

NORTHERN IRELAND POLICING BOARD

AUDIT AND RISK MANAGEMENT COMMITTEE

MEETING HELD ON FRIDAY, 14 DECEMBER 2007 AT 1:30PM IN WATERSIDE TOWER, BELFAST

PRESENT:

MEMBERS:

- Mr Trevor Ringland (Chairman)
- (1)** Mr Daithí McKay (Vice-Chairman)
- (2)** Mr Leslie Cree
- (3)** Mrs Dolores Kelly
Mr David Rose
- (4)** Mr Peter Weir

OFFICIALS IN ATTENDANCE:

Mr Trevor Reaney (Chief Executive)
Mr David Wilson (Director of Planning)
Two Board Officials

PSNI

- (5)** Mr David Best (Director of Finance and Support Services)
- (6)** Mr Denis Licence (Chairman of PSNI Audit and Risk Committee)

NORTHERN IRELAND AUDIT OFFICE (NIAO) IN ATTENDANCE:

One representative

PRICE WATERHOUSECOOPERS (PWC) IN ATTENDANCE:

One representative

- (1)** Item numbers 3.4 – 13
- (2)** Item numbers 1 – part of 9
- (3)** Item numbers 1 – 8
- (4)** Item numbers 3.2 – 13
- (5)** Part of item number 9 only
- (6)** Item number 9 only

1. APOLOGIES

Apologies were received on behalf of Mr Suneil Sharma. NOTED.

2. MINUTES OF AUDIT AND RISK MANAGEMENT COMMITTEE MEETING HELD ON 21 SEPTEMBER 2007

The Committee considered the draft minutes of the meeting held on 21 September 2007.

It was:-

AGREED:

That the draft minutes of the Audit and Risk Management Committee meeting held on 21 September 2007 should be agreed.

3. MATTERS ARISING FROM MINUTES OF MEETING

3.1 Best Practice for Audit Committees in Government (Item 3.5 Of Minutes Refers)

The Committee noted that:-

- A Training and Briefing Session for all Board Members would be held on 3 January 2008.
- Training for Members on issues relating to the Committee's role and responsibilities was being considered by Officials.

NOTED.

3.2 Report by the Northern Ireland Audit Office On The Northern Ireland Policing Board's Financial Expenditure for 2006/2007 (Item 7 Of Minutes Refers)

The Committee noted that the Northern Ireland Audit Office (NIAO) had raised the issue regarding the setting up of separate payrolls for DPPs with the Local Government Auditors. The representative from the NIAO undertook to follow up on the issue.

NOTED.

3.3 Use of Consultants in PSNI (Item 8 Of Minutes Refers)

The Committee noted details of a tendering process which would take place in order to appoint an independent contractor to review the use of consultants in the PSNI. The closing date for receipt of tenders was 18 January 2008 and Members would be kept informed of developments. NOTED.

3.4 PSNI Corporate Risk Register (Item 10.1 Of Minutes Refers)

The Committee noted:-

- Details of a meeting which Officials had held with the PSNI Risk Manager regarding the PSNI Corporate Risk Register.
- A paper regarding the PSNI Corporate Risk Register would be provided to Members for consideration at the next meeting.

NOTED.

4. CHAIRMAN'S BUSINESS

4.1 Police Recruitment Business Case Overspend 2006 – 2007

The Chief Executive advised of an overspend which had been reported in respect of a Business Case for Police Recruitment services covering the years 2004 – 2005 to 2006 – 2007. The Committee considered the matter and it was:

AGREED:

To write to the Deputy Chief Constable to request background information and explanation of the overspend and to seek reassurance that necessary management controls are in place for such matters.

5. INTERNAL AUDIT ANNUAL PROGRESS REPORT 2007/2008

The representative from Price Waterhouse Coopers (PWC) presented a paper which provided an update regarding the developments and progress of the Board's Internal Audit Periodic Work Plan for 2007 – 2008.

The Committee noted the content of reports from PWC in respect of internal audits which had been completed – a Review of Single Contract Award Procedures and a Review of IT Asset Management. NOTED.

During discussion:-

- Officials advised the Committee about a review of data handling procedures which was being carried out by the Cabinet Office.
- The representative from PWC referred to an audit which had been carried out during the previous year on the Board's Data Protection Compliance and explained that a high assurance rating had been given.

NOTED.

6. PSNI MANAGEMENT LETTERS – FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2007

The Committee noted the contents of the Management Letters on the PSNI financial statements for the year ended 31 March 2007. NOTED.

During discussion Members referred to a recent report which had been issued by the Northern Ireland Assembly's Public Accounts Committee regarding the sale of a site to fund the provision of a new building for Wellington College and it was:-

AGREED:

That a letter should be sent to the PSNI seeking assurances around land transactions following the publication of the report.

7. PSNI INTERNAL AUDIT STRATEGY 2006 – 2009 AND INTERNAL AUDIT ASSURANCE STATEMENT TO THE CHIEF CONSTABLE 2006/2007

The Committee noted the content of the following documents:-

- The PSNI's Internal Audit Strategy for 2006 – 2009.
- The PSNI Internal Audit Assurance Statement to the Chief Constable for 2006 – 2007.

NOTED.

8. INFORMATION PAPERS

8.1 Status Report On Ballynahinch CCTV Scheme

The Committee noted the content of a paper which outlined the current position in respect of the funding of Ballynahinch CCTV Partnership. NOTED.

9. DISCUSSION WITH MR DENIS LICENCE, CHAIR OF THE PSNI AUDIT AND RISK COMMITTEE

The Committee noted details of the minutes of the PSNI Audit and Risk Committee Meeting held on 10 July 2007. NOTED

The Chairman welcomed the Chairman of the PSNI Audit and Risk Committee to the meeting.

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

- The significant progress which had been made by the PSNI Audit and Risk Committee during the past year.

- That the Audit and Risk Committee's Annual Report had been recently been completed and a copy would be provided to the Board.
- Details of a Self Effectiveness Review which had been carried out in respect of the PSNI Audit and Risk Committee.
- That the PSNI's Internal Audit Contractor had recently been reappointed for a further period.
- The progress which had been made in relation to the new PSNI governance process for managing external recommendations.
- That the Board's Audit and Risk Management Committee would routinely be provided with a copy of the minutes of meetings of the PSNI's Audit and Risk Committee.
- The PSNI Audit and Risk Committee were content with the new Procurement Procedures which had been put in place by the PSNI.

Subsequent discussion focused around:-

- The establishment of the PSNI Audit and Risk Committee which included the appointment of 2 non-executive directors and a recruitment process to appoint a 3rd non-executive director.
- The Internal Audit Assurance Statement to the Chief Constable for 2006 – 2007 and Members concern at the assurance level which had been given regarding a review of the Historical Enquiry Team (Financial Management).
- Internal Audits which were carried out in areas of Policing which had not been previously audited.
- An issue which had been identified by the PSNI Internal Auditors in their Internal Audit Assurance Statements to the Chief Constable for 2006 – 2007 regarding District Command Units (DCU) non compliance with service orders.
- The governance arrangements surrounding the project for the new Police College.

The Chairman thanked the Chairman of the PSNI Audit and Risk Committee and the PSNI Director of Finance and Support Services for attending the meeting and they left the meeting.

10. 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.

11. COMMUNICATION ISSUES

There were no communication issues arising from the meeting.

12. ANY OTHER BUSINESS

12.1 District Command Unit Non Compliance With Service Orders

A Member referred to the issue which had been identified by the PSNI Internal Auditors in their Internal Audit Assurance Statement to the Chief Constable for 2006 – 2007 regarding DCU non compliance with service orders and it was:-

AGREED:

That a letter should be sent to the PSNI in relation to the issues identified by the PSNI Internal Auditor.

13. DATE OF NEXT MEETING

The date of the next Audit and Risk Management Committee was arranged for 14 March 2008 at 1:30pm.

(Meeting closed 3.00pm).

SECRETARIAT
December 2007

CHAIRMAN