



Northern Ireland Audit Office

An abstract, vibrant graphic on the left side of the page. It features a dense collection of overlapping, semi-transparent shapes in various colors including yellow, orange, red, blue, green, and purple. The shapes include circles, ovals, and irregular, brush-stroke-like forms. Some shapes have internal patterns like dots or concentric lines. There are also several small, stylized symbols scattered throughout, such as blue and pink chevrons pointing right, and pink and blue plus signs. The overall effect is dynamic and energetic.

Northern Ireland Audit Office

coverage of the
**Department
of Justice**

This document provides a
brief outline of the work of the
Northern Ireland Audit Office on the
Department of Justice (DoJ)

Northern Ireland Audit Office coverage of the Department of Justice (DoJ)

The Northern Ireland Audit Office (NIAO) is a public sector body that is totally independent of government. Our role is to help the Northern Ireland Assembly hold the Executive to account for the way it spends public money. We do this by auditing the finances of public bodies and scrutinising public spending to assess facts and value for the taxpayer, providing insights into how well public services are being delivered. More information on the roles and responsibilities of both the Comptroller and Auditor General (C&AG) and the NIAO can be found on our [website](#).

The NIAO supports public scrutiny that is fair, equal and open and that leads to more effective financial management and value for money. To do this, we carry out a number of functions: Financial Audit; Public Reporting, including Value for Money reports and Good Practice Guides; and Counter Fraud.

This document provides a brief outline of the work of the NIAO specific to the **Department of Justice (DoJ)**.

If you would like to know more about the NIAO work on the DoJ please contact:

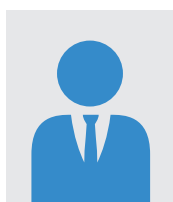


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Department of Justice background

The Department of Justice (DoJ) was established in April 2010, following the devolution of justice powers to the Northern Ireland Assembly. It has a range of devolved policing and justice functions as set out in the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, including the functions transferred from the Northern Ireland Office and the former Northern Ireland Court Service.

In addition to its statutory functions, the DoJ provides resources and a legislative framework for its five executive agencies and eight non-departmental public bodies (NDPBs), which collectively constitute most of the justice system in Northern Ireland. Together with these organisations, the DoJ is responsible for the resourcing, legislative and policy framework of the justice system.

Naomi Long became the Justice Minister on 11 January 2020. Together with its agencies, NDPBs and stakeholders, the role of the Department is to support the Minister of Justice to deliver on the mission of “working in partnership to create a fair, just and safe community where we respect the law and each other”.

The work of the DoJ contributes to Outcome 7 of the draft Programme for Government (PfG): “We have a safe community where we respect the law and each other”.

The DoJ cannot deliver effectively without working together with its delivery partners across the wider justice system, with other government departments, and with the community and voluntary sector. Together with these delivery partners, the DoJ delivers on its mission and draft PfG commitments by focussing on five priorities:

- 1. Support safe and resilient communities**, by informing and empowering communities, businesses and individuals to take the necessary steps to protect themselves from becoming a victim of crime, and by providing support where people do become victims of crime. The DoJ is working to ensure effective law enforcement is in place and has the appropriate tools to address criminality, including issues of coercive control within our communities. The DoJ is working with partners to promote a cohesive society.
- 2. Address harm and vulnerability** including through the provision of early stage diversionary approaches to address the issues that contribute to offending behaviours. The DoJ is providing practical support to victims, and developing policies and legislation to protect those most vulnerable in our society.
- 3. Challenge offending behaviours and supporting rehabilitation** through working with those who offend to challenge and support the behavioural change necessary for them to become active and responsible citizens. The DoJ is working with partners to promote rehabilitation; and when a custodial sentence is imposed, the DoJ is focussing on resettlement leading to reintegration back into society.
- 4. Deliver an effective Justice System**, a system which is faster, more accessible, and which serves the needs of those who engage with it. The DoJ is delivering a system which supports court users in the early and proportionate resolution of civil and family proceedings.
- 5. Secure confidence in the Justice System**, by using new and innovative ways of engaging with communities, partners and stakeholders to explain the work that the DoJ does and build broad support for it. The DoJ is working to ensure it is responsive to the needs of citizens, and to enhance accountability around what it does.

The DoJ is headed by a Permanent Secretary and has four Directorates to deliver on these priorities:

- Access to Justice;
- Safer Communities;
- Justice Delivery; and
- Reducing Offending.

The Core Department and agencies have a staff complement of just over 3,000, with around 2,500 of those working in front-line operational roles.

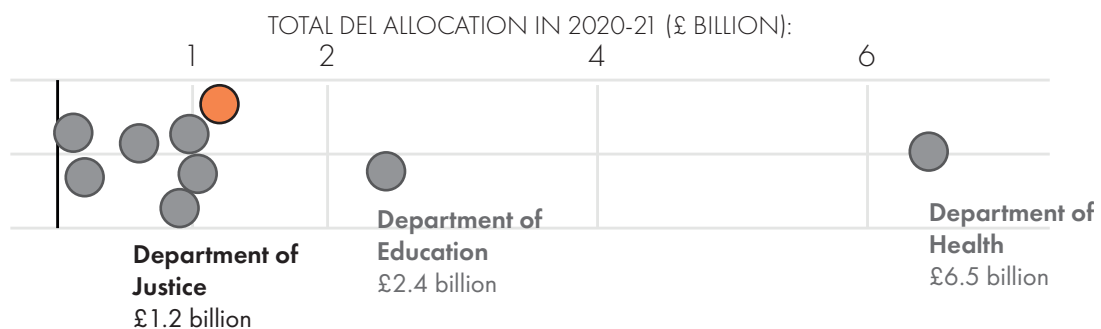
Department of Justice funding

The DoJ was allocated almost £1.2 billion - 9 per cent of the Executive's overall Resource and Capital Departmental Expenditure Limit (DEL) budget for 2020-21. Figure 1 provides an overview of the Department's DEL funding relative to all departments and how this is allocated to various spending areas and objectives.

Budget allocations are based on the 2020-21 Budget published by the Department of Finance in May 2020. This set out the Executive's initial spending plans for the one year period from April 2020 to March 2021. Final allocations may differ as a result of changes to funding and the in-year monitoring process which provides a formal system for reviewing spending plans and priorities for the NI departments in the financial year.

Figure 1. Overview of the funding allocation for the Department of Justice

The Department of Justice is one of four departments with funding of around £1 billion



The vast majority of the Department's funding relates to resource DEL



Most of the Department's funding is used on policing services

SPENDING AREA	RESOURCE DEL	CAPITAL DEL	TOTAL
PSNI	761	60	821
Access to Justice	148	8	156
NI Prison Service and Youth Justice Agency	131	17	148
Safer Communities	71	3	74
Total	1,111	88	1,199

Source: NIAO and Budget 2020-21; Department of Finance, 05 May 2020

Bodies for which the Department of Justice has responsibility for sponsorship and oversight

The DoJ has five agencies and sponsors a number of NDPBs/bodies affiliated with policing and justice:

Agencies

- Forensic Science Northern Ireland;
- Legal Services Agency Northern Ireland;
- Northern Ireland Courts and Tribunals Service (NICTS);
- Northern Ireland Prison Service (NIPS); and
- Youth Justice Agency.

NDPBs

- Criminal Justice Inspection Northern Ireland;
- Northern Ireland Police Fund;
- Northern Ireland Policing Board;
- Office of the Police Ombudsman for Northern Ireland;
- Police Rehabilitation and Retraining Trust;
- Police Service of Northern Ireland (PSNI);
- Probation Board for Northern Ireland; and
- RUC George Cross Foundation.

In addition the NIAO also audits the following statutory accounts:

- Police pensions schemes;
- Northern Ireland Judicial Pension Scheme;
- Northern Ireland Courts and Tribunals Service Fine Collection Trust Statement;
- Northern Ireland Courts and Tribunals Service Investment Account¹; and
- Funds in Court in Northern Ireland.

¹ Responsibility for preparing the Investment Account lies with the National Debt Commissioners, under the Administration of Justice Act 1982.

Financial Audit

The C&AG for Northern Ireland is the external auditor for the Department. Each year the NIAO conducts a programme of audits on his behalf on the financial statements of the DoJ and its agencies and NDPBs. The C&AG is required, under the Government Resources and Accounts Act (Northern Ireland) 2001 and other legislation relevant to the NDPBs, to report his opinion as to whether the financial statements give a true and fair view. He is also required to satisfy himself that, in all material respects, expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and conform to the authorities which govern them; that is, they are 'regular'.



The C&AG reports the results of his financial audit work to the Northern Ireland Assembly. From time to time, he may also produce stand-alone reports that are published as Assembly documents.

Since 2016-17, the C&AG has issued four qualified audit opinions relating to the Legal Services Agency Northern Ireland, an Agency of the DoJ.

On these occasions, he also published a report attached to the accounts on the reasons why he decided to qualify his audit opinion. A summary of the qualification reasons is outlined below.

Report by the Comptroller & Auditor General on the Legal Services Agency Northern Ireland Annual Report and Accounts 2019-20

The Comptroller and Auditor General reported on the 2019-20 accounts of the Legal Services Agency Northern Ireland (previously the Northern Ireland Legal Services Commission). The audit opinion on these bodies has been qualified every year since 2003 due to a lack of effective counter fraud arrangements and weaknesses in the financial estimates of provisions for ongoing legal aid cases. The C&AG's report notes that progress has been made by the Agency in estimating levels of official error in its legal aid expenditure and on its estimation of legal aid provisions, but further work is needed to fully resolve the issues.

In addition to his reports relating to qualification issues, the C&AG issued the following short reports, without qualifying his audit opinion:

NICTS Trust Statement 2016-17 to 2018-19

Following the qualification of the 2011-12 to 2014-15 accounts, the Public Accounts Committee published a report in 2015 containing six recommendations for improving the collection of fines and penalties. The C&AG's subsequent short reports, without qualification of his audit opinion, tracked the progress made in addressing those recommendations.

Northern Ireland Policing Board 2017-18

Whilst some briefing of independent members had been undertaken since the collapse of the Assembly in 2017, no political members could be appointed and the Board was therefore not fully constituted. The Governance Statement noted that this curtailed the organisation in discharging its full range of duties. As a result of this there was no functioning Audit Committee during 2017-18, contrary to standard requirements. The C&AG noted with concern the impact this had on governance arrangements, whilst acknowledging that the circumstances were beyond the Board's control.

NIPS and PSNI 2019-20

A separate report was attached to both of these bodies' 2019-20 financial statements to explain the reason for significant increases in provisions for Injury on Duty. The need for the reports arose when, during the audit, the assumptions underlying the estimates were queried. Subsequently both bodies revised their estimates for this provision, with the PSNI's estimate of the provision at March 2020 increasing by £100.7 million and the NIPS' provision increasing by £9.1 million from the estimates in the draft financial statements presented for audit.

Public Reporting

The NIAO conducts independent evidence-based examinations and produces reports to the Northern Ireland Assembly and local councils on economy, efficiency and effectiveness, performance improvement and issues arising. Through its Public Reporting programme, the NIAO seeks to promote better value for money by highlighting and demonstrating to audited bodies ways in which they could: make improvements to realise financial savings or reduce costs; guard against the risk of fraud, irregularity and impropriety; improve quality of service; strengthen and enhance management, administrative and organisational processes; and achieve their aims and objectives more cost-effectively.

The main types of public reports produced by the NIAO are as follows:

- **Value for Money (VFM) studies** – investigations which examine and report on whether economy, effectiveness and efficiency ('the three E's') have been achieved in the use of public funds providing public services and programmes;
- **Emerging Issues and Investigations** – short, reactive reports on topical issues that establish facts to produce a timely, responsive and focused report to assist public accountability;
- **Impact reports** – previously published reports may be followed up to assess progress in implementing recommendations for improvement, together with impacts of all relevant actions considered and updates provided;
- **General reports** – on different sectors (health, central government and local government).

Copies of our reports can be found in the [Publications section](#) of our website.

Public Reporting current and future work programme

In late 2019, the NIAO published its three year Public Reporting Programme for the period 2019-2022. The programme outlines the C&AG's planned publications for each of the three years.

In response to Covid-19, considering the pressures on public services and anticipating the need to focus on topic areas impacted by the pandemic, an assessment was undertaken to re-prioritise the Public Reporting Programme in June 2020. The C&AG has agreed a plan which identifies a realistic schedule of priority public reporting work to be progressed at this time. The Public Reporting Programme can be found on our [website](#).

Value for Money work relating to the DoJ due for completion in 2020-21 and 2021-22 will examine Continuous Improvement in Policing.

The NIAO also plans to publish two cross-cutting reports on:

- Lessons arising from Judicial Reviews for NICS decision-making; and
- Planning in NI.



Previous Public Reporting coverage on the DoJ

An overview and main findings from a selection of NIAO reports on the DfE and its arm's length bodies are outlined below. Copies of our reports can be found in the [Publications section](#) of our website.

Managing children who offend: Follow-up Report

This was a follow-up to a 2017 report by the C&AG. The report considered the progress made in addressing the C&AG's earlier recommendations. It noted that the youth justice system is in the early stages of a major reform programme and that progress has been made although further work is required to build management systems. This includes fully developing a transformation strategy; improving measures and reporting of the impact its work has on the young people it deals with; and more fully understanding costs throughout the youth justice system.

Injury on duty schemes for officers in the Police Service of Northern Ireland and the Northern Ireland Prison Service

Injury awards are made to former police officers and prison officers for injuries sustained whilst on duty. These are often referred to as Injury on Duty awards and are made under two separate schemes – a PSNI scheme and the Northern Ireland Civil Service (NICS) scheme which includes Prison Service officers.

These schemes are amongst the largest injury schemes within central government in Northern Ireland. Both have seen costs increase over the last five years, with £33.9 million spent by the PSNI and £2.3 million by NIPS in 2018-19. Total liabilities are estimated at £488 million for the PSNI and £53 million for the NIPS.

This 2020 report found that substantial changes are needed to make the schemes used by the PSNI and NIPS sustainable and highlighted a number of issues:

- The scale of claims in Northern Ireland is significantly greater than in England.
- The PSNI scheme is complex and challenging to administer.
- The payment of injury awards is not always equitable.
- There are no time limits within which an application must be made.

Reducing Costs in the PSNI

This 2020 report examined the PSNI's annual funding reduction between 2010-11 and 2019-20, a reduction more severe than that experienced by most English and Welsh police services over the same period. This report also examined the challenges in budgeting and funding methods experienced by the PSNI and the methods implemented to overcome these challenges.

Key findings include:

- Police services across the UK have experienced a decade of reduced funding. The PSNI's budget has fallen by more than £200 million in real terms, while demand has increased and the nature of crime has changed significantly. If the PSNI is to continue to manage in these circumstances, it has to adopt a more strategic approach to reducing costs.

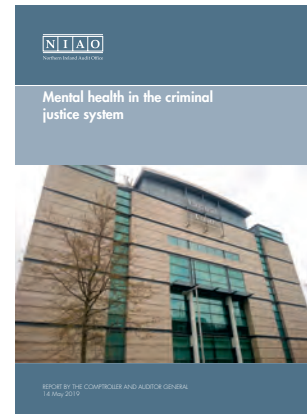


- In a bid to manage costs, the PSNI introduced a methodology called Priority Based Resourcing (PBR). PBR did not, however, deliver the anticipated strategic change and the focus turned very quickly to reducing headcount.
- The PSNI plans to implement a new efficiency programme with a different approach. It recognises the need to learn from the experience gained during 2015 to 2019.

Mental health in the criminal justice system

This 2019 report found that:

- Organisations across all stages of the justice system are facing significant pressures as a result of growing mental health needs amongst the general population.
- The PSNI currently receives over 20,000 reports a year of incidents where individuals are experiencing mental health crises but a crime has not necessarily been committed. Officers responding to these incidents are often confronted by situations requiring skills and experience outside their training.
- The PSNI has found it difficult to implement appropriate arrangements to ensure effective assessment and provision of necessary health services for these vulnerable individuals.
- There are challenges facing NIPS and the Probation Board of Northern Ireland in rehabilitating offenders, as a result of the high level of need and vulnerability.
- The current framework of sentencing options means there is a heavy reliance on short-term custodial sentences.
- While the justice system is pursuing a range of reform measures to meet the challenges, more effective co-ordination is required between justice agencies and other key services, particularly health, education and housing services.



Speeding up Justice: avoidable delay in the criminal justice system

This 2018 report examined the delivery of the criminal justice system by the four justice organisations: the PSNI, the Public Prosecution Service, the Northern Ireland Courts & Tribunals Service and the Department of Justice.

The key findings of the report include:

- Currently the criminal justice system in Northern Ireland does not deliver value for money.
- Crown court cases take over twice as long in Northern Ireland as in England and Wales.
- Improving performance in the early stages of investigations is a key lever for improving timeliness.
- Once cases reach court, progression is frequently punctuated by ineffective and adjourned court hearings (on average, cases are adjourned between six and seven times each).
- Just over half of trials proceeded as planned on the first day they were listed.
- Key management and performance information to facilitate effective monitoring and accountability is weak, absent or not used effectively.
- The criminal justice system lacks robust financial information about costs. This impairs its ability to understand the costs and benefits of the reform programme.
- The only way to address these issues effectively is through developing true partnership working.



Continuous improvement arrangements in policing 2019

The C&AG is required under section 29 of the Police (Northern Ireland) Act 2000 to audit the Policing Plan and performance summary and to send a report to the Policing Board, the Chief Constable and the DoJ. This report reviews the systems underpinning the plan and performance summary. It is not an audit of PSNI's performance.

This report examined the performance summary of the Policing Board and the PSNI in 2017-18 and 2018-19 and the Policing Plan for 2018-19 and 2019-20. The C&AG has given an unqualified audit opinion on the Policing Plans for 2018-19 and 2019-20 and the performance summaries for 2017-18 and 2018-19.

In addition to these more recent reports, the following reports relating to the activities of DoJ bodies were published between 2011 and 2015:

2015 Continuous improvement arrangements in policing

2014 Managing and protecting Funds held in Court Continuous improvement arrangements in policing

2013 Review of continuous improvement arrangements in policing 2013

2012 Continuous improvement arrangements in the Northern Ireland Policing Board Police service of Northern Ireland: Use of Agency staff

2011 Continuous improvement arrangements in the Northern Ireland Policing Board

In addition the NIAO has also published several cross cutting reports since 2016 including:

- **Capacity and Capability in the Northern Ireland Civil Service (Nov 2020)**
- **Overview of the Northern Ireland Executive's response to the COVID-19 pandemic (Sep 2020)**
- **Major Capital Projects (Dec 2019)**
- **Management of the NI Direct Strategic Partner Project – helping to deliver Digital Transformation (June 2019)**
- **The UK Border: how prepared is Northern Ireland for exiting the EU? (Oct 2018)**
- **Managing the Central Government Office Estate (Nov 2017)**
- **Northern Ireland Public Sector Voluntary Exit Schemes (October 2016)**

Copies of our reports can be found in the [Publications section](#) of our website.



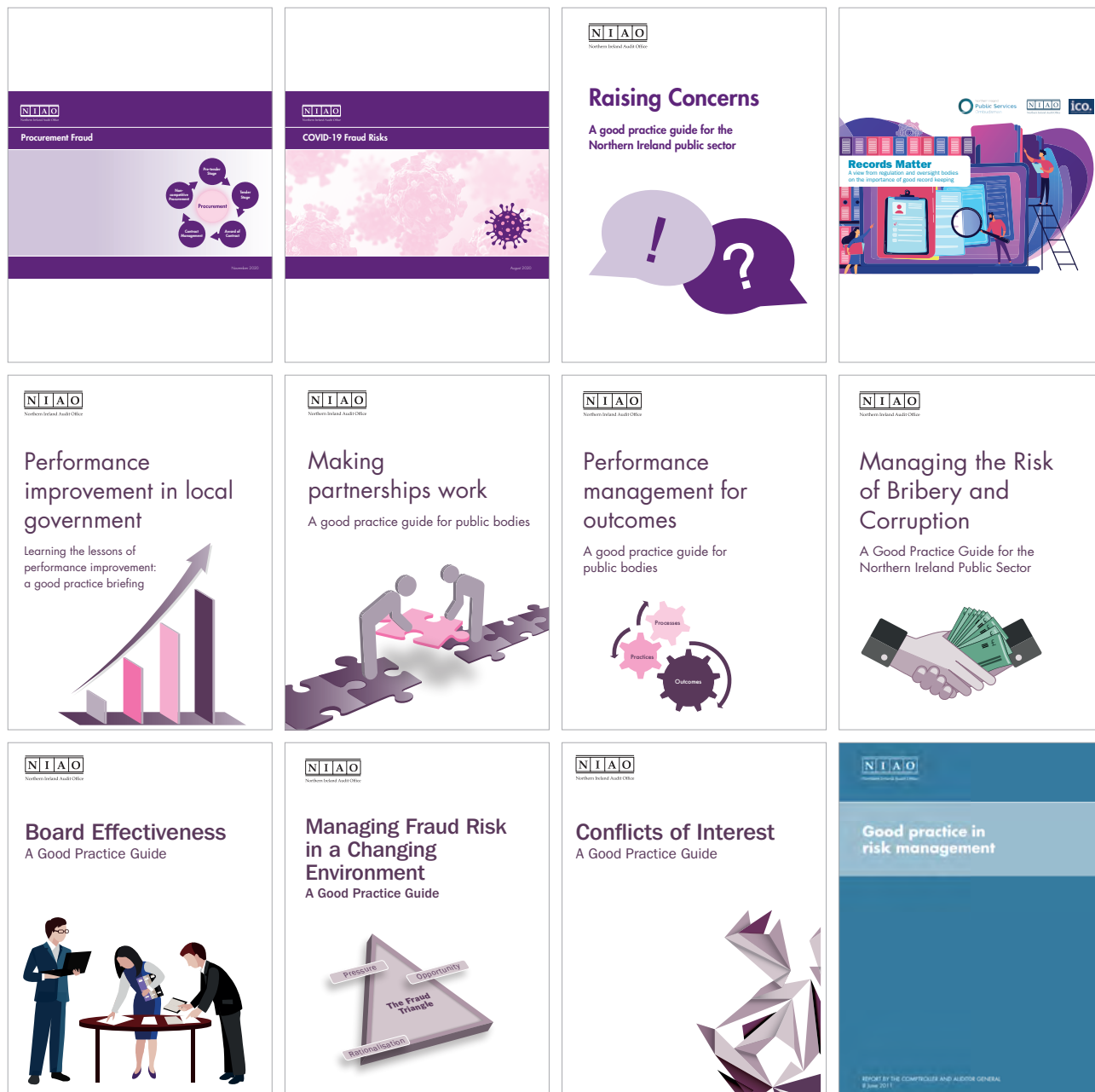
Good Practice guides

We have compiled a number of good practice guides over recent years covering a range of topics highlighting and encouraging public bodies to improve their performance in achieving value for money, implementing policy and suggesting ways in which public services could be improved.

Copies of our good practice guides can be found in the [Publications section](#) of our website².

Good practice guides planned for the future include:

- Asset management;
- Innovation; and
- Changing organisational culture



² *Records matter: a view from regulation and oversight bodies on the importance of good record keeping* published 29 January 2020 is the joint work of the NIAO, the Northern Ireland Public Services Ombudsman's Office, and the UK Information Commissioner's Office.

Counter Fraud Activity

The C&AG maintains a small Counter Fraud Unit which records and monitors notified frauds, and provides fraud-related advice and guidance, both internally and to the wider public sector, to help organisations strengthen their controls and minimise fraud risks. The Unit also co-ordinates the National Fraud Initiative (NFI) in Northern Ireland and is the first point of contact for third parties wishing to raise public interest concerns with the C&AG or Local Government Auditor.



Reporting Fraud

Managing Public Money Northern Ireland requires all NICS departments to report immediately to the C&AG (and to the Department of Finance) all proven, suspected and attempted frauds affecting them or the ALBs sponsored by them.³ The NIAO monitors these returns and liaises with the audited bodies to ensure that any fraud risks identified are properly addressed, for example through the introduction of additional controls.

National Fraud Initiative (NFI)

All NICS departments participate in the NFI, a UK-wide data matching exercise run every two years. To date, NFI exercises in Northern Ireland have resulted in actual and estimated savings of almost £40 million.

The overall results for NI are published every two years in the regional NFI reports which are available on our [website](#).

The NFI is not reported at organisational level, but by type of outcome (e.g. pensions/rates/payroll etc.) for NI as a whole.



Raising Concerns

Raising concerns (whistleblowing) plays a vital role in securing and maintaining standards in public life. Concerns should be raised in the first instance with the relevant department or arm's length body, as they are best placed to address the issue raised.

The C&AG and the Local Government Auditor are "prescribed persons" to whom protected disclosures can be made under Public Interest Disclosure legislation. Public sector employees, members of the public, contractors, councillors and other third parties can raise concerns with them about the proper conduct of public business, value for money and fraud and corruption. Details of how this can be done, and how such concerns will be considered, are on our [website](#).



³ Annex A.4.7 Managing Public Money NI (<https://www.finance-ni.gov.uk/articles/managing-public-money-ni-mpmni>)

