

# **NORTHERN IRELAND POLICING BOARD**

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

### **MINUTES OF A MEETING OF THE AUDIT AND RISK MANAGEMENT COMMITTEE HELD ON FRIDAY, 17 SEPTEMBER 2010 AT 1:30PM IN WATERSIDE TOWER, BELFAST**

#### **PRESENT:**

#### **MEMBERS:**

Mr Trevor Ringland (Chairperson)  
Mr Daithí McKay (Vice Chairperson)  
Mr Leslie Cree  
(1) Mr David Rose  
(2) Mr Suneil Sharma

#### **NORTHERN IRELAND AUDIT OFFICE IN ATTENDANCE:**

One Representative

#### **PRICEWATERHOUSE COOPERS IN ATTENDANCE:**

One Representative

#### **DEPARTMENT OF JUSTICE:**

Mr David Hughes

#### **PSNI IN ATTENDANCE**

(3) Mr Denis Licence (Non-Executive Chair of  
PSNI Audit and Risk Committee)  
(3) Mr Michael Burton (Head of Financial  
Reporting and Accounting Services)

#### **OFFICIALS IN ATTENDANCE:**

Mr Adrian Donaldson (Chief Executive)  
(4) Mr Sam Hagen (Director of Corporate  
Services)  
Mr David Wilson (Director of Planning)  
Three Board Officials

- (1) Item numbers 1 – 7, 12 – 14
- (2) Item numbers 2 – 11 and 13 to close
- (3) Item numbers 1, 7, 12 – 14
- (4) Item numbers 2 – 6, 8 – 11 and 15

## **1. APOLOGIES, ETC**

Apologies were received from Mr Dominic Bradley and Mr Alastair Ross. NOTED.

The Chairperson welcomed Mr David Hughes to his first meeting of the Committee on behalf of the Department of Justice (DOJ) in an observer capacity. Mr Hughes outlined his role in attending the meeting.

The Chairperson also welcomed Mr Denis Licence and Mr Michael Burton to the meeting.

No conflicts of interest arising from the agenda were declared by Members. NOTED.

## **2. MINUTES OF AUDIT AND RISK MANAGEMENT COMMITTEE MEETING HELD ON 11 JUNE 2010**

The Committee considered the draft minutes of the meeting held on 11 June 2010.

It was:-

### **AGREED:**

That the draft minutes of the Audit and Risk Management Committee meeting held on 11 June 2010 should be agreed.

### **3. MATTERS ARISING FROM MEETING HELD ON 11 JUNE 2010**

#### **3.1 Scrutiny Of PSNI Information And Communication Systems (ICS) (Item 3.2 Of Minutes Refers)**

The Committee noted that the scrutiny of the PSNI ICS function was progressing satisfactorily. NOTED.

#### **3.2 Working Time Regulations (NI) 1998 (Item 3.3 Of Minutes Refers)**

The Committee noted that the Human Resources Committee and the Resources and Improvement Committee would be considering the implications of the Industrial Tribunal on the Working Time Regulations (NI) 1998. Members would be kept informed of developments. NOTED.

#### **3.3 Location Of Police Stations (Item 3.4 Of Minutes Refers)**

The Committee noted details of maps which highlighted the location of Police Stations that had been closed. NOTED.

#### **3.4 Committee 'Away Day' (Item 3.6 Of Minutes Refers)**

Members noted that a meeting between the Chairperson, Vice Chairperson and Officials had taken place on 28 July 2010 regarding issues arising from the Committee 'Away Day' on 29 January 2010. NOTED.

Further information regarding the action plan to address issues raised at the Committee 'Away Day' was dealt with at item number 8.

**3.5 NIPB Draft Statement On Internal Control 2009 – 2010** (Item 8 Of Minutes Refers)

The Committee noted that the Board's Statement on Internal Control for 2009 – 2010, which was contained in the Board's Annual Report and Accounts had been laid before Parliament in July 2010. NOTED.

**3.6 Internal Audit Review Of Arrangements Regarding The Management Of Capital Assets** (Item 11 Of Minutes Refers)

The Committee noted that:-

- the PSNI had now supplied an appropriate template and had agreed to regularly inform the Board of changes in the operational status of PSNI stations;
- the Resources and Improvement Committee had deferred approving the revised station review list until an Estate Strategy Refresh was available;
- that work was in progress to develop a formal procedures manual which documents agreed processes and responsibilities between the Board and PSNI for the governance of the police estate.

**3.7 NIPB Representation On The PSNI Audit And Risk Committee** (Item 12 Of Minutes Refers)

The Committee noted that a meeting had taken place on 28 July 2010 between the Chairperson, Vice Chairperson and Deputy Chief Constable in relation the level of bureaucracy imposed on the PSNI. NOTED.

The Committee noted that the Director of Planning would represent the Board at the next meeting of the PSNI Audit and Risk Committee in October 2010 in an observer capacity. NOTED.

A draft Terms of Reference for a review of the information exchange between PSNI and NIPB was dealt with at item 10.

#### **4 CHAIRPERSON'S BUSINESS**

##### **4.1 PSNI Attendees At NIPB Committees**

The Chairperson commented on the attendance of Senior PSNI Officers/Officials at Board and Committee meetings and the importance of inviting the representatives from the PSNI to give their presentations on time.

During discussion a Member suggested that presentations at meetings should be held at the beginning of meetings. In conclusion, it was:-

#### **AGREED:**

That the Chairperson should send a memo to Chairpersons and Vice-Chairpersons of Committees setting out guidelines for receiving guest presenters at Committee meetings.

#### **5. PRICEWATERHOUSECOOPERS (PWC) INTERNAL AUDIT PROGRESS REPORT 2010 – 2011**

The Committee noted a paper which provided an update on the progress of the Internal Audit Periodic Work Plan for 2010 – 2011. NOTED.

The representative from PWC outlined details of the following audit assignments which had been completed:-

- review of corporate governance arrangements and risk assurance with a focus on reputational risk;
- review of arrangements for the management and facilitation of NIPB and DPP websites,
- review of compliance in line with data protection with a focus on images and photos.

NOTED.

**6. NORTHERN IRELAND POLICING BOARD CORPORATE RISK REGISTER AND HIGH RISK EXCEPTION REPORT 2010 – 2011**

The Committee noted a paper regarding the Board's identified high risks for 2010 – 2011 and management's action to control these risks. NOTED.

**7. PSNI CORPORATE RISK REGISTER 2010 – 2011**

The Committee noted a paper regarding the PSNI's Corporate Risk Register for 2010 – 2011 and management's action to control these risks. NOTED.

**8. ACTION PLAN TO ADDRESS ISSUES DISCUSSED AT COMMITTEE 'AWAY-DAY' ON 29 JANUARY 2010**

The Committee considered a paper which provided Members with an update of actions being taken to address issues raised at the Committee 'Away Day' on 29 January 2010 following a meeting between the Chairperson, Vice Chairperson and Officials on 28 July 2010.

It was:-

**RESOLVED:**

To approve the actions outlined in the paper to address the issues raised at the Committee 'Away Day'.

**9. NIPB WHISTLE BLOWING POLICY**

The Committee noted details of a paper regarding the Board's whistle blowing policy together with a copy of the policy. NOTED.

The representative from the Northern Ireland Audit Office (NIAO) undertook to provide officials with a copy of DFP guidance on the Whistle Blowing Policy.

It was:

**AGREED:**

That prior to circulating a copy of the Board's Whistle Blowing Policy to the Board's staff, the policy should be checked for compliance with the most up to date PSNI guidance on whistle blowing.

**10. REVIEW OF THE FORMAT, TIMING AND CONTENT OF INFORMATION SUPPLIED TO THE BOARD BY THE PSNI**

The Committee considered a paper regarding a review of the format, timing and content of information supplied to the Board by the PSNI.

It was:-

**RESOLVED:**

To approve the Terms of Reference for the review.

Officials undertook to take forward the review with PSNI and bring an update back to the December 2010 Committee meeting.

**11. NIPB – YEAR END FINANCIAL STATEMENTS**

The Committee noted the signed 2009 – 2010 year end financial statements, letter of representation and report to those charged with governance in respect of the Board.

NOTED.

A representative from the NIAO outlined details of the Audit Office's findings and the recommendations which had been included in the report.

**12. PSNI – YEAR END FINANCIAL STATEMENTS**

The Committee noted the signed 2009 – 2010 year end financial statements, letter of representation and report to those charged with governance in respect of the PSNI.

NOTED.

A representative from the Northern Ireland Audit Office (NIAO) outlined details of the Audit Office's findings and the recommendations which had been included in the report.

The PSNI Head of Financial Reporting and Accounting Services commented on the audit and the PSNI's response to the recommendations.

The Non-Executive Chair of the PSNI Audit and Risk Committee advised Members that he was very satisfied with the outcome of the audit of the 2009 – 2010 year end financial statement.

**13. DRAFT MINUTES OF THE PSNI AUDIT AND RISK COMMITTEE, PSNI INTERNAL AUDIT ASSURANCE STATEMENT TO THE CHIEF CONSTABLE AND PSNI's INTERNAL AUDIT STRATEGY 2010 – 2012**

The Committee noted the draft minutes of the PSNI Audit and Risk Committee for June 2010; the PSNI Internal Audit Assurance Statement to the Chief Constable; and PSNI's Internal Audit Strategy 2010 – 2012. NOTED.

**14. ISSUES TO BE DISCUSSED WITH DENIS LICENCE, NON-EXECUTIVE CHAIR OF THE PSNI AUDIT AND RISK COMMITTEE**

The Chair of the PSNI Audit and Risk Committee briefed the Committee on the work of the Committee, during which he highlighted information regarding:-

- the operation of the new PSNI Committees and Programme Boards and undertook to provide Members with an update at the next meeting;
- the PSNI risk management framework within the Organisation;
- concern over internal audit reviews with limited assurance ratings;
- the PSNI statement on internal control.

Subsequent discussion focused around:-

- the limited assurance ratings and the work being undertaken regarding the recommendations;

- the turnaround of PSNI Managements responses to recommendations in the internal audit reviews.

The PSNI Head of Financial Reporting and Accounting Services outlined details of the progress which had been made in relation to the recommendations in the audits which had received limited assurance.

During discussion:-

- the representatives from the PSNI undertook to provide Members with the current implementation position of each recommendation made by Internal Audit in respect of the Internal Audit Review on the Quality of Victim Handling and Public Satisfaction Levels;
- officials undertook to consider adding the appointment of Chief Police Officers to the Board Corporate Risk Register.

The Chairperson thanked the Non-Executive Chair of the PSNI Audit and Risk Committee and the Head of Financial Reporting and Accounting Services for attending and they left the meeting.

## **15. MEETING SCHEDULE 2011**

The Committee noted a paper which outlined details of the dates of the Audit and Risk Management Committee meetings during 2011, which had been agreed at the Board meeting on 2 September 2010. NOTED

## **16. INFORMATION PAPERS**

There were no information papers.

## **17. MATTERS TO BE RAISED WITH THE CHIEF CONSTABLE AT THE NEXT BOARD MEETING**

There were no issues to raise with the Chief Constable at the next Board meeting arising from the meeting.

## **18. COMMUNICATION ISSUES**

There were no communication issues arising from the meeting.

## **19. ANY OTHER BUSINESS**

### **19.1 Board Strategy Event**

The Committee discussed the independent assessment which had been undertaken recently of the Board's functions, and it was:-

#### **AGREED:**

That details of the main areas which the Independent Assessor would be recommending for improvement should be provided to Members for consideration at the Board Strategy Day on 23 September 2010.

### **19.2 Continuous Improvement Report**

The representative from NIAO indicated that it was hoped to publish the Continuous Improvement Report before the end of the calendar year and asked for information to be provided for inclusion in the report as soon as possible. An issue of timeliness of information published was raised by the NIAO representative. Officials asked to be

provided with the details of the outstanding information that was required and the timescale.

It was:-

**AGREED:**

To address the NIAO request for information/meetings for the Continuous Improvement report and seek to clarify the timeliness issue raised by the NIAO representative.

**20. DATE OF NEXT MEETING**

The date of the next Audit and Risk Management Committee was arranged for Friday, 10 December 2010.

(Meeting closed at 3.20pm).

**Secretariat**

**September 2010**

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**Chairperson**