



# **Victims and Survivors Service**

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**Annual Report and Accounts**

**For the period ended 31 March 2013**



# **Victims and Survivors Service**

## **Annual Report and Accounts**

### **For the period ended 31 March 2013**

Laid before the Northern Ireland Assembly under the statutory provision for the Victims and Survivors Service, the Budget Act (Northern Ireland) 2013, by the Office of the First Minister and deputy First Minister

on

27 March 2014

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This publication is also available for download from our website at [www.victimsservice.org](http://www.victimsservice.org).

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## **OFFICERS**

### **Officers**

#### **Directors**

##### **Interim Board Members**

Fergus Devitt – Chairman appointed 27 March 2012 resigned 24 December 2013

Marie Mathews – Director appointed 27 March 2012 resigned 24 December 2013

Sinead McCartan – Director appointed 30 September 2013 resigned 28 October 2013

Janine Fullerton – Director appointed 30 September 2013 resigned 28 October 2013

Brenda Burke – Director appointed 30 September 2013 resigned 28 October 2013

##### **Permanent Board Members**

Peter Gay – Chairman appointed 5 December 2013

Bertha McDougall – Director appointed 4 December 2013

Richard Solomon – Director appointed 5 December 2013

Oliver Wilkinson – Director appointed 13 December 2013

#### **Auditors**

Northern Ireland Audit Office

106 University Street

Belfast

BT7 1EU

#### **Registered Office**

Victims and Survivors Service Limited

1<sup>st</sup> Floor Millennium House

25 Great Victoria Street

Belfast

BT2 7AQ

#### **Principal Bankers**

Danske Bank

8/9 Donegall Square North

Belfast

BT1 5GJ

## **DIRECTORS' REPORT**

### **Directors' Report**

For the period ended 31 March 2013.

The Directors are pleased to present their annual review and the financial statements for the period ending 31 March 2013.

### **FORMATION AND STATUS**

The Office of the First Minister and deputy First Minister directed that the Victims and Survivors Service be established, and consequently the Victims and Survivors Service Limited was incorporated on 27 March 2012 as a private company limited by guarantee.

Initial members of the company were Fergus Devitt and Marie Matthews, employees of the Office of the First Minister and deputy First Minister.

Since December 2013, a fully constituted Permanent Board has been in place.

In planning for the establishment of the Service, the location of Millennium House was initiated by the Office of the First Minister and deputy First Minister due to an existing lease on the building. In addition, preparatory costs including temporary staff, facilities and accommodation set up were incurred pre 27 March 2012. These costs were borne by the Office of the First Minister and deputy First Minister.

### **STRATEGIC CONTEXT**

The Victims and Survivors Service is the delivery body named in the ten-year Strategy for Victims and Survivors 2009-2019 published by the Office of the First Minister and deputy First Minister, responsible for administering funding to victims and survivors. "Victims and Survivors" has the meaning ascribed by the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors (Northern Ireland) Act 2008. The Victims and Survivors Service represents an important new step in the approach to delivering government-funded services and support in this area.

Since 1998, both the Northern Ireland Office and the Office of the First Minister and deputy First Minister have allocated funds to victims and survivors via two organizations:

1. The Northern Ireland Memorial Fund, which delivered funding and assistance directly to individual victims and survivors; and

## **DIRECTORS' REPORT**

2. The Victims' Unit within the Community Relations Council, which delivered resources to victim/survivor support organizations. In 2012/2013, this funding constituted two streams:
  - a. the Strategic Support Fund, which supported larger organizations by covering both the running and programme delivery costs of support services, and
  - b. the Development Grant Scheme, which financed the delivery costs of diverse projects aimed at helping victims and survivors to become active members of society.

In addition to these funding streams, in 1999 the Office of the First Minister and deputy First Minister established four Trauma Advisory Panels, one in each Health and Social Services Board area of Northern Ireland. The Trauma Advisory Panels were set up to generate networks of support, information-sharing, and co-ordinated practice around the delivery of services to victims and survivors.

Following public consultation over 2008-2009 and the publication of the Strategy in 2009, the Victims and Survivors Service was established to absorb the functions of the Northern Ireland Memorial Fund and the victims' unit of the Community Relations Council into one single organization, and to build upon the work and insights of the Trauma Advisory Panels. In doing so, the vision for the Victims and Survivors Service was to achieve better coordination of funding and service provision, and thus improve the lives of victims and survivors.

## **STRATEGIC PRIORITIES**

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

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

## **AIMS AND OBJECTIVES OF THE VICTIMS AND SURVIVORS SERVICE**

The aims and objectives of the Victims and Survivors Service make clear the new approach that will be adopted in relation to delivering services and support to victims and survivors going forward. This new approach focuses on the importance of identifying and responding to the actual needs of victims and survivors at both individual and group level, with an efficient, coordinated and rigorously monitored provision of services.

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In absorbing the functions of the Northern Ireland Memorial Fund in 2013/2014 and the Community Relations Council in 2012/2013, the Victims and Survivors Service seeks to accomplish the following aims:

1. Achieve better co-ordination of funding.
2. Establish clearer links between support provided and actual needs.
3. Make more efficient use of resources.
4. Achieve sustainability.
5. Make use of and improve upon good practice in the victim/survivor sector.
6. Obtain better information on outputs.
7. Collate information on individual needs.
8. Achieve better evaluation of service provided.

In pursuing these aims, the key objectives of the Victims and Survivors Service are to ensure that victims and survivors should have:

1. Access to high quality services;
2. Support relevant to their needs;
3. Services delivered in appropriate locations; and
4. A commitment to the long term if required.

## **STAKEHOLDERS AND KEY RELATIONSHIPS**

The Victims and Survivors Service is supported in its efforts to deliver on these priorities by the Office of the First Minister and deputy First Minister, the Commission for Victims and Survivors, and the Victims and Survivors Forum. The 2009-2019 Strategy for Victims and Survivors clarified the relationship between these four key bodies as follows:

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

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

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

## DIRECTORS' REPORT

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

In addition to these key partnerships, the Victims and Survivors Service has an array of external stakeholders. Most important among these are the victims and survivors themselves, and the organisations that have emerged over the past 15 years to deliver services and support for victims and survivors funded by the Office of the First Minister and deputy First Minister. Developing the relationship with these stakeholders has been and will continue to be a key priority for the Victims and Survivors Service.

## TRANSFER OF FUNCTIONS

The Victims and Survivors Service operated a skeletal administrative function from incorporation on 27 March 2012 until 11 November 2012. On that date, the functions and staff of the victims unit of the Community Relations Council were transferred to the Victims and Survivors Service. 11 staff from the Community Relations Council were transferred under the Transfer of Undertakings (Protection of Employment) Regulations 2006. The financial statements below reflect the skeletal administrative function from incorporation and the core service provision from 11 November 2012 in accordance with Government Financial Reporting Manual guidelines, covering function transfer and absorption accounting requirements to mirror the accounting treatment adopted by the transferor, the Community Relations Council.

At 31 March 2013, the Victims and Survivors Service had 26 staff in post (24.09 Full Time Equivalent), as outlined in the organisation chart at [Appendix 1](#). However it should be noted that the average staff numbers were 14 during this period as outlined in Note 3.

## SENIOR MANAGEMENT TEAM

At 31 March 2013, two Senior Management Team members were in post.

**Table 1: VSS Senior Management Team**

Name	Grade	Post Title	Date Appointed
<b>Anne Dorbie</b>	G6	Chief Executive and Accounting Officer	19 November 2012
<b>Margaret Bateson</b>	G7	Head of Services	25 February 2013

## DIRECTORS' REPORT

Given that the Head of Services came into post in the final few weeks of the period, formal Senior Management team meetings will commence in 2013/2014.

### PRINCIPAL ACTIVITIES FOR THE PERIOD ENDING 31 MARCH 2013

The Victims and Survivors Service has been established to administer funding and resources for victims and survivors. This includes the assessment of need and the commissioning of services in order to secure a measurable improvement in the wellbeing of victims and survivors. It is also expected that, where appropriate, the Victims and Survivors Service will assist willing victims and survivors to play a central role as part of wider society in addressing the legacy of the past, and to contribute to building a shared and better future.

Over the period, the Victims and Survivors Service had two main strands of activity:

- 1. The Individual Needs Review** – to assess the individual needs of victims and survivors, and develop a tailored package of care and support to meet those needs.
- 2. Programme Activity** – to administer funding from the Office of the First Minister and deputy First Minister to organisations which provide services and support to victims and survivors.

During the period of this report only the functions relating to group funding transferred to the Victims and Survivors Service. The Northern Ireland Memorial Fund functions and staff were due to transfer but for operational reasons this was delayed until 1 April 2013.

The primary focus of the Victims and Survivors Service during the period ended 31 March 2013 was to establish the organisation. From 27 March 2012 to 11 November 2012 it operated with a skeletal staff comprising a part-time Chief Executive and Accounting Officer and on average 6 temporary Agency staff. This facilitated the establishment of an office in Great Victoria Street in Belfast. During this period, work primarily focussed on putting in place an office system for e-mails and information retention, recruitment of key personnel, and detailing the Transfer of Undertakings (Protection of Employment) arrangements for staff within the Community Relations Council and Northern Ireland Memorial Fund.

The Victims and Survivors Service was also tasked with the winding up of the Trauma Advisory Panels from April 2012 to June 2012. This involved negotiating staff terms and conditions with those who were previously employed by the Trauma Advisory Panels and the winding down of the relevant offices. No staff were transferred to the VSS.

## DIRECTORS' REPORT

### Transition Working Group

A Transition Working Group was set up by the Office of the First Minister and deputy First Minister to oversee these activities and the transition process. Table 2 below details the membership of the Transition Working Group.

**Table 2: Members of the Transition Working Group**

Name	Organisation	Position
<b>Denis McMahon (Chair of Working Group)</b>	Office of the First Minister and deputy First Minister	Director of Equality and Strategy
<b>Brendan McAllister</b>	Commission for Victims and Survivors	Commissioner
<b>Bertha McDougal</b>	Commission for Victims and Survivors	Commissioner
<b>Patricia MacBride</b>	Commission for Victims and Survivors	Commissioner
<b>Adrian McNamee</b>	Commission for Victims and Survivors	Head of Policy
<b>Tony McCusker</b>	Community Relations Council	Chair
<b>Jacqueline Irwin</b>	Community Relations Council	Chief Executive
<b>Michaela Mackin</b>	Community Relations Council	Head of Funding
<b>Dennis Licence</b>	Northern Ireland Memorial Fund	Chair
<b>Carolyn Mada</b>	Northern Ireland Memorial Fund	Director
<b>Anne Dorbie</b>	Commission for Victims and Survivors (Pre November 2012) Victims and Survivors Service (November 2012-March 2013)	Secretary Chief Executive and Accounting Officer
<b>Fergus Devitt</b>	Victims Policy Unit, Office of the First Minister and deputy First Minister	Director
<b>Peter Robinson</b>	Victims Policy Unit, Office of the First Minister and deputy First Minister	Head of Policy
<b>Marie Matthews</b>	Victims Policy Unit, Office of the First Minister and deputy First Minister	Deputy Principal, Equality and Strategy Directorate

The Transition Working Group monitored progress on the establishment of the Victims and Survivors Service. Key areas of focus were the business case for the Victims and

## **DIRECTORS' REPORT**

Survivors Service, staffing levels, the assessment process and the co-ordination of the transfer of the victims unit of the Community Relations Council and the Northern Ireland Memorial Fund.

Temporary staff in the Victims and Survivors Service were tasked with adapting policies and processes from Northern Ireland Civil Service and other relevant public bodies' conditions to this newly formed company, which in itself was to be a hybrid of two different organisations.

During this period, significant time was committed to engaging with organisations that were still being funded under the Strategic Support Fund, the Victims and Survivors Forum, and individuals in receipt of funded support through the Northern Ireland Memorial Fund. This engagement was necessary in the context of significant changes to funding for groups and individuals represented by the establishment of the Victims and Survivors Service, to respond to and resolve concerns and queries from stakeholders.

Furthermore, it should be noted that as soon as the Victims and Survivors Service opened on 2 April 2012, individual victims and survivors began to contact the organisation to discuss their needs. Two Assessors were immediately employed and started to implement the agreed assessment process.

### **The Individual Needs Review**

The Individual Needs Review is the agreed mechanism for identifying the needs of victims and survivors in order to improve the services delivered for them, as per the aims and principles of the 2009-2019 Strategy for Victims and Survivors.

#### ***Process***

The Individual Needs Review is a guided conversation structured to reflect the areas of need identified in the Comprehensive Needs Analysis published by the Commission for Victims and Survivors over the period 2010-2012. The Individual Needs Review was developed prior to the establishment of the Victims and Survivors Service by the Individual Assessment Working Group, comprising representatives from the Commission for Victims and Survivors, the then Pilot Forum for Victims and Survivors, the Community Relations Council, the Northern Ireland Memorial Fund, the Trauma Advisory Panels, the Office of the First Minister and deputy First Minister, and victim/survivor support groups and service providers. It is premised on a reflexive approach to identifying and collating information on the needs of the clients of the Victims and Survivors Service.

The Individual Needs Review is delivered by a Victims and Survivors Service Assessor, who guides the Client through the conversation, discussing his/her needs. On the basis

## **DIRECTORS' REPORT**

of these assessed and agreed needs, the Assessor then makes recommendations for the Client to be referred or signposted to services within groups funded under the Strategic Support Fund or Development Grant Scheme, or to psychological therapy services that the Victims and Survivors Service can provide directly. Ensuring client choice is core to this process. The Client Journey is outlined at [Appendix 2](#).

### ***Personnel***

By 31 March 2013 the Victims and Survivors Service had employed 5 full-time equivalent Client and Clinical Assessors, all of whom were recruited on the basis of skills acquired in nursing, social work, counselling and psychological therapies, and working with clients who have experienced trauma. See Organisational Chart outlined in [Appendix 1](#).

### ***Early Findings and Emerging Trends***

By 31 March 2013 the Victims and Survivors Service had completed Individual Needs Reviews with 351 individual clients. Early trends in the information emerging from these assessments show, for example, that slightly more men than women seek Individual Needs Review appointments, that the average age of Clients is around 55 years, with a significant incidence of trauma. This trauma is frequently associated with Troubles-related events that occurred more than 20 years ago. The Victims and Survivors Service will monitor these emerging trends closely into the next financial year.

The Victims and Survivors Service was not a grant making body for individuals in 2012/2013 and that therefore the key facility available to the Victims and Survivors Service was signposting to existing organisations and support networks.

However a need quickly emerged for the Victims and Survivors Service to provide a more complex level of psychological assessment and subsequent therapy and support. The Victims and Survivors Service identified this as a key risk and in consultation with the Transition Working Group designed and arranged the assessments and therapies which were subsequently recommended. This was an area of work that was not anticipated in the original Victims and Survivors Service Business Plan.

In parallel to these developments, the Victims and Survivors Service staff designed and procured alterations to existing premises creating a suite of assessment rooms to ensure that clients felt comfortable during the Individual Needs Review process and any subsequent therapies.

## DIRECTORS' REPORT

### Programme Activity

With the transfer of staff from the Community Relations Council, the Victims and Survivors Service undertook the administration and winding up of the two funding streams for organisations delivering services and support for victims and survivors:

1. The Development Grant Scheme; and
2. The Strategic Support Fund.

Further detail on each of the schemes is outlined below.

The Victims and Survivors Service also worked towards the launch in November 2012 of funding from the Office of the First Minister and deputy First Minister for the years 2013-2015. Table 3 below outlines the key characteristics of each category of group drawing down funding under the Strategic Support Fund and Development Grant Scheme at the time, and identifies their relevant funding stream.

**Table 3: Categories of Funded Victim/Survivor Support Groups 2012/2013**

Category of Applicant Group	Characteristics and Eligible Costs	Relevant Fund
<b>Voluntary Groups</b>	Voluntary groups typically address a community support need, generating social interaction and working against the isolation of the individual victim. Eligible costs include: Expenses, particularly travel costs; social events considered a core part of volunteer operations; and limited running costs.	Development Grant Scheme
<b>Self-Help Organisations</b>	Self-help organisations have a more developmental character: they are generally user-led and involve a range of activities such as, for example, befriending, commemoration, advocacy, research, and counselling. Eligible costs include: running costs; administration costs; staff training in skills for organisational development; certain salaries.	Strategic Support Fund
<b>Parallel Service Providers</b>	Parallel service providers deliver professional services and training that are close, or parallel, to work that is provided by the statutory sector. Generally run by professionals such as social workers or psychologists, these groups offer a range of services including counselling, group work, and training and capacity-building (which can be accessed by self-help groups, for example). Eligible costs include: running costs; administration costs; staff training in skills for organisational development; certain salaries.	Strategic Support Fund

**Services Funded by the Strategic Support Fund and Development Grant Scheme**

Examples of services and support enabled by the Strategic Support Fund and Development Grant Scheme for the year 2012-2013 are listed in Table 4 below.

**Table 4: Examples of Services and Support Funded under the Strategic Support Fund and Development Grant Scheme**

Work area	Examples of activity funded under the Strategic Support Fund and Development Grant Scheme
<b>Mental health and well-being</b>	<ul style="list-style-type: none"> <li>· Counselling and psychotherapeutic support</li> <li>· Complementary or alternative therapy provision</li> <li>· Related supervision costs</li> </ul>
<b>Social Support</b>	<ul style="list-style-type: none"> <li>· Volunteer befriending training and co-ordination</li> <li>· Related supervision</li> <li>· Respite trips or outings</li> <li>· Social networking</li> <li>· Services or activities that help to build self-confidence through social interaction, pastoral care support</li> <li>· Welfare advice</li> </ul>
<b>Personal and professional development</b>	<ul style="list-style-type: none"> <li>· Professional or vocational training or education / learning opportunities for individual victims and survivors to provide support towards employment or careers development / learning new skills</li> <li>· Non-professional or non-vocational training / education / learning opportunities for end beneficiaries to assist in learning / skills development, employment or careers development</li> </ul>
<b>Truth, Justice and Acknowledgement</b>	<ul style="list-style-type: none"> <li>· Services that relate to truth recovery / truth telling and justice work</li> <li>· Advocacy and campaigning work</li> <li>· Remembrance, storytelling and archiving services</li> <li>· Cultural diversity work</li> </ul>
<b>Transgenerational/ Young People</b>	<ul style="list-style-type: none"> <li>· Services that relate to the understanding of the transmission of intergenerational or secondary / shared trauma and its impact on the mental health of young people and their families</li> <li>· Young people's projects including respite or summer schemes</li> </ul>

## **DIRECTORS' REPORT**

### **Strategic Support Fund**

The Strategic Support Fund supported applications from groups for grants greater than £75,000 including salaries and running costs as well as programme activity. In 2012-2013, 44 organisations were awarded Strategic Support Fund grants by the Community Relations Council.

The management of the Strategic Support Fund transferred to the Victims and Survivors Service in November 2012 with key aims to:

1. Promote the unique support provided by groups and organisations to individual victims and survivors.
2. Encourage groups/organisations that provide services in parallel with others to develop partnerships that complement rather than duplicate service delivery.
3. Encourage cohesion between and within groups and organisations so that service provision could be shared and the fragmentation of groups and organisations avoided.
4. Encourage groups and organisations to develop strategic plans which show how their work will be sustained; how they will diversify their funding base; how they will address the training needs of their volunteers, staff and management committee; and how they will aim to provide a service to all communities.

### ***Monitoring and evaluation***

The Community Relations Council operated a qualitative monitoring and evaluation system in relation to funded projects. This involved quarterly reports submitted by funded organisations in relation to the activity completed over the period.

Table 5 below shows the outturn of the projects funded under the Strategic Support Fund for the year 2012/2013. The overarching target for this year was to provide services and support to a total of 17,763 beneficiaries across a number of activities.

Table 5: 2012/2013 Strategic Support Fund – Progress against Targets

Work Area	Target	Status	Final Outturn 31/03/13
<b>Mental Health and Well-Being</b>	To provide services and support to 6,900 beneficiaries	8,087	Target Exceeded
<b>Social Support</b>	To provide services and support to 6,000 beneficiaries	7,730	Target Exceeded
<b>Personal and Professional Development</b>	To provide services and support to 1,500 beneficiaries	3,087	Target Exceeded
<b>Truth, Justice and Acknowledgement</b>	To provide services and support to 2,700 beneficiaries	1,536	Below target
<b>Transgenerational Issues/Young People</b>	To provide services and support to 400 beneficiaries	1,625	Target Exceeded
<b>Annual Total</b>		<b>19,806</b>	Target Exceeded

It should be noted that the figures above reported by the groups indicates the total number of beneficiaries within each work area. Targets were also set in the same way. Therefore, it is likely that an individual may have received a service under Social Support and Personal Development and this beneficiary will therefore be counted once under Social Support and a second time under Personal Development.

In order to establish a more accurate monitoring and evaluation system, the Victims and Survivors Service is working towards assigning a unique anonymous identifier to each service user, to ensure that both the number of unique beneficiaries and the number of activities and/or interventions can be recorded moving forward.

## DIRECTORS' REPORT

### Development Grant Scheme

The Development Grant Scheme supported applications from groups for smaller programmes of work, and did not include salaries and running costs as eligible expenditure. Over 2012/2013 a total of 51 Development Grant Scheme grants were awarded, at an average of £12,500 per award.

The management of the Development Grant Scheme transferred to the Victims and Survivors Service in November 2012.

### *Monitoring and evaluation*

Groups funded under the Development Grant Scheme were required to submit qualitative monitoring and evaluation information. A review of the monitoring returns submitted showed that the funded projects were successfully completed within the year. The Victims and Survivors Service is working towards assigning a unique anonymous identifier to each service user to ensure that both the number of beneficiaries and the number of activities and/or interventions can be recorded. This will allow for a holistic view of the impact and benefits of all funded programmes in this coming year to be identified.

### **November 2012: Launch of Victims Support Programme (2013-2015)**

On 5 November 2012 the Victims and Survivors Service launched £20million of funding from the Office of the First Minister and deputy First Minister that will be administered over the years 2013-2015. This funding is divided into two main Programmes:

1. The **Victims Support Programme**, which delivers funding to organisations to enable them to deliver services and support to victims and survivors. This Programme is delivered in two streams: funding for Health and Wellbeing services, and funding for Social Support services.
2. The **Individual Needs Programme**, which delivers funding and funded services directly to individuals. This Programme is delivered through six Schemes: Education and Training, Chronic Pain, Disability Support, Care for Carers, Respite Breaks and Financial Assistance.

Table 6 below summarises the detail of the Victims Support Programme and Individual Needs Programme.

**Table 6: Victims Support Programme and Individual Needs Programme 2013-2015**

Programme	Streams	Detail
<b>Victims Support Programme</b>	<b>Health &amp; Wellbeing</b>	<b>Approx. £8.5m</b> Includes counselling, psychotherapies, complementary therapies, personal and professional development 6,000 estimated beneficiaries
	<b>Social Support</b>	<b>Approx. £7.3m</b> Includes befriending, group activities, personal development, welfare support, truth/ justice/ acknowledgement and advocacy activities; transgenerational and youth activities 7,000 estimated beneficiaries
<b>Individual Needs Programme</b>	<b>6 Schemes, addressing Education and Training, Chronic Pain, Disability Support, Care for Carers, Respite Breaks and Financial Assistance</b>	<b>Approx. £3.6m</b> Packages of support agreed at an Individual Needs Review.

### ***Victims Support Programme***

The Victims Support Programme will be delivered to organisations in 2013/2014 and 2014/2015 via two kinds of grants:

1. Grants > £75,000
2. Small Grants (< £75,000)

Furthermore, as noted above, the Victims Support Programme is divided into two streams: funding for Health and Wellbeing services, and funding for Social Support services.

The aims and objectives of the Health and Wellbeing and Social Support Programmes are detailed in Table 7 below.

**Table 7: Aims and Objectives of the Health and Wellbeing and Social Support Programmes**

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

***Access to the Victims Support Programme***

Access to the Victims Support Programme is by paper application. This application process was different to that operated by the Strategic Support Fund and Development Grant Scheme under the Community Relations Council, inasmuch as the applicant organisations were expected to evidence:

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

## **DIRECTORS' REPORT**

Another new dimension to the process was the establishment of an Independent Assessment Panel to review, score and finally approve or reject applications to the Programme.

Mindful of these new expectations, the Victims and Survivors Service provided an initial information session around the aims and objectives of the Victims Support Programme at the launch on 5 November. Over the next two weeks, a series of workshops were held across the region to share further details and offer support and clarification for groups intending to apply for funds.

The application period for the Programme ran from 26 November to 17 December 2012.

### ***Assessment of Applications: Grants >£75,000***

Applications >£75,000 were received from 55 groups in December 2012. These were assessed by the Independent Panel in January and February 2013 using a 2 stage process:

1. Stage 1: Corporate Governance
2. Stage 2: Eligibility of Work Areas

### ***Letters of Offer***

Successful applicants progressed to Letters of Offer, and unsuccessful groups were provided with feedback on their application and encouraged to apply to the Small Grants (<£75,000).

Interim Letters of Offer were issued to 43 successful applicants to the >£75,000 Grants in March 2013. In addition, exit funding for three months was issued to three unsuccessful applicants that had previously been in receipt of Strategic Support Fund grants.

### ***Assessment of Applications: Grants <£75,000***

Applications to the small grants element of the Victims Support Programme were open until September 2013.

The Assessment and Letter of Offer process is in line with the larger grants outlined above and commenced in March 2013, with Letters of Offer issued in the 2013/2014 financial year.

## DIRECTORS' REPORT

### FUTURE DEVELOPMENTS

In the year 2013/2014 the Victims and Survivors Service will manage the **Victims Support Programme**. It will also undertake the management of the **Individual Needs Programme**, which will replace the schemes previously administered by the Northern Ireland Memorial Fund.

In managing the Victims Support Programme and Individual Needs Programme, the Victims and Survivors Service will establish the needs of victims and survivors, as identified in the Individual Needs Review process to feed into future policy discussions with the Commission for Victims and Survivors and the Office of the First Minister and deputy First Minister. The Victims and Survivors Service will also implement a monitoring and evaluation framework developed in conjunction with stakeholders, to collate information on access to and the impact of funded services in terms of the outcomes set down by the Department.

#### Individual Needs Programme

The Individual Needs Programme was launched by Ministers on 28 March 2013, and staff will transfer from the Northern Ireland Memorial Fund to the Victims and Survivors Service in April 2013.

The Individual Needs Programme will be delivered through six Schemes: Education and Training, Chronic Pain, Disability Support, Care for Carers, Respite Breaks and Financial Assistance. These Schemes are combined to create the following four packages of care: Support for the Bereaved, Support for the Injured, Support for Carers, Support for Spouses/Partners and Children of Individuals Living with Injuries.

#### ***Aims and Objectives***

The aims and objectives of the Individual Needs Programme are detailed in Table 8 below.

**Table 8: Aims and Objectives of the Individual Needs Programme**

Individual Needs Programme	
<b>Aims</b>	<ul style="list-style-type: none"><li>• In line with Health and Wellbeing and Social Support, as per the Victims Support Programme</li></ul>
<b>Objectives</b>	<ul style="list-style-type: none"><li>• To provide services and packages of support in line with recommendations made in the Individual Needs Review(s)</li><li>• To monitor progress made by individuals</li></ul>

## DIRECTORS' REPORT

### DIRECTORS

The initial Directors of the company and as at 31 March 2013 were:

Fergus Devitt  
Marie Matthews

These initial Directors are civil servants and have been appointed as interim board members by the Office of the First Minister and deputy First Minister. Following appointment, both Directors received 'On Board' training conducted by the Chief Executives Forum and Chartered Institute of Public Finance and Accountancy and a full induction into the work of the Victims and Survivors Service conducted by the Accounting Officer and senior staff.

Subsequently a further 3 appointments were made in September 2013 which were drawn from the Northern Ireland Civil Service. These appointees did not meet as a Board and resigned effective 28 October 2013 when it was determined that an independent permanent Board would soon be constituted.

A Board with permanent members was established effective December 2013 and includes:

Peter Gay	Chairperson
Bertha McDougall	Director
Richard Solomon	Director
Oliver Wilkinson	Director

### PERFORMANCE AGAINST OBJECTIVES

The principal activities of the Victims and Survivors Services in this first transition period have been outlined above. In addition, the objectives and 24 key performance indicators were agreed with the Officer of the First Minister and deputy First Minister. Summary progress against targets was:

Green	Amber	Red
Activities completed by 31 March 2013 (15)	Activities partially completed by 31 March 2013 (8)	Activities not completed by March 2013 (1)

## **DIRECTORS' REPORT**

Further details are outlined in [Appendix 3](#). Key achievements in 2012/2013 include:

- The establishment of the Victims and Survivors Service office in Belfast and the recruitment of all staff within 2012/2013 approvals.
- The establishment of an application process, recruitment of an Independent Panel to assess applications and an appeals mechanism for the Victims Support Programme. This enabled the Victims and Survivors Service to successfully launch £20million of funding from the Office of the First Minister and deputy First Minister in November 2012, for the years 2013/15.
- The assessment of applications to the Victims Support Programme and issuing of Letters of Offer for the years 2013/15.

Furthermore, in addition to the agreed work plan, the Victims and Survivors Service adapted to emerging needs and activities including:

- Winding up of the Trauma Advisory Panels and preparation work to set up a Victims and Survivors Practitioners Working Group;
- The procurement of quality assured psychological therapies directly to individual victims and survivors presenting at the Victims and Survivors Service. The need to provide such services directly as opposed to via organisations funded under the Strategic Support Fund was not anticipated when the Victims and Survivors Service opened to the public in April 2012. However, given the risk presenting for those clients expressing a need for psychological support, the Victims and Survivors Service responded immediately and put the necessary measures in place to meet those needs.
- A responsive programme of outreach and engagement addressing the changes in policy and approach embodied by the establishment of the Victims and Survivors Service and in particular, the Individual Needs Review process. This included:
  - o Informal meetings with organisations funded under the Strategic Support Fund and Development Grant Scheme;
  - o Scheduled meetings with the Forum for Victims and Survivors; and
  - o A briefing for political party spokespersons on victims and survivors.

## **SHARE CAPITAL**

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

## **FIXED ASSETS**

Details of the movement of fixed assets have been summarised in Note 6 (page 69) to the accounts. The company does not believe that there is any material difference between the market and book value of its fixed assets as at 31 March 2013.

## DIRECTORS' REPORT

### EMPLOYEE POLICY

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

In particular the company:

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

In 2012/2013, the Victims and Survivors Service operated on a skeletal structure of temporary staff until November 2012, when the transfer of Community Relations Council Victims Unit staff occurred.

Staff involvement included consultation on the transfer of function, staff meetings, cross-departmental meetings and the use of bespoke project teams.

### ABSENCE DATA

The table below shows the sick absence results for the Victims and Survivors Service for the period ended 31 March 2013.

**Table 9: Victims and Survivors Service Employee Sick Absence**

	Working days lost 2012/2013	Average days lost per WTE member of staff
<b>Including long-term absence</b>	11	0.21
<b>Excluding long-term absence</b>	-	-

## **DIRECTORS' REPORT**

### **PENSIONS**

The Victims and Survivors Service participates in a pension scheme administered by Civil Service Pensions (Northern Ireland) for all permanent and temporary staff. Further details are set out in the Remuneration Report on page 46.

### **SUSTAINABILITY REPORT**

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

These include:

- the 100% use of recycled paper;
- the introduction of multifunction printing/ copying/ scanning devices which are set to duplex printing by default;
- office accommodation located within Belfast City Centre;
- the use of 'hot-desking' in the Client Services function meaning despite increasing its headcount during the past year, the organisation has not increased the size of its office.

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

The Victims and Survivors Service is aware of its responsibility to progress its work associated with sustainable development targets within the Implementation Plan emanating from the first Northern Ireland Sustainable Development Strategy. As such, the Victims and Survivors Service will set a number of sustainability targets within the 2013/2014 financial year, and report on the progress and success of each of these targets.

### **DATA PROTECTION AND FREEDOM OF INFORMATION**

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

The control system has been established to ensure the appropriate handling of personal data and information used for operational and reporting purposes through the development of appropriate strategy and policy.

## DIRECTORS' REPORT

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

In 2012/2013 the Victims and Survivors Service received 2 Freedom of Information requests. These are detailed in Table 10 below.

**Table 10: Freedom of Information Requests**

Ref. No.	Subject	Response
1213_01	<p>Applicant seeking details of:</p> <p><b>(1) Assessments</b> (copy of the assessment pro-forma; detail of the different assessment procedures including how long each assessment is expected to last and the questions asked; the mandatory qualifications of assessors; list of assessors; information on whether any of the assessors previously have worked in any of the policing or security services, including all sessional assessors and detail sessional assessors' affiliations (whether permanent or occasional) to any service providers; whether clients will be reassessed as their circumstances change, how this will be done, and who will do it);</p> <p><b>(2) Section 75 Obligations</b> (full details of any Equality Impact Assessment of the new Service and in particular the new Assessment process; full details of any Equality Screening process undertaken);</p> <p><b>(3) Referral Process</b> (the current criteria for referrals; exactly how this is recorded and where; who makes the decision which agency to refer to and how this is done; who are on the list for referral agencies; how this was procured; who sat on the procurement panel; full copies of all procurement documentation; full detail of how much is paid to each agency referred to);</p> <p><b>(4) Financial Assistance</b> (full detail on the eligibility for financial assistance; exactly what streams of funding will be available and in what circumstances individuals will be eligible for financial assistance; whether there is a separate assessment process for financial needs distinct from the assessment of psychological need or whether this is the same assessment; whether those eligible for financial assistance will be obliged to procure other support if recommended in order to obtain financial support, and if so all relevant information);</p>	Part release

## DIRECTORS' REPORT

Ref. No.	Subject	Response
	<b>(5) Central Database</b> (what other agencies will have access to the information; who will have access to the information; what backup system will be employed; where the information will be stored).	
1213_02	Applicant seeking details of: Information regarding all CRC Funded/Victims and Survivors Service-Funded organisations obtaining Welfare Advice Funding, the amount of welfare staff funded per organisation, total hours each per week for each organisation, please segregate into either urban or rural areas and if they participated at the recent Welfare Reform Information Day hosted by CRC.	Full release

### PAYMENTS TO SUPPLIERS

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

Prior to November 2012, payments were made by the Office of the First Minister and deputy First Minister on behalf of the Victims and Survivors Service.

From November 2012, payments were made by the Victims and Survivors Service.

Combined, during this period 43% of invoices were paid within 30 days and 16% within 10 days, with the average number of days taken to pay 78 days.

It is recognised that during this period payments were not made on a timely basis. Notwithstanding these circumstances, by March 2013 significant improvements had been made with 100% of invoices paid within 30 days and 58% within 10 days.

Table 11 below details the improving payment timescales achieved by the Victims and Survivors Service from November 2012 to March 2013.

## DIRECTORS' REPORT

**Table 11: Payments to Suppliers by VSS**

Month	Invoices Paid within 30 Days	Invoices Paid within 10 Days	Average Days taken to pay invoices per month
Nov 2012	14%	0%	49
Dec 2012	45%	0%	33
Jan 2013	72%	9%	24
Feb 2013	93%	32%	16
Mar 2013	100%	58%	8

### FINANCIAL POSITION AND RESOURCES

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

The Office of the First Minister and deputy First Minister has indicated that it intends to continue to fund the organisation for the foreseeable future and has provided indicative budgets to the end of the budget year 2014/15. The organisation has the staff resources required to achieve its current business objectives and has a proposed staffing structure with the Department for approval for future business objectives.

### FINANCIAL KEY PERFORMANCE INDICATORS

In the financial year 2012/2013, the Victims and Survivors Service spent 93% of its budget of £3.1m, with a shortfall of £0.2m. The shortfall was driven by under spends in Victims and Survivors groups. A total of £0.8m was de-committed against letters of offer. However, the Victims and Survivors Service undertook a budget management exercise in December 2012 in addition to over-committing against the budget in order to minimise any under spend. As a result of this exercise, this shortfall was reduced to £0.2m.

The Statement of Financial Position on page 56 shows the company had net assets of £206,041 as at 31 March 2013, and cash at bank of £129,353.

The financial results for the period as set out on page 53 indicate that the company had grant in aid income of £2,976,590, with OFMDFM the sponsor of the entire grant aid income, in addition to £591 other operating income. Taking into account the non

## **DIRECTORS' REPORT**

operating gain of £64,231 as a result of the transfer of function from the Community Relations Council and assets from Northern Ireland Commission for Children and Young People, this income exceeded outgoing resources of £2,835,371 by £206,041.

## **RELATED PARTIES**

Details of the Victims and Survivors Service's related parties are set out in Note 21 to the financial statements and in the Remuneration Report on page 46.

## **REGISTER OF INTERESTS**

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

The register of interests is available for public inspection by contacting the Victims and Survivors Service, 1<sup>st</sup> Floor, Millennium House, 25 Great Victoria Street, Belfast, BT2 7AQ.

## **CORPORATE GOVERNANCE**

The company's Corporate Governance framework is set out in the Annual Governance Statement on page 30.

## **CHARITABLE DONATIONS**

The Victims and Survivors Service made no charitable donations during the period.

## **STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

The Directors confirm that, for all Directors in office at the date of this report:

- So far as each Director is aware, there is no relevant audit information of which the company's auditors are unaware. For this purpose, "relevant audit information" comprises the information needed by the company's auditors in connection with preparing their report; and
- Each Director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the directors' duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## DIRECTORS' REPORT

### AUDITORS

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



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**Peter Gay**  
Chairman



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**Anne Dorbie**  
Chief Executive and  
Accounting Officer

**Date: 25th March 2014**

## **ANNUAL GOVERNANCE STATEMENT**

### **Annual Governance Statement**

For the period ended 31 March 2013

The Victims and Survivors Service is a company limited by guarantee, owned by the Office of the First Minister and deputy First Minister and functioning as an Arm's Length Body. It is financed by the Office of the First Minister and deputy First Minister's Departmental Expenditure Limit. Its Board reports directly to the First Minister and deputy First Minister.

#### **THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

The purpose of the Governance Statement is to report publicly on the extent to which the Victims and Survivors Service complies with the Code of Governance. This statement describes the Victims and Survivors Service governance framework, identifying responsibilities and explaining functions of its constituent elements in addition to the effectiveness of the framework during this transitional period. The process of preparing the Governance Statement itself adds value to the effectiveness of the corporate governance and internal control framework.

#### **OVERVIEW OF THE GOVERNANCE FRAMEWORK**

The governance framework comprises the systems and processes, and culture and values, by which the Victims and Survivors Service is directed and controlled. The system of internal control is a significant part of this framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve the Victims and Survivors Service's aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The governance framework described below has been in place in the Victims and Survivors Service for the period ended 31 March 2013. It comprises:

- The Board;
- The Audit and Risk Committee;
- The Internal Audit functions;
- The External Audit function;
- The Commission for Victims and Survivors;
- The Accounting Officer.

In addition, in setting up the Victims and Survivors Service four groups were convened, as detailed in Table 12 below.

## ANNUAL GOVERNANCE STATEMENT

**Table 12: Groups Established to Facilitate Set-Up of Victims and Survivors Service**

Group	Function
<b>Transition Working Group</b>	Strategic level group established to oversee the transfer of programmes from the Community Relations Council and Northern Ireland Memorial Fund and the winding up of the Trauma Advisory Panels to the Victims and Survivors Service.
<b>Victims and Survivors Service Coordination Group</b>	Operational level working group attended by representatives from the Office of the First Minister and deputy First Minister, the Victims and Survivors Service, the Community Relations Council and Northern Ireland Memorial Fund to facilitate the transfer of staff, assets and programmes to the Victims and Survivors Service.
<b>Future Funding Group</b>	Strategic level meeting to decide on future funding delivery arrangements.
<b>Board</b>	Monthly Board meeting with the Victims and Survivors Service Board members.

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

- The Management Statement and Financial Memorandum (signed January 2013);
- Office of the First Minister and deputy First Minister Oversight Arrangements;
- Commission for Victims and Survivors
- The Corporate and Business Plans (agreed November 2012);
- The Performance Management Framework (signed November 2012);
- The Risk Management Framework (signed July 2013);
- Financial Policies and Procedures (signed July 2012);
- Whistle-blowing Arrangements (signed July 2013); and
- The Fraud Prevention Strategy and Response Plan (signed July 2013).

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

## **ANNUAL GOVERNANCE STATEMENT**

### **REVIEW OF EFFECTIVENESS**

#### **The Accounting Officer**

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

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

#### **The Board**

A Board with interim Directors was established in March 2012 pending the appointment of permanent Directors.

The Board takes an objective long-term view of the business of the organisation, leading its strategic planning process and assisting the Chief Executive and Accounting Officer in meeting its corporate aims and objectives. The Board operates in an advisory and consultative capacity, offering guidance when sought.

Under the general guidance and direction of the Ministers of the Office of the First Minister and deputy First Minister, the key aspects of the Board’s role include:

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

## ANNUAL GOVERNANCE STATEMENT

The Board met 10 times in 2012/2013. Both Board members had full attendance, as shown in Table 13 below.

**Table 13: Board Meeting Attendance**

Meeting Date	Fergus Devitt	Marie Matthews
26 April 2012	✓	✓
3 May 2012	✓	✓
3 July 2012	✓	✓
15 August 2012	✓	✓
5 September 2012	✓	✓
2 October 2012	✓	✓
20 October 2012	✓	✓
30 November 2012	✓	✓
10 January 2013	✓	✓
28 February 2013	✓	✓

Initially, the Board focused on the transition from the Community Relations Council and Northern Ireland Memorial fund including staff and pension transfer, data protection and information security. Risks relating to the transfer of functions were prioritised and discussed at each Board Meeting and a draft risk register has been in place from May 2012.

In addition the Board considered the following standing agenda items:

- Minutes of Previous Meeting;
- Accounting Officer Update;
- Budget Report;
- Progress against work plan and risks in achieving stated objectives;

From October 2012, the reporting was enhanced to include individual reports on:

- Programmes;
- Information Technology;
- Human Resources;
- Information and Engagement.

Reporting was continually improved, reviewed and developed over the period as more functions transferred into the Victims and Survivors Service. Based on the context of a transitional period, the Interim Board is content that it has satisfactorily carried out its duties.

Both Board Members are civil servants, one responsible for policy and the other for governance and sponsorship in the Office of the First and deputy First Minister. Although this is not in compliance with HM Treasury's *Corporate Governance in Central*

## ANNUAL GOVERNANCE STATEMENT

*Government Departments: Code of Good Practice (2005)*, this has been recognised in this transitional period and has been managed by declarations of interest at Board meetings.

Given the relatively recent set up of the Board, a self-assessment did not take place. However, permanent members to the Board were appointed in December 2013 and will carry out a self assessment in 2014 in addition to taking forward recommendations made by the Commission for Victims and Survivors as outlined on Page 43.

The Permanent Board met for the first time on 27 January 2014 and the members are as follows:

Peter Gay	Chairman	Appointed 5 December 2013
Bertha McDougall	Director	Appointed 4 December 2013
Richard Solomon	Director	Appointed 5 December 2013
Oliver Wilkinson	Director	Appointed 13 December 2013

### The Audit and Risk Committee

The Audit and Risk Committee and its Chair are appointed by the Board. Table 14 below lists the Committee members.

**Table 14: Audit and Risk Committee Membership**

Name	Position
Fergus Devitt	Chair
Colm Doran	Committee Member
Mary Ann Smith	Committee Member
Marie Matthews	Committee Member

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

- The Accounting Officer of the Victims and Survivors Service;
- Representative(s) from the NIAO as observer(s)

The Audit and Risk Committee met twice in 2012/2013. All members attended both meetings. Table 15 below outlines the key purpose of each meeting.

**Table 15: Audit and Risk Committee Meetings**

<b>Date of Meeting</b>	<b>Purpose</b>
<b>1<sup>st</sup> February 2013</b>	<ul style="list-style-type: none"> <li>• Establishment of the Audit and Risk Committee and setting of the Terms of Reference</li> </ul>
<b>3<sup>rd</sup> March 2013</b>	<ul style="list-style-type: none"> <li>• Adoption of the Terms of Reference</li> <li>• Presentation of Victims and Survivors Service risk register, risk management, fraud and whistle-blowing policies</li> <li>• Northern Ireland Audit Office representatives invited to attend as observer</li> </ul>

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

The newly appointed Board members will meet as an Audit and Risk Committee for the first time on Monday 24<sup>th</sup> February 2014.

**Risk Management Strategy**

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

It should however be noted that a draft risk register has been operating since May 2012 and the key risks that were managed during the reporting period included:

- Staff risks relating to staff recruitment, transfer of CRC functions, the use of agency staff and the expertise and experience of those staff;
- Lack of strategy and forward planning without a permanent senior management team in place, and managed in an interim capacity by a Transition Working Group;
- Organisational structure including setting up of procedures, systems, roles and responsibilities;
- Regulatory, Board and Departmental reporting while systems were being set up and experience and expertise and internal capacity being built;

## **ANNUAL GOVERNANCE STATEMENT**

- Effective service provision to clients while simultaneously setting up corporate systems and structures;
- Misuse of programme funding through ineligible expenditure which was managed through continuation of CRC vouching and verification procedures, irregularity and fraud registers.

In March 2013, the Audit and Risk Committee reviewed all instances of fraud and irregularities. Further details are outlined in the Fraud and Counter-Fraud Section on Page 42. In addition, it recommended standing agenda items to include all Direct Award Contracts (DAC) and a procurement register going forward.

Given the relatively recent set up of the Audit and Risk Committee, a self-assessment did not take place and is planned for 2013/2014.

In line with best practice set out in Her Majesty's Treasury's Audit Committee Handbook, in March 2013, the Chair of the Audit and Risk Committee approved an agreed agenda of work for its meetings going forward in 2013/2014, which will include:

- The review of the corporate risk register;
- Scrutiny of the annual accounts;
- Review of Stewardship Statement;
- Consideration of internal and external audit strategy;
- Review of internal and external audit findings;
- Consideration of fraud;
- Consideration of any Directly Awarded Contracts;
- Consideration of Dear Accounting Officer letters; and
- Monitoring of residual audit recommendations.

In 2012/2013 there were no instances where the committee determined that risk(s) lay outside the organisation's risk appetite and were thus unacceptable. The Board will continue to keep this matter under review in 2013/2014.

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

### **Internal Audit**

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

## ANNUAL GOVERNANCE STATEMENT

DFP Internal Audit conducted an audit assignment within VSS on behalf of OFMDFM. Any perceived conflict of interest between the DFP Head of Internal Audit and an interim VSS Board member was managed using the protocols, established in the DFP Internal Audit Manual, for dealing with conflicts of interest.

Field work commenced in March 2013 and the Final report issued in November 2013.

The terms of reference were as follows:

- Payments processing;
- Procurement of Goods and Services;
- Recruitment Process;
- Policies and Procedures;
- Verification/Vouching of groups funded by the Victims and Survivors Service;
- Information Assurance; and
- Risk Management.

Within the confines of the audit testing, an overall limited opinion on the internal control environment operating within the Victims and Survivors Service has been provided, with an unacceptable level of assurance for internal recruitment and procurement processes.

The context within which the Victims and Survivors Service was operating was acknowledged including a part time Chief Executive Officer and skeletal temporary corporate services staff, some without public sector experience, for the majority of the financial period.

Weaknesses identified included lack of audit trail, specifically in relation to procurement and recruitment files and limited segregation of duties in the finance function, due to the number of staff at that point in time. In addition, although policies and procedures had been drafted, they had not formally been approved by the Board or Audit and Risk Committee as appropriate.

These weaknesses have been addressed, through the recruitment of a Head of Services in February 2013 and two Finance Officers in March 2013 and April 2013. This has considerably strengthened the Corporate Governance of the Victims and Survivors Service with the introduction of procurement and recruitment policies in line with Departmental and Central Procurement Directorate guidance. In addition, two officers were trained in public procurement by the Central Procurement Directorate in February 2013.

A detailed implementation plan was submitted by the Victims and Survivors Service to the Department in July 2013 with key recommendations already implemented April to July 2013 and the remainder throughout October to December 2013.

## **ANNUAL GOVERNANCE STATEMENT**

The Victims and Survivors Service appointed an independent Internal Audit Service in January 2014 and strategic audit plan has been agreed going forward.

### **External Audit**

The Victims and Survivors Service is also subject to independent scrutiny from the Northern Ireland Audit Office. The Northern Ireland Audit Office is independent of Government and is tasked by the Assembly to hold the Northern Ireland Departments and their Agencies to account for their use of public money.

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

A representative from the Northern Ireland Audit Office is in attendance at VSS Audit and Risk Committee meetings.

### **Office of the First Minister and deputy First Minister Oversight Arrangements**

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

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

- Monthly Meetings (attended by the Chief Executive). See Table 12;
- Quarterly Accountability and Oversight Meetings (attended by the Chief Executive and senior Victims and Survivors Service staff); See Table 16.
- Quarterly Stewardship Statements; See Table 16.
- Management Statement and Financial Memorandum signed January 2013;
- Performance Monitoring against Business Plan and preparation of Corporate Plan agreed November 2012;
- Financial Monitoring Reports (in a standard format since August 2012);

### ***Accountability Meetings and Monthly Oversight Meetings***

The Accounting Officer and senior staff attended 2 Accountability Meetings during the period with the Accounting Officer of the Office of the First Minister and deputy First Minister or his deputy and senior staff from the Department. A review of the items

## ANNUAL GOVERNANCE STATEMENT

discussed including the stewardship statement, performance management, financial monitoring and progress against business plan targets are outlined in detail below.

In addition, during the initial transition period, the Accounting Officer of the Victims and Survivors Service attended monthly Meetings with senior officials from the Office of the First Minister and deputy First Minister in relation to the Transition Work Group and the Victims and Survivors Coordination Group outlined in [Table 12](#).

Senior Victims and Survivors Service staff and the Chief Executive and Accounting Officer have operated a 'no surprises' policy in respect of ensuring that officials in the Department are aware of all material events, transactions and other issues that could be considered contentious or attract public comment, whether positive or negative.

### **Stewardship Statements**

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

- Business Planning;
- Business Cases (including Economic Appraisal and Post Project Evaluation);
- Consultancy;
- Forecasting and Monitoring of Expenditure;
- Procurement;
- Information Assurance;
- Business Continuity Plans;
- Staff (including attendance, gifts and hospitality);
- Third Party Organisations;
- Internal and External Audit Reports; and
- Other significant issues.

The Accounting Officer has submitted three Stewardship Statements to the Office of the First Minister and deputy First Minister as requested by the Department, as shown in [Table 16](#) below.

**Table 16: Stewardship Statements**

Effective Date	Duration	Date of Accountability Meeting
<b>27 March 2012 – 30 September 2012</b>	6 months	2 May 2012
<b>1 October 2012 – 31 December 2012</b>	3 months	29 January 2013
<b>1 January 2013 – 31 March 2013</b>	3 months	In Financial Year 2013/2014

## ANNUAL GOVERNANCE STATEMENT

### ***The Management Statement and Financial Memorandum***

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

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

It should be noted from prior to November 2012, the Office of the First Minister and Deputy First Minister made all payments on behalf of the Victims and Survivors Service.

### ***Business Plan 2012-2013 and Corporate Plan 2013-2015***

The Chief Executive and Accounting Officer has monitored the Victims and Survivors Service's performance against the targets set out in its 2012/2013 business plan in [Appendix 3](#). This was agreed with the Department in November 2012 and subsequent reports have included status of internal workstreams; delivery of business plan objectives; expenditure against plan; resource inputs by project; requests made under the Freedom of Information Act; Assembly Questions relevant to the Victims and Survivors Service; absence management; recruitment and communications.

Key achievements and emerging activities carried out in 2012/2013 are further outlined under Performance against Objectives on pages 21-22.

The Board is satisfied as to the quality of data and information provided by the Accounting Officer and Chief Executive who gained assurance through reports provided by senior staff.

In addition, during the period, work was undertaken between the Victims and Survivors Service and the Department on the Corporate Plan for 2013-2015 which sets out the medium term objectives for the Victims and Survivors Service and describes the corporate strategy it will follow to achieve them. This document describes the outcomes and the outputs it will deliver using the resources that the Victims and Survivors Service has been allocated.

## **ANNUAL GOVERNANCE STATEMENT**

### ***Financial Monitoring***

Since August 2012, the Victims and Survivors Service has provided the Department with a financial analysis of budget versus expenditure and cash on a month end basis, to identify any significant variances and take management action to address.

General Financial Management arrangements in addition to those outlined as part of the Departmental oversight are outlined in further detail below.

### **Financial Management**

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

The implementation of the Victims and Survivors Service financial management process in 2012/2013 included:

- The setting of annual Grant in Aid;
- Financial Procedures Manual signed off by the Accounting Officer in July 2012;
- Monitoring of actual income and expenditure against the annual budget;
- Setting and management of expenditure profiles;
- Monthly reporting of the Victims and Survivors Service's financial position to the Board;
- A clearly defined system of expenditure authority delegations; and
- Clear processes for the authorisation of expenditure and the payment of invoices.

The Victims and Survivors Service has established Financial Policies and Procedures that address areas of risk as well as operational efficiency and effectiveness. These documents act as a reference point detailing all Financial Policies and Procedures that have been approved by the Board of the Victims and Survivors Service.

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

## **ANNUAL GOVERNANCE STATEMENT**

### **Fraud and Counter-Fraud**

The Victims and Survivors Service Policy and Procedures on Fraud sets out the responsibilities of staff with regard to fraud prevention, what staff should do if they suspect fraud, and the action that will be taken by management in such circumstances (the Victims and Survivors Service Fraud Response Plan). The Victims and Survivors Service operated under a draft policy since June 2012 until June 2013 when the Audit and Risk Committee signed off the finalised policy.

The Victims and Survivors Service identified, investigated and resolved one instance of suspected fraud in 2012/2013. In this case, clarification was sought from the external supplier. The regularity of the payment was confirmed and the expenditure allowed.

In addition, two cases were transferred from the Community Relations Council, both of which are with the PSNI.

### **Whistle-blowing**

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

The Victims and Survivors Service operated under a draft policy until June 2013 when the Audit and Risk Committee signed off the finalised policy.

There were no instances of whistle-blowing within the Victims and Survivors Service in the period to 31 March 2013.

### **Training**

The 2012/2013 the Training Plan was finalised and approved by the Chief Executive Officer in July 2012. In this period, particular attention was paid to ensuring the Victims and Survivors Service was equipped to meet mandatory requirements, including health and safety and first aid training. With the high volume of recruitment competitions planned for 2012/2013 key employees carried out recruitment and selection training and each newly recruited employee received induction training along with Freedom of Information and Data Protection training. With the introduction of a new Client Services function, a primary focus was the delivery of bespoke training in the areas of managing difficult and distressed clients and personal resilience. All staff were required to familiarise themselves with key policies and procedures of the Victims and Survivors Service.

## **ANNUAL GOVERNANCE STATEMENT**

### **Commission for Victims and Survivors**

In December 2013, the Commission for Victims and Survivors appointed independent consultants to carry out a review of the Victims and Survivors Service, specifically:

- Governance, Strategy and Policy
- Interactions with clients
- Interactions with VSP funded organisations
- Management of People, Resources and Information

The report was finalised in February 2014 and made the following key recommendations:

- Implement a change management process to ensure an effective transition from an administrative model of delivery to a service model of delivery;
- Develop a gateway approach to ensure access to appropriate goods and services without intrusive psychological assessment;
- Review of the Victims Support Programme assessment process and operating rules to ensure proportionality and access to support in all geographical areas;
- Strengthen the VSS Board to include appointment of an accountant to the Board, proper induction, governance training and mentoring;
- Review by the newly constituted Board of the VSS strategic direction, vision and corporate objectives;
- Ensure Monitoring and Evaluation tools are reasonable, proportionate and record useful and important data to assist development of future services.

The VSS Board and SMT are committed to implementing all recommendations on a timely basis throughout 2014/2015.

### **Conformance with Code of Conduct**

The Victims and Survivors Service, like other public bodies, has a duty to conduct affairs in a responsible and transparent way, and to take into account the standards in public life set out by the Nolan Committee and HM Treasury's *Corporate Governance in Central Government Departments: Code of Good Practice (2005)*. Where appropriate, the Victims and Survivors Service has taken account of additional good practice documented in the 2011 edition of the Code.

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

## **ANNUAL GOVERNANCE STATEMENT**

Throughout the period to 31 March 2013, the Victims and Survivors Service has complied with all relevant 2005 Code provisions with the following exceptions:

1. The acknowledged conflict of interest outlined on page 33 in relation to the composition of interim Board members and the actions taken by the Board to address this;
2. Policies and procedures operating in draft format during the transition period;
3. Insufficient staffing within the Finance function to operate a segregation of duties at all times.

Key governance issues relating to this initial period have been documented by Internal Audit. These findings and the actions taken by the Victims and Survivors Service to address them are outlined on pages 36 – 37.

## ANNUAL GOVERNANCE STATEMENT

### Conclusion

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

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

The context of the embryonic nature of the organisation during this transitional period as outlined in detail in the Director's Report should be considered.

It is acknowledged that further work is required in order to strengthen the corporate governance moving forward and I am committed to the continued improvement and development of systems and procedures as the organisation grows.

Any weaknesses identified internally by management, the Board, the Audit and Risk Committee and Internal Audit have been considered and an implementation plan is in place.

In addition, the more recent recommendations made by the Commission for Victims and Survivors have been accepted by the VSS Board and the senior management team and staff within the Service are full committed to implementing on a timely basis.

Taking into account the staffing and budget resources available to deliver a demanding work programme, the Victims and Survivors Service has been unable to operate a sound system of internal governance during the period to 31 March 2013.

However, areas to improve in terms of compliance with HM Treasury's *Corporate Governance in Central Government Departments: Code of Good Practice (2005)* have been identified and I recognise that during 2013/2014 work has already been undertaken to further design and embed systems of control and accountability.



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**Anne Dorbie**  
**Chief Executive and Accounting Officer**  
**Victims and Survivors Service**

## **REMUNERATION REPORT**

### **Remuneration Report**

#### **Remuneration Policy**

Remuneration of staff members is set out in their contracts of employment and is subject to review under Northern Ireland Civil Service pay remit guidelines. Such a review requires the approval of the Department of Finance and Personnel. The Victims and Survivors Service received approval of its 2012/2013 pay remit submission in November 2013.

The notice period for staff voluntarily leaving the Victims and Survivors Service is 4 weeks.

Reporting bodies are required to disclose the relationship between the highest paid director and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid-director (the Chief Executive and Accounting Officer) in the Victims and Survivors Service in the period ending 31 March 2013 was £55-60K. This was 2.2 times the median remuneration of the workforce, which was £27,475.

The Board of Directors did not receive remuneration in 2012/2013. The newly constituted Board of Directors in December 2013 will receive remuneration which will be reflected in the 2013/2014 Financial Statements. The remuneration of the Chief Executive and Accounting Officer and Senior Staff is set out in their contracts and subject to annual revalorisation.

#### **Service Contracts**

VSS appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointments to be made on merit. Further information can be found in the Victims and Survivors Service Recruitment and Selection Policy.

#### **Salary and Pension Entitlements**

The following sections provide details of remuneration and pension interests of the Directors and the most senior manager in the Victims and Survivors Service.

#### **Directors and Executive Senior Staff Emoluments (audited)**

The following directors and senior staff received emoluments directly from the Victims and Survivors Service Limited during the period

## REMUNERATION REPORT

	2012/2013 Salary / Fee £'000	2012/2013 Bonus £'000	2012/2013 Benefits in kind £'000
A Dorbie, Chief Executive and Accounting Officer	22*	-	-

\* From November 2012 – full year equivalent £59K

Chief Executive emoluments consisted of gross salary to the extent that it is subject to UK taxation and any gratia payments.

No gratia payments were made to any VSS employees in 2013/2013.

The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty's Revenue and Customs as taxable emoluments.

### Ratio of Median Remuneration to Highest Paid Director

	2012/2013
Band of Highest Paid Director's Total Remuneration	£55-60,000
Median Total Remuneration	£27,475
Ratio	2.2

### Salary

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

### Benefits in Kind

No Benefits in Kind were paid during the period.

### Bonuses and ex-gratia payments

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

## **REMUNERATION REPORT**

### **The Cash Equivalent Transfer Value**

A Cash Equivalent Transfer Value (CETV) is an 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 Cash Equivalent Transfer Value is one of the following:

- A payment made by a pension scheme; or
- An arrangement to secure pension benefits in another pension scheme; or
- An arrangement when a member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The Cash Equivalent Transfer Values figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service Pension arrangements. They also include any additional pension accrued to the member as a result of their purchasing of 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 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.

### **The Real Increase in Cash Equivalent Transfer Values**

The Real Increase reflects the increase in Cash Equivalent Transfer Values effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the year.

## REMUNERATION REPORT

### Pension Benefits (audited)

	Accrued Pension at age 60 as at 31/03/13 & related lump sum £'000	Real increase in pension & related lump sum at age 60 £'000	CETV at 31/03/13 £'000	CETV at 31/03/12 £'000	Real increase in CETV £'000	Employer contribution to partnership pension account £'000
A Dorbie						
<i>Chief</i>	15-20	0-2.5	327	299	16	-
<i>Executive and Accounting Officer</i>	(Pension) 55-60 (Lump Sum)	(Pension) 0 – 2.5 (Lump Sum)				

### VSS Pension arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium, and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI. For 2013, public service pensions will be increased by 2.2% with effect from 8 April 2013. Employee contributions are determined by the level of pensionable earnings.

The current rates are as follows:

## REMUNERATION REPORT

### Members of **classic**:

<b>Annual pensionable earnings (full-time equivalent basis)</b>	<b>New 2013 contribution rate before tax relief</b>
Up to £15,000	1.50%
£15,001-£21,000	2.70%
£21,001-£30,000	3.88%
£30,001-£50,000	4.67%
£50,001-£60,000	5.46%
Over £60,000	6.25%

### Members of **premium, nuvos** and **classic plus**:

<b>Annual pensionable earnings (full-time equivalent basis)</b>	<b>New 2013 contribution rate before tax relief</b>
Up to £15,000	3.50%
£15,001-£21,000	4.70%
£21,001-£30,000	5.88%
£30,001-£50,000	6.67%
£50,001-£60,000	7.46%
Over £60,000	8.25%

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic, premium,**

## REMUNERATION REPORT

and **classic plus** and 65 for members of **nuvos**. Further details about the CSP arrangements can be found at the website: [www.dfpni.gov.uk/civilservicepensions-ni](http://www.dfpni.gov.uk/civilservicepensions-ni).

### **Compensation for Loss of Office**

Not applicable to the Victims and Survivors Service in the period to 31 March 2013.

### **Fees to Third Parties**

There were no amounts paid to third parties in respect of Directors of the company in 2012/2013. There were no expenses claims from the Victims and Survivors Services by the non-executive Directors.



25<sup>th</sup> March 2014

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**Anne Dorbie**  
**Chief Executive**  
**and Accounting Officer**

## **STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES**

### **Statement of Accounting Officer's and Directors' Responsibilities**

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

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

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

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

OFMDFM has appointed the Chief Executive as Accounting Officer of the Victims and Survivors Service. The responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Victims and Survivors Service assets are set out in the company's financial memorandum.

## **CERTIFICATE AND REPORT**

### **Victims and Survivors Service**

#### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF Victims and Survivors Service Limited**

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

#### **Respective responsibilities of directors and auditor**

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

#### **Scope of the audit of the financial statements**

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

#### **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.

## CERTIFICATE AND REPORT

### Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its surplus, cash flows and changes in taxpayers' equity for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the Companies Act 2006.

### Opinion on other matters

In my opinion:

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

### Matters on which I report by exception

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

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

### Report

I have no observations to make on these financial statements.

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

26 March 2014

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE

### Statement of Comprehensive Net Expenditure

For the period ended 31 March 2013

	Note	Period ended 31 Mar 2013 £
<b>Income</b>		
Grant in Aid from Sponsor Department	5	2,976,590
Other Operating Income	5	591
		<u>2,977,181</u>
<b>Expenditure</b>		
Staff Costs	3	577,023
Programme Costs	4.1	1,712,076
Operating Costs	4.3	546,272
		<u>2,835,371</u>
<b>Total Expenditure</b>		<u>2,835,371</u>
 <b>Other Comprehensive Expenditure</b>		
Non Operating Gain from Transfer of CRC Function	24	(22,294)
Non Operating Gain from Transfer of NICCY Assets	24	(41,937)
		<u>206,041</u>
<b>Net Surplus for Period</b>		<u>206,041</u>
		<u>206,041</u>
<b>Amount Transferred to Reserves</b>		<u>206,041</u>

On 11 November 2012, the Victims Unit from the Community Relations Council was transferred to the Victims and Survivors Service Limited. In addition, upon VSS taking over responsibility for the lease of Millennium House, assets were transferred from Northern Ireland Commission for Children and Young People effective 31<sup>st</sup> March 2013.

The non-operating gains as a result of the above are outlined in Note 24.

**Notes 1 to 29 on pages 60 to 80 form part of these financial statements.**

## STATEMENT OF FINANCIAL POSITION

### Statement of Financial Position

As at 31 March 2013

	Note	As at 31 Mar 2013 £
<b>Non-current assets:</b>		
Property, plant and equipment	6	91,552
<b>Total non-current assets</b>		<b>91,552</b>
<b>Current assets:</b>		
Trade and other receivables	11	297,420
Cash and cash equivalents	12	129,353
<b>Total current assets</b>		<b>426,773</b>
<b>Total assets</b>		<b>518,325</b>
<b>Current liabilities</b>		
Trade and other payables	13	270,284
Non-current assets less net current liabilities		248,041
Non-current liabilities		0
Provision for liabilities and charges	14	42,000
<b>Assets less liabilities</b>		<b>206,041</b>
<b>Reserves</b>		
General Reserve (Income and Expenditure)		206,041

**Notes 1 to 29 on pages 60 to 80 form part of these financial statements.**

In the view of the Victims and Survivors Service an exemption from the audit requirements of Part 16 of the Companies Act 2006 is available under section 482 of that Act, since the company meets the Department of Finance and Personnel's definition of a non-profit making company and is subject to a public sector audit under the Companies (Public Sector Audit) Northern Ireland Order 2008, being an order issued under Article 5(3) of the Audit and Accountability (Northern Ireland) Order 2003. The Victims and Survivors Service therefore claims this exemption.

## STATEMENT OF FINANCIAL POSITION

The financial statements were reviewed by the Accounting Officer on 24<sup>th</sup> March 2014.



25<sup>th</sup> March 2014

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**Anne Dorbie**  
**Chief Executive and**  
**Accounting Officer**

The financial statements were approved by the Board of Directors on 24<sup>th</sup> March 2014 and were signed on its behalf by:



25<sup>th</sup> March 2014

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**Peter Gay**  
**Chairman**

## STATEMENT OF CASHFLOW

### Statement of Cash Flow

For the period ended 31 March 2013

	Note	Period ended 31 Mar 2013 £
<b>Cash flows from operating activities</b>		
Surplus for the period		206,041
(Increase) in trade receivables and other current assets	11	(297,420)
Increase in trade payables and other liabilities	13	270,284
Adjustment for Machinery of Government transfer of CRC function	24	(10,357)
Adjustment for Machinery of Government transfer of NICCY Assets	24	(41,937)
Depreciation	4.3	1,885
Increase/(decrease) in provisions	14	42,000
<b>Net cash outflow from operating activities</b>		<b>170,496</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	6	(41,143)
<b>Cash flows from financing activities</b>		
		0
<b>Increase in cash and cash equivalents in the period</b>		<b>129,353</b>
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		<b>129,353</b>

Notes 1 to 29 on pages 60 to 80 form part of these financial statements.

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

### Statement of Changes in Taxpayers' Equity

For the period ended 31 March 2013

	Note	General Reserve £	Total Reserves £
<b>Changes in Taxpayers' Equity for 2012/2013</b>			
Opening Balance		0	0
Retained surplus/(deficit) for the year		206,041	206,041
Movements in reserves		0	0
<b>Balance at 31 March 2013</b>		<b>206,041</b>	<b>206,041</b>

Notes 1 to 29 on pages 60 to 80 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### Notes to the Financial Statements

#### 1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the accounting and disclosure requirements of Companies Act 2006, the 2012-2013 Government Financial Reporting Manual (FReM) and the Accounts Direction issued by the Office of the First Minister and deputy First Minister (OFMDFM) in [Appendix 4](#). Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Victims and Survivors Service (VSS) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the VSS are described below. These have been applied consistently in dealing with items that are considered material to the accounts. It should be further noted that FReM is not applied to the treatment of Grant in Aid (see Note 1.2). Financing and disclosures as required under FReM are outlined in Note 28.

##### 1.1. Accounting Convention

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

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

##### 1.2. Government Grants

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

FReM requires Non-Departmental Public Bodies to regard Grant in Aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing, i.e. by crediting them to the income and expenditure reserve.

The disclosure requirements in relation to this are set out in Note 28 to these accounts.

## NOTES TO THE FINANCIAL STATEMENTS

### 1.3. Tangible Fixed Assets and Depreciation

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

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

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

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

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

A full month's depreciation is charged in the month of acquisition and no depreciation is charged in the month of disposal.

### 1.4. Foreign Currency

The accounts are maintained and reported in Sterling. There are no foreign currency transactions in the VSS.

### 1.5. Intangible Assets

There are no intangible fixed assets in the period to 31 March 2013.

If applicable for future reporting periods, intangible non-current assets will be capitalised when they are capable of being used in the VSS's activities for more than one year, they can be valued, and they have a cost of at least £1,000 (either individually or as a grouped asset).

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1.6. Impairment

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

### 1.7. Taxation

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

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

### 1.8. Pension Arrangements

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

The company makes pension contributions at the rates outlined in the remuneration report on page 45 above to the approved pension scheme. The cost of contributions for providing pensions for employees is charged to the statement of comprehensive net expenditure account as they are earned, in accordance with IAS 19 *Employee Benefits*. Seconded staff members remain members of their respective pension schemes.

### 1.9. Provisions

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1.10. Grants Payable

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

### 1.11. Employee Benefits

Under the requirements of IAS 19: *Employee Benefits*, staff costs must be recorded as an expense as soon as the organisation is obliged to pay them. This includes the cost of any untaken leave at the period end. This cost has been calculated using the untaken leave per staff member and applying this to their annual salary to calculate the leave balance as at 31 March 2013.

### 1.12. Resources Expended

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

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

### 1.13. Operating Leases

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

### 1.14. Capital Grants

Grants towards capital expenditure are credited to reserves.

### 1.15. Funds

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

### 1.16. Adoption of New and Revised Accounting Standards

VSS has reviewed the standards, interpretations and amendments to published standards that became effective during the financial period and which are relevant to its operations. As this is the first period of reporting for the VSS, there are no comparative values requiring restatement.

## NOTES TO THE FINANCIAL STATEMENTS

### 1.17. Segmental Reporting

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

### 1.18. Accounting Standards, Interpretations and Amendments to Published Standards not yet effective

The VSS has reviewed the following additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2013/2014:

- Presentation of financial statements (Other Comprehensive Income IAS 1)
- Income Taxes (IAS 12)
- Post Employment Benefits (Pensions) (IAS 19)
- Financial Instruments (IFRS 9 and IAS 32)
- Consolidation and reporting of subsidiaries, associates, joint ventures and investment entities (IFRS 10)
- Fair value measurement (IFRS 13)
- Property, plant and equipment (IAS 16)
- Interim Financial Reporting (IAS 34)

The changes will be mandatory for accounting year beginning on or after 1 April 2013 or later, but which the VSS has not adopted early. The VSS considers that these changes are not relevant to or will have minimum impact on its operations.

In addition, certain new standards, interpretations and amendments to existing standards have been drafted but not yet issued and will come into effect in accounting years beginning on or after 1 April 2013. It is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

## NOTES TO THE FINANCIAL STATEMENTS

### 1.19. Contingent Liabilities

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

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

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

### 2. Statement of Operating Costs by Operating Segment

IFRS 8 *Operating Segments* requires disclosure of financial information about an organisation's reportable segments based on the internal reporting arrangements as reviewed by the "Chief Operating Decision Maker" (CODM). The CODM for the VSS is deemed to be the Board since they have the authority for directing the main activities of the VSS throughout the period. The VSS approves the annual budget and, at each Board meeting, reviews management accounts and financial information.

The VSS is engaged solely with victims and survivors and as such has no reportable segments.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. Staff Numbers and Related Costs

Staff costs comprise:

	Period ended 31 Mar 2013 £		
	Permanently employed staff	Others (Agency & Seconded)	Total
Wages and salaries	209,723	314,012	<b>523,735</b>
Social security costs	12,009	-	<b>12,009</b>
Pension costs	41,279	-	<b>41,279</b>
Total net costs	263,011	314,012	<b>577,023</b>

#### Pension

The Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)] is an unfunded multi-employer defined benefit scheme but the Victims and Survivors Service is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2010 and details of this valuation are available in the PCSPS(NI) resource accounts.

For 2012-13, employers' contributions of £41,279 were payable to the PCSPS(NI) at one of four rates in the range 18% to 25% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. However HM Treasury has instructed the scheme to cease further work on the March 2010 valuation. A new valuation scheme based on data as at 31 March 2012 is currently being undertaken by the Actuary to review employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2013-14, the rates will remain in the range 18% to 25%. The contribution rates are set to meet the cost of the benefits accruing during 2012-13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No Employers' contributions were paid or due to stakeholder pension providers during this period. Employer contributions are age-related and range from 3% to 12.5% (2011-12 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

## NOTES TO THE FINANCIAL STATEMENTS

### Average Number of Persons Employed:

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

	Pay Scale	Permanently employed staff	Others (Agency and Seconded)
Administrators (AO-EO1)	£18K-£27K	3	2
Management (SO-DP)	£28K-£39K	4	4
Senior Management (G7-G6)	£46K-£62K	1	0
Total		8	6
		<b>Total</b>	<b>14</b>

### Exit Packages

There were no redundancies or ill health retirements costs in the period to 31 March 2013.

## 4. Expenditure

### 4.1. Programme Expenditure

		Period ended 31 Mar 2013 £
	<b>Note</b>	
Grants to Funded Organisations	4.2	1,595,730
Provision of Client Support Services		55,274
Independent Panel Costs		25,623
Advertising		25,983
Seminars & Events		9,466
<b>Total</b>		<b>1,712,076</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 4.2. Grants Payable

	Period ended 31 Mar 2013
	£
Development Grants Scheme	150,238
Strategic Support Fund	1,398,209
TAPs Closure Costs	47,283
<b>Total</b>	<b>1,595,730</b>

### 4.3. Operational Expenditure

	Period ended 31 Mar 2013
	£
	<u>Note</u>
Rents & Service Charges	261,833
Rates	42,116
IT Services	33,205
Staff Recruitment	24,662
Telephones	22,387
Heat, Light & Power	20,602
Office Expenses	17,092
NIAO Audit	29,210
Premises Expenses	15,108
Professional Fees	14,712
Staff Training	7,577
Travel & Subsistence	7,451
Hospitality	4,570
Postage & Carriage	1,862
<b>Total Operating Costs</b>	<b>502,387</b>
<b>Non-cash items:</b>	
Depreciation	6      1,885
Provision provided for in period	14     42,000
<b>Total non-cash items</b>	<b>43,885</b>
<b>Overall Total</b>	<b>546,272</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 5. Income

	Period ended 31 Mar 2013 £
Grant in Aid from Sponsor Department	2,976,590
Other Operating Income	591
	<hr/> <b>2,977,181</b> <hr/>

All Grant in Aid income is received from the Sponsoring Department, OFMDFM. The other operating income relates to sundry rental income received in relation to Dungannon office which is not recurring income.

### 6. Property, Plant and Equipment

	Furniture & Fittings £	Leasehold Improvements £	IT Equipment £	Total £
Cost or valuation				
Additions during period	620	37,403	3,120	41,143
Transfer from CRC	25,389	26,308	12,395	64,092
Transfer from NICCY	-	802,386	-	802,386
At 31 March 2013	<hr/> 26,009	<hr/> 866,097	<hr/> 15,515	<hr/> 907,621
Depreciation				
Transfer from CRC	20,248	25,486	8,001	53,735
Transfer from NICCY	-	760,449	-	760,449
Charged in period	238	395	1,252	1,885
At 31 March 2013	<hr/> 20,486	<hr/> 786,330	<hr/> 9,253	<hr/> 816,069
Carrying amount at 31 March 2013	<hr/> 5,523	<hr/> 79,767	<hr/> 6,262	<hr/> 91,552

## NOTES TO THE FINANCIAL STATEMENTS

### ***Asset Financing***

The VSS did not utilise financing to purchase any assets in the financial period. In addition to the above, the VSS has taken over certain assets from the Northern Ireland Commissioner for Children and Young Persons (NICCY) when the lease for Millennium House was formally transferred from NICCY to the VSS on 3<sup>rd</sup> December 2013.

### **7. Intangible Assets**

The VSS did not purchase or create any intangible assets in the financial period.

### **8. Financial Instruments**

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

### **9. Impairments**

There have been no impairment charges for the period.

### **10. Inventories**

Not applicable

### **11. Trade Receivables and other Current Assets**

	<b>As at 31 Mar 2013 £</b>
<b>Amounts falling due within one year arising from VSS Operations:</b>	
Programme receivables	296,682
Prepayments & accrued income	28,406
Room hire receivables	1,210
Bad debt provision	(28,878)
	<b><u>297,420</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

### 11.1. Intra-Government Balances

	<b>As at 31 Mar 2013</b>
	<b>£</b>
Central government bodies	149
Local Government	0
NHS Bodies	0
Bodies external to government	297,271
	<b>297,420</b>

### 12. Cash and Cash Equivalents

	<b>As at 31 Mar 2013</b>
	<b>£</b>
Opening Balance	-
Net change in cash and cash equivalent balances	129,353
Balance at 31 March 2013	<b>129,353</b>

£129,268 relates to cash held at Danske Bank Belfast in a non-interest bearing current account. The remaining balance of £85 relates to petty cash held on-site.

### 13. Trade Payables and other Current Liabilities

	<b>As at 31 Mar 2013</b>
	<b>£</b>
<b>Amounts falling due within one year</b>	
Programme payables	89,839
Trade payables	38,905
Other taxation & social security	11,217
Accruals & deferred Income	130,323
	<b>270,284</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 13.1. Intra-Government Balances

	<b>As at 31 Mar 2013 £</b>
Central government bodies	52,667
Local Government	0
NHS Bodies	0
Bodies external to government	217,617
	<b><u>270,284</u></b>

### 14. Provisions for Liabilities and Charges

	<b>As at 31 Mar 2013 £</b>
Opening Provision	0
Provided for in the period	42,000
Utilisation of provisions	0
Provisions written back	0
<b>Closing Provision</b>	<b><u>42,000</u></b>

The provision for liabilities and charges relates to VSS estimate for the provision of pension actuarial services and related advice in connection with the quantification of the pension obligations relating to staff that transferred from the CRC on 12 November 2012.

### 15. Capital Commitments

The VSS had no capital commitments in the financial period.

## NOTES TO THE FINANCIAL STATEMENTS

### 16. Commitments under Leases

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

	As at 31 Mar 2013 £
<b>Annual Obligations under operating leases for the following periods comprise:</b>	
<b>Buildings:</b>	
Not later than one year	251,475
Greater than one year, and less than five years	0
Greater than five years	0
Total	<u>251,475</u>
<b>Other:</b>	
Not later than one year	2,559
Greater than one year, and less than five years	0
Greater than five years	0
Total	<u>2,559</u>

### 17. Commitments under PFI Contracts and Other Service Concession Arrangements Contracts

None.

### 18. Other Financial Commitments

None.

### 19. Contingent Liabilities Disclosed Under IAS 37

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

There is a contingent liability in respect of the pension bulk transfer value. The liability to be met by VSS is in respect of the difference between the amount of

## NOTES TO THE FINANCIAL STATEMENTS

money which will be paid from NILGOSC (CRC's pension scheme) to PCSPS (VSS' pension scheme) in respect of the transferring employees and the amount which is required by the PCSPS(NI) in order to accept the transfer of liabilities.

Government Actuaries Division (GAD) were appointed in November 2013 and the transfer value is expected to be calculated and confirmed in the second half of 2014. At the time of the preparation of the accounts, it is not possible to quantify this value as the actuarial valuation is unknown and no quantifiable liability has been agreed between parties.

### 20. Losses and Special Payments

None

### 21. Related-Party Transactions

The VSS is an Arms Length Body sponsored by OFMDFM. OFMDFM is regarded as a Related Party. During the period the VSS had various material transactions with OFMDFM (Grant in Aid £2,976,590).

During the period neither members of the Board, Audit and Risk Committee, Senior Management Team nor other related parties have directly undertaken any material transactions with the VSS.

A conflict of interest declaration was signed at each Board Meeting.

However the following is noted:

- Fergus Devitt, former Chairman and Director is employed by the Office of the First Minister and deputy First Minister as Director of United Community Division and
- Marie Matthews, former Director is employed by the Office of the First Minister and deputy First Minister as Deputy Principal, Equality and Strategy Directorate.

In addition, DFP Internal Audit conducted an audit assignment within VSS on behalf of OFMDFM during this initial period. Any perceived conflict of interest between the DFP Head of Internal Audit and an interim VSS Board member was managed using the protocols, established in the DFP Internal Audit Manual, for dealing with conflicts of interest.

The VSS has had a small number of transactions with other government departments and other central government bodies.

## NOTES TO THE FINANCIAL STATEMENTS

### 22. Third Party Assets

None.

### 23. Events after the Reporting Period

There are no events after the reporting period as defined in IAS10 to disclose.

### Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 26th March 2014.

### 24. Transfer of the Community Relations Council Victims and Survivors Programme to the VSS

The Statement of Comprehensive Net Expenditure includes total non-operating gains of £64,231 comprising non-operating gains of £22,294 from the transfer of function from the Community Relations Council and £41,937 from the transfer of assets from NICCY to VSS as at 31 March 2013.

#### 1. Transfer of Function from Community Relations Council

The Statement of Comprehensive Net Expenditure, includes total non-operating gains of £22,294 relating to the transfer of the Victims and Survivors Programme from the Community Relations Council (CRC) to the VSS on 12 November 2012 at the request of OFMDFM.

As both the CRC and the VSS are Non Departmental Public Bodies sponsored by OFMDFM the transfer has been accounted for by absorption accounting in line with the International Financial Reporting Standards 3, *Business Combinations*, as outlined in FReM.

The non-operating gain arises as a result of the transfer of all assets and liabilities relating to the function as at 12 November 2012. The non-operating gain can be broken down as follows:

## NOTES TO THE FINANCIAL STATEMENTS

Transfer of assets and liabilities from CRC to the VSS:

	<u>£</u>
Fixed assets at Cost	64,092
Accumulated Depreciation	(53,735)
Trade receivables	1,210
Other receivables	34,012
Prepayments	5,593
Bad debt provision	(28,878)
	<u><b>22,294</b></u>

The assets and liabilities relating to the Victims and Survivors Programme have been transferred to the VSS as at 12 November 2012 and the non-operating gain of £22,294 has been taken to the Statement of Comprehensive Net Expenditure as at the same date.

### 2. Transfer of assets from NICCY

The non operating gain arises as a result of the transfer of assets effective 31 March 2013. The non operating gain can be broken down as follows:

	<u>£</u>
Fixed assets at Cost	802,386
Accumulated Depreciation	(760,449)
	<u><b>41,937</b></u>

The assets held by NICCY pertaining to fixtures, fittings and furniture located at Millennium House have been transferred to VSS effective 31 March 2013 at no cost, giving rise to a non-operating gain of £41,937.

### 25. Net Incoming Resources is Stated after Charging

	<b>Period ended 31 Mar 2013 £</b>
Depreciation of tangible fixed assets	<u>1,885</u>
Auditors' remuneration	29,210
	<u><b>31,095</b></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 26. Fund Balances

	<b>As at 31 Mar 2013</b>
	<b>£</b>
Opening balance	-
Net movement in funds	129,353
<b>Closing balance</b>	<b>129,353</b>

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

### 27. Financial Compliance – Strategic Support Fund and Development Grant Scheme

The VSS maintains and manages a register outlining any significant breaches and issues of non-compliance for all groups funded under the Strategic Support Fund and Development Grant Scheme.

Two such breaches were transferred from the CRC to the VSS, both of which are with the PSNI.

A further eight breaches have been identified by the VSS during vouching and verification visits, relating to non-compliance with procurement guidelines and insufficient audit trail. Six of these have been resolved and closed and the VSS continues to work with two organisations to reach an agreed and satisfactory conclusion.

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

FReM requires non-departmental public bodies to regard grant in aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing, i.e. by crediting them to the income and expenditure reserve.

If the VSS were to comply with FReM, the following would be the effect of this compliance.

## NOTES TO THE FINANCIAL STATEMENTS

### 28.1. Statement of Comprehensive Net Expenditure prepared under FReM

	<b>Period ended 31 Mar 2013</b>
	<b>£</b>
<b>Income</b>	
Rental Income	591
	591
<b>Expenditure</b>	
Staff Costs	577,023
Programme Costs	1,712,076
Operating Costs	544,387
Depreciation	1,885
	2,835,371
Net deficit for the period	(2,834,780)
Non operating gain on transfer of function and assets	64,231
	(2,770,549)
Amount transferred to Reserves	(2,770,549)

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

## NOTES TO THE FINANCIAL STATEMENTS

### 28.2. Statement of Cash flows prepared under FREM

	<b>As at</b>
	<b>31 Mar 2013</b>
	<b>£</b>
<b>Cash flows from operating activities</b>	
Net Deficit after interest and tax	(2,770,549)
Non Cash Transactions (Depreciation)	1,885
Adjustment for Machinery of Government transfer of CRC function	(10,357)
Adjustment for Machinery of Government transfer of NICCY Assets	(41,937)
Increase in trade and other payables	270,284
Increase in trade and other receivables	(297,420)
Increase in Provisions	42,000
Net Cash used in operating activities	<b>(2,806,094)</b>
<b>Cash flows from financing activities</b>	
Grant in Aid from Parent Department	2,976,590
Net Cash used in financing activities	2,976,590
<b>Cash flows from investing activities</b>	
Purchase of Property, Plant and Equipment	(41,143)
<b>Net increase/(decrease) in cash and cash equivalents</b>	129,353
Cash and cash equivalents at beginning of the period	0
<b>Cash and cash equivalents at end of the period</b>	<b>129,353</b>

### 28.3. General Fund note prepared under FReM:

	<b>Period ended</b>
	<b>31 Mar 2013</b>
	<b>£</b>
<b>Analysis of Income and Expenditure Reserves:</b>	
Opening Balance	0
Grant in Aid received in period	2,976,590
Net operating cost for the period	(2,770,549)
Balance at 31 March	<b>206,041</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 29. Guarantee

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

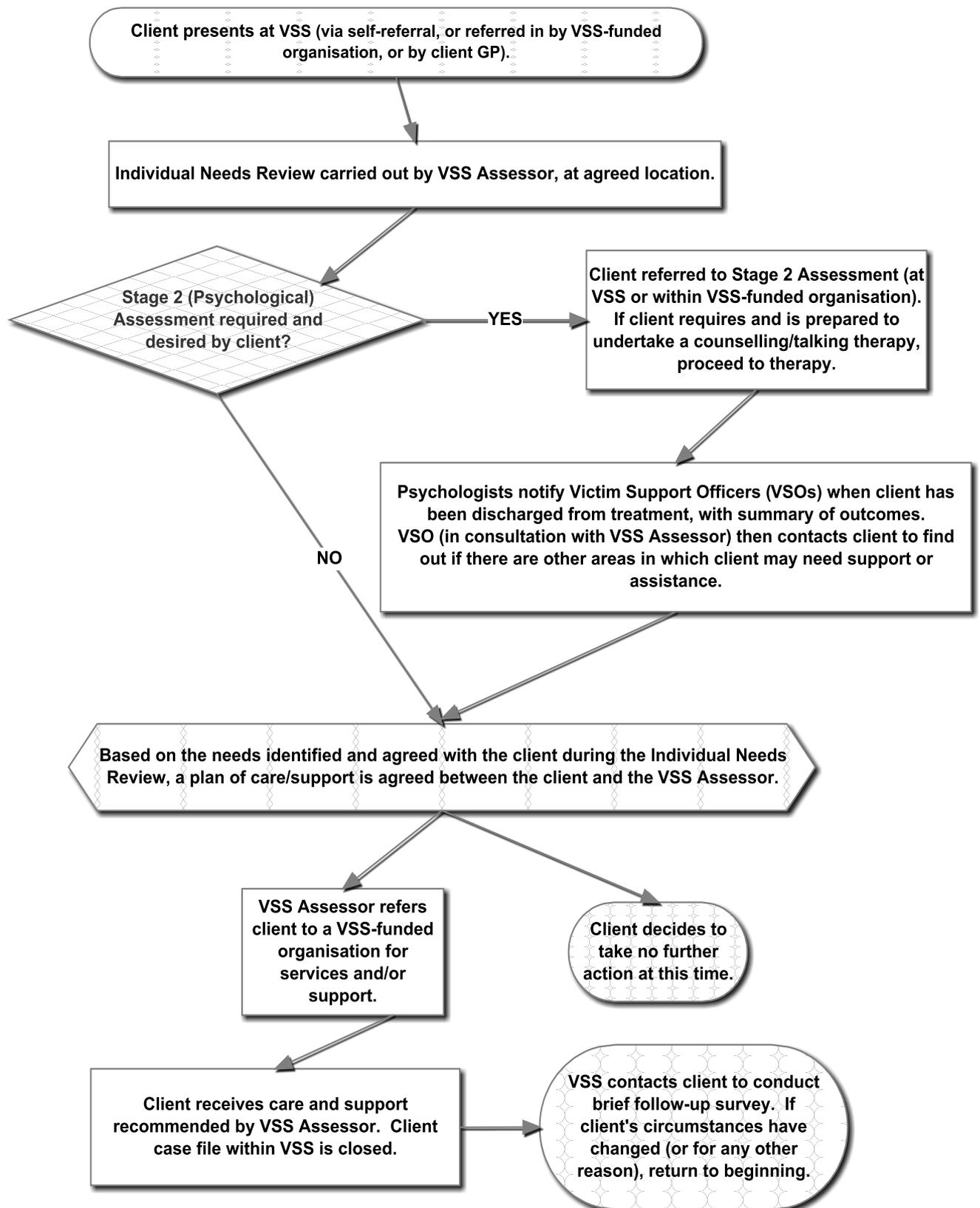
# APPENDIX 1

## Appendix 1: VSS Organisation Chart as at 31 March 2013



## APPENDIX 2

### Appendix 2: Victims and Survivors Service Client Journey



### Appendix 3: VSS Business Plan 2012-2013

The table below sets out the VSS Business Plan for 2012-2013. The progress updates are coded as follows:

Green	Amber	Red
Activities completed by 31 March 2013 (15)	Activities partially completed by 31 March 2013 (8)	Activities not completed by March 2013 (1)

Ref	Activity	Target Date	Output Measure	Status at 31 March 2013	Notes on progress as at 31 March 2013
1	Develop and publish a 2013/2014 corporate plan	31 March 2013	Completed document	Partially completed by 31 March 2013	Draft completed by 31 March 2013, finalised in September 2013
2	To review financial performance quarterly	Quarterly	Budget variance reports	Completed by 31 March 2013	Budget variance reports produced on quarterly basis
3	Prepare monthly management accounts for the Service's expenditure and monitor financial results against targets.	Monthly	Financial reports	Completed by 31 March 2013	NDPB Consumption Report submitted monthly to OFMDFM
4	To appoint staff within 6 months of approvals	Multiple	Staff appointments	Completed by 31 March 2013	All staff appointments made within 2012/2013 approvals
5	To perform the Service's role as pensions Administrator in line with relevant legislation and statutory requirements	November 2012	Appointment of pension provider	Completed by 31 March 2013	Principal Civil Service Pension Scheme (PCSPS) membership in place from November 2012

Ref	Activity	Target Date	Output Measure	Status at 31 March 2013	Notes on progress as at 31 March 2013
6	To prepare the Service's Annual Report and Financial Statements by 31/5/2013	31 May 2013	Financial Statements and report	Partially completed by 31 March 2013	Draft complete in June 2013, finalised in October 2013
7	To develop and implement an HR Strategy by 15/6/12 & 31/3/13	31 March 2013	Strategy in place	Completed by 31 March 2013	HR Strategy finalised September 2012
8	Assist in the development of new grant schemes and open within the required timeframe	31 March 2013	New grant schemes approved for implementation	Completed by 31 March 2013	All Letters of Offer issued March 2013
9	To develop and implement an IT strategy by 31/8/2013	31 August 2013	IT strategy in place	Completed by 31 March 2013	IT Assist contract in place October 2012
10	To keep under review and update where necessary the corporate governance and risk register reporting monthly to the Board	Monthly	Risk register, conflict of interest documents and board minutes	Partially completed by 31 March 2013	Risk Register in draft Corporate Governance reports provided monthly to Board
11	To attend Accountability meetings monthly to monitor progress against targets	Monthly	Accountability meeting attendance	Completed by 31 March 2013	Quarterly meetings held
12	To produce the Equality Annual progress report in line with target date set by ECNI	31 March 2013	Equality Annual Progress Report	Completed by 31 March 2013	VSS established that this is not a requirement, and has instead submitted a report under Fair Employment (Monitoring) Regulations (Northern Ireland)

Ref	Activity	Target Date	Output Measure	Status at 31 March 2013	Notes on progress as at 31 March 2013
					1999 (As Amended)
13	To ensure that staff are trained to the appropriate standards and receive support as necessary	Ongoing	Staff training register	Completed by 31 March 2013	All mandatory training complete 31 March 2013 All additional job-specific training for client facing roles (e.g. Assessors) complete 31 March 2013
14	To provide VSS with an HR Service which is compliant with legislation, good practice and within timeframes	Ongoing	HR function appointed and in place	Completed by 31 March 2013	HR Officer appointed November 2012
15	To make arrangements for an appeals against awards process in accordance with relevant guidance	31 March 2013	Appeals process forms and documentation	Completed by 31 March 2013	Guidance Note 2 – Review of Application Decisions in place
16	Develop and maintain a website	March 2013	Website developed	Partially completed by 31 March 2013	Procurement of website design and development complete March 2013, contract with ITS Media in place by 31 March 2013 Website specification under development
17	Develop and implement a communications strategy and	November 2012	Strategy in place	Partially completed by	Draft complete in March 2013, finalised in August 2013

Ref	Activity	Target Date	Output Measure	Status at 31 March 2013	Notes on progress as at 31 March 2013
	engagement plan			31 March 2013	
18	To agree a monitoring and evaluation framework at both group and individual levels and against Business cases targets as set by OFMDFM	31 March 2013	Monitoring and evaluation framework in place	Partially completed by 31 March 2013	Monitoring and Evaluation Working Group established with members of VSS and OFMDFM, draft framework in place March 2013, finalised June 2013 following consultation with successful VSP applicants in April/May 2013
19	Implement the monitoring framework	31 March 2013	Monitoring and evaluation framework distributed to funded groups	Partially completed by 31 March 2013	As above – finalised framework implemented in June 2013
20	Ensure that assessments are carried out in a timely manner and key actions followed up	Ongoing	Management for the assessors function appointed and procedures in place	Completed by 31 March 2013	351 assessments carried out to 31 March 2013
21	Develop 2013/2014 process and procedures in operating rules for Victims Support Programme (groups)	19 November 2012	Completed Operating Rules and Application documents	Partially completed by 31 March 2013	Guidance Note 1 – Application Process issued in November 2012 VSP Operating Manual and Guidance Notes 3, 4, 5, 6, 7, 8, 9, 10 delayed to August 2013
22	Manage Victims Groups Application Process for 2013/2014 Victims Support Programme	January 2013	Appraisal documentation delivered to Independent Assessment Panel	Completed by 31 March 2013	Independent Panel appointed December 2013 Independent Panel convened to assess applications – process

Ref	Activity	Target Date	Output Measure	Status at 31 March 2013	Notes on progress as at 31 March 2013
					completed over Jan-Feb 2013
23	Distribute funding for successful applicants 2013/2014 Victims Support Programme	Ongoing	Funding ready for allocation in April 2013	Completed by 31 March 2013	Letters of Offer issued in March 2013
24	Develop process and procedures in operating rules for 2013/2014 Individual Needs Programme (individuals)	Ongoing	Completed Operating Rules and Application documents	Activities not completed by 31 March 2013	Ministerial approval of the detail of the Individual Needs Programme (Schemes 1-6) obtained 28 March 2013 NIMF staff transferred April 2013 Communication issued to potential beneficiaries re: opening of INP via NIMF on 12 April 2013



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