

NORTHERN IRELAND POLICING BOARD

AUDIT AND RISK MANAGEMENT COMMITTEE

**MINUTES OF A MEETING OF THE AUDIT AND RISK MANAGEMENT COMMITTEE
HELD ON FRIDAY, 19 MARCH 2010 AT 1:30PM IN WATERSIDE TOWER, BELFAST**

PRESENT:

MEMBERS:

Mr Trevor Ringland (Chairperson)
Mr Daithí McKay (Vice Chairperson)
Mr Leslie Cree
Mr David Rose
Mr Peter Weir

**NORTHERN IRELAND AUDIT
OFFICE (NIAO) IN
ATTENDANCE:**

Two Representatives

**PRICEWATERHOUSE
COOPERS IN ATTENDANCE:**

One Representative

OFFICIALS IN ATTENDANCE:

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

1. APOLOGIES, ETC

Apologies were received from Mr Alex Attwood and Mr Suneil Sharma. NOTED.

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 DECEMBER 2009**

The Committee considered the draft minutes of the meeting held on 11 December 2009.

It was:-

AGREED:

That the draft minutes of the Audit and Risk Management Committee meeting held on 11 December 2009 should be agreed.

3. MATTERS ARISING FROM MEETING HELD ON 11 DECEMBER 2009

3.1 Members Attendance (Item 1 Of Minutes Refers)

The Committee noted that the Board's Chief Executive had spoken to a Committee Member regarding attendance at meetings and it had been agreed to consider the issue following the review of the Board Committee structure. NOTED.

3.2 Away Day (Item 3.1 Of Minutes Refers)

This matter was dealt with at item number 6.

3.3 National School of Government Conference (Item 3.5 Of Minutes Refers)

Officials explained that copies of the presentations which had been given at the Best Practice for Audit Committee in Government Annual Conference had been circulated to the Committee Members. NOTED.

3.4 Confidential Documents (Item 3.6 Of Minutes Refers)

The Committee noted that an item had been placed on the agendas for all Board and Committee meetings requesting Members to declare any conflicts of interest arising from the agenda. NOTED.

3.5 NIPB Representation On PSNI Committees (Item 5 Of Minutes Refers)

The Committee noted that guidance had been provided to all Members and those Officials attending PSNI Committees regarding their role whilst attending such Committees.

It was:-

AGREED:

- that arrangements should be made for all Board representatives to give a report to the relevant Board Committee following their attendance at a PSNI Committee;
- Officials should provide the Committee with details of the Board's representatives on the PSNI Committees and confirmation that the guidance issued had been complied with.

3.6 PricewaterhouseCoopers (PWC) Internal Audit Progress Report 2009 – 2010 (Item 6 Of Minutes Refers)

The Committee noted that the executive summary of the audit report on the Human Rights and Professional Standards Committee had been circulated to Members for the February 2010 Board meeting. NOTED.

3.7 Scrutiny Of PSNI Information And Communication Systems (ICS) (Item 7 Of Minutes Refers)

The Committee noted the content of a letter from Assistant Chief Constable, Operational Support regarding the scrutiny of the PSNI ICS function. NOTED.

It was:-

AGREED:

That assurances regarding the internal audit activity involving PSNI ICS should be raised with the Chair of the PSNI Audit and Risk Committee at the June 2010 Audit and Risk Management Committee.

3.8 Corporate Governance Structures In PSNI (Item 9 Of Minutes Refers)

The Committee noted that a letter had been sent to the Chief Constable seeking an update regarding the review of the PSNI Governance Structures. A response was awaited. NOTED.

The Committee noted:-

- a copy of the PSNI Governance and Programme Boards, which was circulated at the meeting;
- that the PSNI would be invited to brief the Corporate Policy Planning and Performance Committee at the May 2010 meeting on the new Governance and Programme Boards.

NOTED

3.9 Working Time Regulations (NI) 1998 (Item 12.1 Of Minutes Refers)

The Committee noted that the Human Resources Committee was overseeing the implications of the Industrial Tribunal on the Working Time Regulations (NI) 1998. Officials undertook to keep Members informed of developments. NOTED.

4 CHAIRPERSON'S BUSINESS

The Chairperson had no issues to report to the Committee.

5. PRICEWATERHOUSECOOPERS (PWC) INTERNAL AUDIT PROGRESS REPORT 2009 – 2010

The Committee noted a paper which provided an update on the progress of the Internal Audit Periodic Work Plan for 2009 – 2010. NOTED.

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

- Management of Capital Assets (Arrangements with PSNI);
- Review of Legislative Compliance with a focus on the Health and Safety Act and the Disability Discrimination Act;
- Review of Administration Procedures Governing Payroll.

The Committee discussed the findings and recommendations which had been made by PWC in relation to the audit of the management of capital assets and it was:-

AGREED:

- that a letter should be sent to the PSNI advising of PWC's findings in relation to the PSNI Estate Strategy;
- that information should be obtained from the PSNI regarding the disposal of former Police Stations;
- that the PSNI should be asked to produce a map highlighting the location of Police Stations that have been closed;

The Committee considered a review of corporate governance and risk assurance (with a focus on reputational risk) which was scheduled to take place by PWC in March 2010.

It was:-

AGREED:

- that the review of corporate governance and risk assurance (with a focus on reputational risk) should be deferred until the new Committee structure was put in place;
- that the seven days which had been allocated for the review should be used for special assignments or carried forward to 2010 – 2011.

6. COMMITTEE AWAY DAY – 29 JANUARY 2010

The Committee considered a paper which summarised discussions which had taken place at the Committee Away Day on 29 January 2010

The Committee noted the following points which required further work:-

- the detail of information required by Members to conduct their role effectively;
- the future attendance at the Committee and role of a representative of the Board's parent Department;
- the level of detail/assurance currently available to Members in respect of PSNI functions:
- the Committee should take a more proactive role in establishing itself as the challenge function overseeing the executive functions of the Board;
- the need to clarify/raise awareness of the whistle-blowing arrangements to ensure that Members are aware of the procedure and that staff are also aware of the mechanism for reporting issues.

It was:-

AGREED:

That the Chairperson and Vice- Chairperson should meet with Officials to discuss the issues raised at the Away Day which requires further work.

7. PWC INTERNAL AUDIT PROGRESS REPORT 2009 – 2010

The Committee considered a paper which advised Members that PWC in line with Her Majesty's Government Internal Audit Standards (GIAS) had completed work on the new Board Audit Strategy and Periodic Work Plans for 2010 – 2011, 2011 – 2012 and 2012 – 2013.

During discussion the representative from the Northern Ireland Audit Office (NIAO) proposed an amendment which should be made to the Board Audit Strategy and Periodic Work Plan.

It was:-

RESOLVED:

Subject to the amendment to approve the NIPB Audit Strategy and Periodic Work Plans for 2010 – 2013.

8. INFORMATION PAPERS

8.1 Northern Ireland Policing Board Management Accounts to February 2010

The Committee noted the details contained in the Board's management accounts to February 2010. NOTED.

8.2 NIAO Audit Strategy 2009 – 2010

The representative from NIAO presented the NIAO Audit Strategy 2009 – 2010, which was tabled at the meeting.

9. MATTERS TO BE RAISED WITH THE CHIEF CONSTABLE AT THE NEXT BOARD MEETING

There were no questions arising from the meeting to ask the Chief Constable at the next Board meeting.

10. COMMUNICATION ISSUES

There were no communication issues arising from the meeting.

11. ANY OTHER BUSINESS

11.1 Statement On Internal Control: A Guide For Audit Committees

The Committee noted a copy of a Statement On Internal Control: A Guide For Audit Committees. NOTED.

11.2 Single Tender Action

The Chief Executive referred to recent press coverage of NIAO concerns in relation to Single Tender Action (STA) procurement contracts and alleged irregularities in the avoidance for open competition. He outlined details of the Board's procedures for carrying out STAs. He gave details of three STAs which had been approved in the past year and informed the Committee that difficulties had been encountered in preparing to re-tender for the Board's Human Rights Advice, which was currently the subject of further study. Advice had been sought from both the NIO and CPG, but at present it was proving difficult to reconcile the current procurement guidelines for 'contracts for services' (which precluded interviewing potential candidates) with the specialist nature and experience requirements that the Board required of the contract.

12. DATE OF NEXT MEETING

The date of the next Audit and Risk Management Committee was arranged for Friday 25 June 2010

(Meeting closed 2.40pm)

Secretariat
March 2010

Chairperson