organisations) was £28,188 in 2020-21 (2019-20: £33,872). This expenditure related to support for the achievement of the Inspection Programme.

Off-payroll engagements

CJI had no 'off-payroll' engagements at a cost of over £245 per day during 2020-21 (2019-20: £Nil).

Exit packages

There were no exit packages agreed or in place within CJI during 2020-21 or 2019-20.

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

ASSEMBLY ACCOUNTABILITY DISCLOSURES (AUDITED INFORMATION)

Regularity of Expenditure

Losses and special payments

There were no losses or special payments in 2020-21 (2019-20: £Nil).

Remote contingent liabilities

There were no contingent liabilities requiring disclosure under Northern Ireland Assembly reporting requirements. CJI had no significant remote contingent liabilities during 2020-21(2019-20: £Nil) that require disclosure. Note 12 to the Accounts provides further details regarding the contingent liabilities that are included within the financial statements.

Accountability Report



James Corrigan
Chief Executive and Accounting Officer

28 June 2021

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

Opinion on financial statements

I certify that I have audited the financial statements of the Criminal Justice Inspection Northern Ireland for the year ended 31 March 2021 under the Justice (Northern Ireland) Act 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

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

In my opinion the financial statements:

- give a true and fair view of the state of the Criminal Justice Inspection Northern Ireland's affairs as at 31 March 2021 and of the Criminal Justice Inspection Northern Ireland's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Justice (Northern Ireland) Act 2002 as amended by the

Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 and department of Justice directions issued thereunder.

Opinion on regularity

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

Basis for opinions

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

My staff and I are independent of Criminal Justice Inspection Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other

information and except to the extent otherwise explicitly stated in my report I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Justice directions made under the Justice (Northern Ireland) Act 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Responsibilities of the Accounting Officer for the financial statements

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and

- assessing the Criminal Justice Inspection Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Criminal Justice Inspection Northern Ireland will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Justice (Northern Ireland) Act 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

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

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Criminal Justice Inspection Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Justice (Northern Ireland) Act 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010;
- making enquires of management and those charged with governance on the Criminal Justice Inspection Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Criminal Justice Inspection Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

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

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

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office

1 Bradford Court
Galwally
BELFAST
BT8 6RB

29 June 2021

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2021

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

| | Note | 2020-21 £ | 2019-20 £ |
|---|------|------------------|------------------|
| Other operating income | 4 | - | (48) |
| Total operating income | | - | (48) |
| Staff costs | 3 | 906,314 | 842,737 |
| Purchase of goods and services | 3 | 220,669 | 238,558 |
| Depreciation and impairment charges | 3 | 5,656 | 3,495 |
| Total operating expenditure | | 1,132,639 | 1,084,790 |
| Net operating expenditure | | 1,132,639 | 1,084,742 |
| Net expenditure for the year | | 1,132,639 | 1,084,742 |
| Other comprehensive net expenditure | | | |
| Items that will not be reclassified to Net operating expenditure: | | | |
| Net gain on revaluation of property, plant and equipment | 5 | (179) | (21) |
| Net gain on revaluation of intangible assets | 6 | (35) | (114) |
| Comprehensive net expenditure for the year | | 1,132,425 | 1,084,607 |

The notes on pages 76 to 87 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

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

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Non-current assets: | | | |
| Property, plant and equipment | 5 | 14,919 | 7,399 |
| Intangible assets | 6 | 3,030 | 5,281 |
| Total non-current assets | | 17,949 | 12,680 |
| Current assets: | | | |
| Trade and other receivables | 9 | 6,415 | 2,159 |
| Cash and cash equivalents | 8 | 96 | 969 |
| Total current assets | | 6,511 | 3,128 |
| Total assets | | 24,460 | 15,808 |
| Current liabilities | | | |
| Trade and other payables | 10 | (223,856) | (162,779) |
| Total current liabilities | | (223,856) | (162,779) |
| Total assets less total liabilities | | (199,396) | (146,971) |
| Taxpayers' equity and other reserves | | | |
| General Fund | | (199,706) | (147,165) |
| Revaluation Reserve | | 310 | 194 |
| Total equity | | (199,396) | (146,971) |

The financial statements on pages 72 to 75 were approved by the Audit and Risk Assurance Committee on 9 June 2021 and were signed on its behalf by:



James Corrigan
Chief Executive and Accounting Officer

28 June 2021

The notes on pages 76 to 87 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

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

| | Note | 2020-21 £ | 2019-20 £ |
|---|------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Net expenditure for the year | | (1,132,639) | (1,084,742) |
| Adjustment for non-cash transactions | 3 | 5,656 | 3,655 |
| (Increase)/decrease in trade and other receivables | 9 | (4,256) | 2,130 |
| Increase/(decrease) in trade and other payables | 10 | 58,813 | (40,898) |
| Net cash outflow from operating activities | | (1,072,426) | (1,119,855) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 5 | (10,367) | (905) |
| Purchase of intangible assets | 6 | (344) | (5,354) |
| Net cash outflow from investing activities | | (10,711) | (6,259) |
| Cash flows from financing activities | | | |
| Grants from sponsoring Department | | 1,080,000 | 1,124,000 |
| Net financing | | 1,080,000 | 1,124,000 |
| Net decrease in cash and cash equivalents in the period | | | |
| | | (3,137) | (2,114) |
| Cash and cash equivalents at the beginning of the period | | | |
| | 8 | 969 | 3,083 |
| Cash and cash equivalents at the end of the period | | | |
| | 8 | (2,168) | 969 |

The notes on pages 76 to 87 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR YEAR ENDED 31 MARCH 2021

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

| | General Fund £ | Revaluation Reserve £ | Taxpayers' Equity £ |
|--|----------------------|-----------------------------|---------------------------|
| Balance at 31 March 2019 | (186,544) | 180 | (186,364) |
| Grants from sponsoring Department | 1,124,000 | - | 1,124,000 |
| Comprehensive net expenditure for the year | (1,084,742) | 135 | (1,084,607) |
| Other reserves movements including transfers | 121 | (121) | - |
| Balance at 31 March 2020 | (147,165) | 194 | (146,971) |
| Grants from sponsoring Department | 1,080,000 | - | 1,080,000 |
| Comprehensive net expenditure for the year | (1,132,639) | 214 | (1,132,425) |
| Other reserves movements including transfers | 98 | (98) | - |
| Balance at 31 March 2021 | (199,706) | 310 | (199,396) |

The notes on pages 76 to 87 form part of these accounts.

NOTES TO THE ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the 2020-21 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of CJI for the purpose of giving a true and fair view has been selected. The particular policies adopted by CJI are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

a) Accounting convention

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

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

b) Pensions

Past and present employees are covered by the provisions of the NICS pension arrangements which are described in the Salary and Pension Entitlements section of the Remuneration Report. The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependants' benefits. The organisation recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the NICS pension arrangements of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the NICS pension arrangements. In respect of the defined contribution elements of the schemes, the organisation recognises the contributions payable for the year.

c) Staff costs

Under IAS 19, Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end.

d) Operating leases

Assets leased under operating leases are not recorded on the Statement of Financial Position. Rental payments are charged directly to the Statement of Comprehensive Net Expenditure (SOCNE) on a straight line basis over the period of the lease.

e) Grant-in-aid

CJI is funded by Grant-in-aid from the Department of Justice (DoJ). Grant-in-aid matches CJI's cash needs, is accounted for on a cash basis as financing and is reflected in Taxpayers' Equity.

f) Property, plant and equipment

Expenditure on property, plant and equipment is capitalised if it is intended for use on a continuous basis. Property, plant and equipment is valued at current replacement cost by using the Price Index Numbers for Current Cost Accounting published by the Office for National Statistics. Any gain on revaluation is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses a revaluation loss on the same asset previously recognised in that Account. Other gains are credited to the Revaluation Reserve. Losses arising on revaluation are taken to the Revaluation Reserve unless they exceed previous revaluation gains in which case they are taken to the Statement of Comprehensive Net Expenditure.

g) Depreciation

Depreciation is provided on property, plant and equipment on a straight-line basis to write off the cost or revaluation less any residual value evenly over the asset's anticipated life as follows:

| | | |
|--|---|-----------------------|
| Refurbishment Costs | - | 10 years; |
| Computer Equipment | - | five to 10 years; and |
| Office Equipment, Furniture & Fittings | - | up to 15 years. |

A further adjustment is made for any backlog depreciation arising from the requirement to value assets by reference to current costs and from this the backlog depreciation is posted to the revaluation reserve.

h) Realised element of depreciation from Revaluation Reserve

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

i) Intangible assets

Intangible assets which comprise computer software and software licenses are valued at current replacement cost by using the Price Index Numbers for Current Cost Accounting published by the Office for National Statistics. Any gain on revaluation is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses a revaluation loss on the same asset previously recognised in that Account. Other gains are credited to the Revaluation Reserve. Losses arising on revaluation are taken to the Revaluation Reserve unless they exceed previous revaluation gains in which case they are taken to the Statement of Comprehensive Net Expenditure.

Software licences are amortised over the shorter of the term of the licence and the useful economic life.

j) Contingent liabilities

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

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts.

k) Value added tax

CJI is not eligible to register for VAT and all costs are shown inclusive of VAT.

l) Corporation tax

As an Executive Non-Departmental Public Body (NDPB), CJI falls within the scope of Corporation Tax provision in respect of trading profits. Activities have been appropriately assessed and are not considered to be trading and therefore are not subject to Corporation Tax.

m) Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of the cumulative indexation revaluation adjustments to non-current assets.

n) Financial instruments**i) Recognition and de-recognition of Financial assets and Financial liabilities**

Financial assets and liabilities are recognised when the organisation becomes party to the contractual provisions of the instrument.

Financial assets are de-recognised when the organisation no longer has rights to the cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

ii) Financial assets**Cash and cash equivalents**

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

iii) Financial liabilities**Trade and other payables**

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount, less provision for impairment.

o) Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Office's accounting policies. CJI continually evaluates its estimates, assumptions and judgments based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions applied to these financial statements have been evaluated and are considered to carry no significant risk of causing material adjustment to the carrying amount of the assets and liabilities.

p) Accounting standards, amendments, interpretations or other updates that were issued and effective for the 2020-21 financial year:

CJI has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for CJI's accounting periods beginning on or after 1 April 2020 or later periods, but which CJI has not adopted early. Other than as outlined below, CJI considers that these are not relevant or material to its operations.

Review of Financial Process:

| Standard | Comments |
|---|--|
| IFRS 10 - Consolidated Financial Statements | The International Accounting Standards Board (IASB) issued new and amended Standards (IFRS 10, IFRS 11 and IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These Standards were effective with EU adoption from 1 January 2014. |
| IFRS 11 - Joint Arrangements | Accounting boundaries for IFRS purposes are currently adapted in the <i>FReM</i> so that the Westminster Departmental accounting boundary is based on Office of National Statistics control criteria, as designated by HM Treasury. |
| IFRS 12 - Disclosure of Interests in Other Entities | A similar review in Northern Ireland, which will bring Northern Ireland Departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2022-23, the accounting boundary for Departments will change and there will also be an impact on Departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may have changed as a result of the new Standards. |

Accounting standards, interpretations and amendments to published Standards not yet effective

CJI has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for CJI's accounting periods beginning on or after 1 April 2020 or later periods, but which CJI has not adopted early. Other than as outlined below, CJI considers that these Standards are not relevant or material to its operations.

| | |
|--------------------------------|---|
| Standard | IFRS 16 <i>Leases</i> (replaces IAS 17 <i>Leases and related interpretations</i>) |
| Effective date | January 2019 (EU endorsed 31 October 2017) |
| FReM application | 2022-23 |
| Description of revision | <p>The IASB issued IFRS 16 in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application is permitted for those entities applying IFRS 15.</p> <p>IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases, unless they qualify for low value or short-term exemptions. In addition, there are updated disclosure requirements.</p> <p>The lessor accounting model is generally unchanged from IAS 17 but entities should be aware of the introduction and impacts of IFRS 9 <i>Financial Instruments</i>, enhanced disclosure requirements and that a sub-lessor now determines whether a lease is finance or operating based on the right of use asset it subleases.</p> |
| Comments | <p>IFRS 16 <i>Leases</i> replaces IAS 17 <i>Leases</i> and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.</p> <p>CJI have no leases that require adjustment.</p> |

Financial reporting - future developments

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

2. STATEMENT OF OPERATING EXPENDITURE BY OPERATING SEGMENT

In the opinion of the Management Team, CJI operates only one reportable segment and all income and expenditure as shown in the Statement of Comprehensive Net Expenditure is attributable to the overall services provided by CJI. All CJI's financing is derived from the DoJ through Grant-in-aid and all services undertaken are within Northern Ireland. All non-current assets are located in Northern Ireland.

3. EXPENDITURE

| | Note | 2020-21 £ | 2019-20 *Restated £ |
|---|------|------------------|---------------------------|
| Staff costs**: | | | |
| Wages and salaries | | 630,335 | 586,056 |
| Social security costs | | 72,653 | 66,622 |
| Other pension costs | | 203,326 | 190,059 |
| | | 906,314 | 842,737 |
| Purchase of goods and services: | | | |
| Cash items: | | | |
| Accommodation costs, maintenance and utilities | | 30,745 | 33,129 |
| IT, communications and office services | | 41,937 | 34,654 |
| Consumables | | 9 | 65 |
| Contracted out and managed services | | 94,537 | 97,470 |
| Professional and consultancy costs | | 32,245 | 36,263 |
| Staff related costs | | 7,905 | 23,557 |
| Audit fees | | 12,700 | 12,500 |
| Other expenditure | | 591 | 760 |
| | | 220,669 | 238,398 |
| Non-cash items: | | | |
| Loss on disposal of property, plant and equipment | | - | 160 |
| | | 220,669 | 238,558 |
| Depreciation and impairment charges: | | | |
| Depreciation | 5 | 3,026 | 3,051 |
| Amortisation | 6 | 2,630 | 451 |
| Net gain on revaluation | | - | (7) |
| | | 5,656 | 3,495 |
| Total | | 1,132,639 | 1,084,790 |

* 2019-20 figures have been restated to reflect an additional disclosure category for Consumables in preparation for the implementation of IFRS12 Disclosure of Interests in Other Entities and to reflect the Audit fees as advised in the 2019-20 and 2020-21 NIAO Audit Strategies.

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

4. INCOME

| | 2020-21 £ | 2019-20 £ |
|-------------------------------|--------------|--------------|
| Other non-trading income | - | 48 |
| Other operating income | - | 48 |

5. PROPERTY, PLANT AND EQUIPMENT

| | Refurbishment Costs £ | Office Equipment, Furniture and Fittings £ | Computer Equipment £ | Total £ |
|---|-----------------------------|--|----------------------------|---------------|
| 2020-21 | | | | |
| Cost or valuation | | | | |
| At 1 April 2020 | 18,805 | 34,059 | 10,342 | 63,206 |
| Additions | - | 3,728 | 6,639 | 10,367 |
| Revaluations | - | 301 | 58 | 359 |
| At 31 March 2021 | 18,805 | 38,088 | 17,039 | 73,932 |
| Depreciation | | | | |
| At 1 April 2020 | 14,471 | 33,355 | 7,981 | 55,807 |
| Charged in year | 1,182 | 187 | 1,657 | 3,026 |
| Revaluations | - | 158 | 22 | 180 |
| At 31 March 2021 | 15,653 | 33,700 | 9,660 | 59,013 |
| Carrying amount at 31 March 2021 | 3,152 | 4,388 | 7,379 | 14,919 |
| Carrying amount at 31 March 2020 | 4,334 | 704 | 2,361 | 7,399 |

There is no outstanding finance on the above assets.

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| 2019-20 | Refurbishment Costs £ | Office Equipment, Furniture and Fittings £ | Computer Equipment £ | Total £ |
|---|-----------------------------|---|----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 April 2019 | 18,805 | 33,915 | 9,992 | 62,712 |
| Additions | - | 240 | 665 | 905 |
| Disposals | - | (107) | (367) | (474) |
| Revaluation released to SOCNE | - | - | 18 | 18 |
| Revaluations | - | 11 | 34 | 45 |
| At 31 March 2020 | 18,805 | 34,059 | 10,342 | 63,206 |
| Depreciation | | | | |
| At 1 April 2019 | 13,289 | 32,854 | 6,892 | 53,035 |
| Charged in year | 1,182 | 599 | 1,270 | 3,051 |
| Disposals | - | (107) | (207) | (314) |
| Revaluation released to SOCNE | - | - | 11 | 11 |
| Revaluations | - | 9 | 15 | 24 |
| At 31 March 2020 | 14,471 | 33,355 | 7,981 | 55,807 |
| Carrying amount at 31 March 2020 | 4,334 | 704 | 2,361 | 7,399 |
| Carrying amount at 31 March 2019 | 5,516 | 1,061 | 3,100 | 9,677 |

There is no outstanding finance on the above assets.

Property, plant and equipment are valued at current replacement cost by using the Price Index Numbers for Current Cost Accounting published by the Office for National Statistics.

6. INTANGIBLE ASSETS

| 2020-21 | Software and licences £ | Website £ | Total £ |
|---|-------------------------------|--------------|--------------|
| Cost or valuation | | | |
| At 1 April 2020 | 3,650 | 3,373 | 7,023 |
| Additions | 344 | - | 344 |
| Revaluations | 35 | 40 | 75 |
| At 31 March 2021 | 4,029 | 3,413 | 7,442 |
| Amortisation | | | |
| At 1 April 2020 | 1,589 | 153 | 1,742 |
| Charged in year | 790 | 1,840 | 2,630 |
| Revaluations | 16 | 24 | 40 |
| At 31 March 2021 | 2,395 | 2,017 | 4,412 |
| Carrying amount at 31 March 2021 | 1,634 | 1,396 | 3,030 |
| Carrying amount at 31 March 2020 | 2,061 | 3,220 | 5,281 |

There is no outstanding finance on the above assets.

6. INTANGIBLE ASSETS (CONTINUED)

| 2019-20 | Software and licences £ | Website £ | Total £ |
|---|-------------------------------|--------------|--------------|
| Cost or valuation | | | |
| At 1 April 2019 | 1,540 | - | 1,540 |
| Additions | 2,054 | 3,300 | 5,354 |
| Disposals | - | - | - |
| Revaluation released to SOCNE | - | - | - |
| Revaluations | 56 | 73 | 129 |
| At 31 March 2020 | 3,650 | 3,373 | 7,023 |
| Amortisation | | | |
| At 1 April 2019 | 1,276 | - | 1,276 |
| Charged in year | 301 | 150 | 451 |
| Disposals | - | - | - |
| Revaluation released to SOCNE | - | - | - |
| Revaluations | 12 | 3 | 15 |
| At 31 March 2020 | 1,589 | 153 | 1,742 |
| Carrying amount at 31 March 2020 | 2,061 | 3,220 | 5,281 |
| Carrying amount at 31 March 2019 | 264 | - | 264 |

Intangible assets comprise software licenses and the associated implementation costs of purchase. There is no outstanding finance on the above assets.

Intangible assets are valued at current replacement cost by using the Price Index Numbers for Current Cost Accounting published by the Office for National Statistics.

7. FINANCIAL INSTRUMENTS

As the cash requirements of CJI are met through Grant-in-aid provided by the DoJ, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with CJI's expected purchase and usage requirements and CJI is therefore exposed to little credit, liquidity or market risk.

8. CASH AND CASH EQUIVALENTS

| | 2020-21 £ | 2019-20 £ |
|--|----------------|--------------|
| Balance at 1 April | 969 | 3,083 |
| Net change in cash and cash equivalent balances | (3,137) | (2,114) |
| Balance at 31 March | (2,168) | 969 |
| The following balances at 31 March were held at: | | |
| NI banking pool | (2,264) | 924 |
| Cash in hand | 96 | 45 |
| Balance at 31 March | (2,168) | 969 |

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

| | Note | 2020-21 £ | 2019-20 £ |
|---------------------|------|----------------|--------------|
| Current assets | | 96 | 969 |
| Current liabilities | 10 | (2,264) | - |
| Total | | (2,168) | 969 |

9. TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

| | 2020-21 £ | 2019-20 £ |
|--|--------------|--------------|
| Amounts falling due within one year | | |
| Prepayments and accrued income | 6,415 | 2,159 |
| Total | 6,415 | 2,159 |

10. TRADE PAYABLES, FINANCIAL AND OTHER LIABILITIES

| | Note | 2020-21 £ | 2019-20 £ |
|--|------|----------------|----------------|
| Amounts falling due within one year | | | |
| Bank overdraft | 8 | 2,264 | - |
| Other payables | | 102,379 | 65,187 |
| Accruals and deferred income | | 119,213 | 97,592 |
| Total | | 223,856 | 162,779 |

11. RELATED PARTY TRANSACTIONS

CJI is a Non-Departmental Public Body (NDPB) and is sponsored by the DoJ. The DoJ is considered to be CJI's ultimate controlling party. The DoJ is regarded as a related party. During the accounting period CJI has had various material transactions with the DoJ.

In addition, CJI has had various transactions with other government Departments and with HM Inspectorate of Prisons, HM Inspectorate of Constabulary and Fire & Rescue Service and HM Inspectorate of Probation.

No Senior Management Team (Board) member, key manager or other related party has undertaken any material transactions with CJI during the year ended 31 March 2021.

12. CONTINGENT LIABILITIES DISCLOSED UNDER IAS 37

There were no contingent liabilities at 31 March 2021.

13. EVENTS AFTER THE REPORTING PERIOD

Other than as noted below, there were no events after the reporting date that required disclosure.

Date for authorisation and issue

The Accounting Officer authorised these financial statements for issue on 29 June 2021.

**Criminal Justice Inspection
Northern Ireland**
a better justice system for all



First published in Northern Ireland in July 2021 by

**Criminal Justice Inspection
Northern Ireland**

Block 1, Knockview Buildings
Belfast BT4 3SJ

www.cjini.org