

**NORTHERN IRELAND POLICING BOARD**

**AUDIT AND RISK MANAGEMENT COMMITTEE**

**MEETING HELD ON FRIDAY, 19 SEPTEMBER 2008 AT 1:30PM IN WATERSIDE TOWER, BELFAST**

**PRESENT:**

**MEMBERS:**

Mr Trevor Ringland (Chairman)  
Mr Daithí McKay (Vice-Chairman)  
Mr Leslie Cree  
Mr David Rose  
Mr Suneil Sharma

**OFFICIALS IN ATTENDANCE:**

Dr Debbie Donnelly (A/Chief Executive)  
Mr David Wilson (Director of Planning)  
Three Board Officials

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

One representative

**PRICE WATERHOUSECOOPERS (PWC) IN ATTENDANCE:**

One representative

**1. APOLOGIES**

Apologies were received from Mrs Dolores Kelly and Mr Peter Weir. NOTED.

The Chairman reminded Members about their conduct and their use of language at meetings.

It was:-

**AGREED:**

That a letter should be sent to all Board Members reminding them about the issue.

## **2. MINUTES OF AUDIT AND RISK MANAGEMENT COMMITTEE MEETING HELD ON 13 JUNE 2008**

The Committee considered the draft minutes of the meeting held on 13 June 2008.

It was:-

### **AGREED:**

That the draft minutes of the Audit and Risk Management Committee meeting held on 13 June 2008 should be agreed.

## **3. MATTERS ARISING FROM MINUTES OF MEETING**

### **3.1 Use Of Consultants In PSNI (Item 3.2 Of Minutes Refers)**

The Committee noted that:-

- the Chairman was chairing a Steering Group to consider the report;
- the Independent Consultant's draft report regarding the review of consultancy and contracted out services in PSNI had been produced;
- discussion on the draft report was being carried out between the consultants and the PSNI;
- the report would be presented to Members for consideration at the next meeting.

NOTED.

### **3.2 Non-compliance Of PSNI Districts In Relation To Confidential Waste, Fleet And Weapons (Item 9 Of Minutes Refers)**

The Committee noted the content of a letter which had been received from the PSNI Director of Finance and Support Services regarding a recurring issue in the minutes of the PSNI Audit and Risk Committee regarding non-compliance of PSNI Districts in relation to confidential waste, fleet and weapons. NOTED.

It was:-

**AGREED:**

That the recurring theme of non-compliance of Districts with various PSNI policies should be raised at the next meeting with the Chair of the PSNI Audit and Risk Committee.

**3.3 Governance Arrangements Relating To The Board, PSNI And DPPs (Item 10 Of Minutes Refers)**

With regard to the arrangements relating to the Board, PSNI and DPPs, Members noted that the vehicle for addressing this issue is the Management Statement and Conditions of Grant. This framework was currently under review between the Board, PSNI and NIO and would be brought before this Committee and the Resources and Improvement Committee before seeking the Board's approval. NOTED.

In response to a query from a Member, Officials explained that the process changes related to the review which was being undertaken in relation to the management statement and conditions of grant.

It was:-

**AGREED:**

That the Committee should be provided with an update regarding the Northern Ireland Policing Board Management Statement and Conditions of Grant.

**4. CHAIRMAN'S BUSINESS**

**4.1 Best Practice In Audit Committees – 27 November 2008**

The Committee considered details of a conference on Best Practice in Audit Committees which would be held in London on 27 November 2008.

The Vice-Chairman expressed an interest in attending this conference. Any other Member interested in attending was asked to contact Secretariat. NOTED.

#### **4.2 Invite To Chairman Of PSNI Audit And Risk Committee**

The Committee discussed the work of the PSNI Audit and Risk Committee and it was:-

**AGREED:**

That the Chair of the PSNI Audit and Risk Committee should be invited to attend the next meeting of the Board's Audit and Risk Management Committee to update Members on the work of that Committee.

#### **4.3 Use Of Consultants In PSNI**

This issue was discussed at item 3.1

### **5. INTERIM STATEMENT ON INTERNAL CONTROL EXIT MEETING WITH NIPB ACCOUNTING OFFICER – 14 AUGUST 2008**

The Committee noted the content of a report from the exiting Accounting Officer on his assessment of the current position in respect of Governance, Risk Management, and Internal and External Audit within the Northern Ireland Policing Board at his date of leaving. NOTED.

It was:-

**AGREED:**

That information including costs relating to legal cases including Industrial and Fair Employment Tribunal Cases should be brought to future meetings of the Committee.

## **6. ACTING ACCOUNTING OFFICER CONFIRMATION APPROVAL LETTER – AUGUST 2008**

The Committee noted the content of a letter which had been received from the NIO approving the Acting Chief Executive's position as Acting Accounting Officer. NOTED.

## **7. PWC INTERNAL AUDIT PROGRESS REPORT 2008 – 2009**

The representative from PWC presented a paper which outlined details of the developments and progress of the Internal Audit Periodic Work Plan for 2008 – 2009.

The Committee noted the content of reports from PWC in respect of:-

- Review of Corporate Governance and Risk Management with a focus on Performance Monitoring and Training;
- Review of procedures regarding the administration of injury on duty award and medical retirement;
- Review of procedures regarding financial reporting and budgetary control;
- Review of IT arrangements;
- Review of arrangements regarding the receipt of IFI funding;
- Internal Audit Follow Up Report.

Members noted that:-

- a substantial assurance rating had been given in respect of four of the audits and extended their congratulations to the staff involved.
- an audit of the 'management of capital assets arrangements within PSNI' had been deferred due to ongoing process changes but would be carried out after 31 March 2009. This audit had been replaced by an audit of Key Performance Indicators (KPIs) in relation to the monitoring of PSNI Human Resources function including Training, Education and Development and Human Rights issues.

NOTED.

During discussion regarding an audit which had been carried out in relation to a review of arrangements regarding the receipt of IFI funding the representative from PWC advised that the Board should seek urgent written clarification from IFI regarding individual budget headings and cost categorisations.

## **8. NORTHERN IRELAND POLICING BOARD HIGH RISK REPORT 2008 – 2009**

The Committee noted the content of a paper regarding the Board's high risks identified during 2008-09 and the result of management's action to deal with these risks.

NOTED.

Members discussed various high risks which had been identified by the Board which might have a significant impact on the ability of the Board to carry out its business

It was:

### **AGREED:-**

- that Officials should provide the Committee with further information concerning the risks identified in the paper regarding the PSNI Human Resources Planning Strategy and the implementation of recommendations from the Ballast report;
- that Officials should update the paper on the Board's high risks identified during 2008 – 2009 and issue it to Members for consideration at the next meeting;
- the Committee should be provided with an extract from the Crime and Disorder Act relating to anti-social behaviour.

## **9. AUDIT AND RISK MANAGEMENT TRAINING**

The representative from PWC gave a presentation to the Committee on the scope of the Audit and Risk Management Committee. A copy of the slides used during the presentation is attached at Appendix 'A'.

## **10. NIAO REPORT – NORTHERN IRELAND POLICING BOARD FINANCIAL ACCOUNTS 2007 – 2008**

The representative from the NIAO presented a paper in relation to the NIAO report on its findings in respect of the Board's Financial Accounts for the period 2007 – 2008.

Members noted that the Audit Office had only made two minor recommendations in relation to the accounts and extended their congratulations to the staff involved.

NOTED.

## **11. PSNI REPORTS – INTERNAL AUDIT ANNUAL REPORT, PERIODIC WORKPLAN 2008 – 2009 AND FINAL MINUTES OF PSNI AUDIT AND RISK COMMITTEE**

The Committee noted the following PSNI reports:-

- Internal Audit Annual Report 2007 / 2008;
- Periodic Work Plan 2008 / 2009;
- Minutes of the PSNI Audit and Risk Committee on 30<sup>th</sup> April 2008.

During discussion the Committee agreed:-

- that a paper should be prepared for the next meeting regarding the PSNI Internal Audit Annual Report and areas of concern;
- a number of points which they considered should be raised with the Chair of the PSNI Audit and Risk Committee at the next meeting of the Audit and Risk Management Committee.

## **12. STATUS REPORT ON BALLYNAHINCH CCTV SCHEME**

The Committee noted the content of a paper regarding the current position in relation to Ballynahinch CCTV Scheme. NOTED.

It was:-

### **AGREED:**

That details of the costs incurred during this case should be provided to Members.

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

The Committee discussed issues to raise with the Chief Constable at the next Board and it was:-

### **AGREED:**

That a question should be composed to ask the Chief Constable in relation to PSNI Internal Audit Reports during 2007/2008 which received a limited assurance rating.

#### **14. COMMUNICATION ISSUES**

There were no communication issues arising from the meeting.

#### **15. ANY OTHER BUSINESS**

No other business was conducted.

#### **16. DATE OF NEXT MEETING**

The date of the next Audit and Risk Management Committee was scheduled to be held on 12 December 2008. The Committee agreed that should the Independent Consultant's final report regarding the review of consultancy and contracted out services in PSNI be available earlier then the meeting could be brought forward to November 2008.

(Meeting closed 3.45pm).

**SECRETARIAT**

**September 2008**

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**CHAIRMAN**