

NORTHERN IRELAND POLICING BOARD

**MINUTES OF MEETING OF AUDIT AND RISK ASSURANCE COMMITTEE HELD
ON THURSDAY 17 JUNE 2021 AT 10AM AT THE NORTHERN IRELAND
POLICING BOARD WATERSIDE TOWER, BELFAST AND VIA VIDEO
CONFERENCE FACILITY**

PRESENT:

MEMBERS

Mr Colm McKenna* (Chair)
Mr Edgar Jardine (Vice-Chair)
Mr Michael Atkinson
Mr Frank McManus*

IN ATTENDANCE:

DEPARTMENT OF JUSTICE

Mrs Sharan Dustagheer*

INTERNAL AUDIT

(1) Mrs Lacey Walker*
Mrs Cathy Hadden*

**NORTHERN IRELAND AUDIT
OFFICE**

Mr Gary Currie*

ASM ACCOUNTANTS

(2) Mrs Judith Shortall*

OFFICIALS

Mrs Amanda Stewart, Chief Executive
Ms Jenny Passmore, Director of
Resources
(3) Mrs Dympna Thornton, Director of
Partnership
Three Board Officials

*Attended the meeting via video conference.

- (1) Part item 10 to end (joined meeting at 10.40am)
- (2) Part item 8 to end (joined meeting at 10.20am)
- (3) Item 11.3 only

1. APOLOGIES

Apologies were received from Mrs Joanne Bunting MLA and Mr Gerry Kelly MLA.

2. CONFLICTS OF INTEREST

No conflicts of interest were declared and the Agenda was agreed.

No Member raised any matters for discussion under 'Any Other Business'.

3. DRAFT MINUTES OF THE MEETING HELD ON 19 MAY 2021

It was **RESOLVED** that:

- The minutes of the Committee meeting held on 19 May 2021 be approved.

4. COMMITTEE ACTION LOG

The Committee noted the updates detailed within the Action Log and the related verbal overview provided by Officials in relation to the actions from the meeting on 19 May 2021

Action Point 1

The Committee noted correspondence dated 15 June 2021 had been received from T/ Assistant Chief Constable (ACC) Roberts and that a risk had been added to the Chief Firearms Instructor Risk Register which was monitored at a strategic level. The Chief Executive agreed to follow-up with T/ACC Roberts about the proposed programme of works that would be due to take place on the ranges and provide an update to the Committee.

Action Point 2

The Governance Statement had been updated following receipt of Members feedback and would be considered at agenda item 7. It was agreed that the action may be closed.

The Committee noted the updates detailed within the Action Log and the related verbal overview provided by Officials in relation to the actions from the meeting on 25 March 2021

Action Point 1

This action was being progressed and a future update would be provided to the Committee.

Action Points 2, 3 and 4

The Senior Management Team (SMT) had reviewed the Corporate Risk Register and it would be considered under agenda item 14. It was agreed that the actions may be closed.

5. CHAIRPERSON'S BUSINESS

There was no Chair's Business for Members to consider.

6. COMMITTEE ANNUAL REPORT TO THE BOARD

Officials presented the Committee's Annual Report to the Board noting that in accordance with the Committee's Terms of Reference, it was required to present an Annual Report to the Board, timed to support the finalisation of the Annual Report and Financial Statement, summarising the work undertaken during 2020-21.

It was **RESOLVED:**

- That the Audit and Risk Assurance's Committee's Annual Report to the Board be approved for submission to the Board on 1 July 2021.

7. DRAFT ACCOUNTING OFFICER GOVERNANCE STATEMENT

Officials presented a paper which asked the Committee to consider the draft Accounting Officer Governance Statement which was a key document within the Annual Report and Financial Statements. It was noted that Members had considered a draft Governance Statement at the Committee meeting on 19 May 2021 and following feedback from Members minor amendments had been made to the draft Governance Statement. A Member requested further minor amendments be made to the Governance Statement which Officials agreed to action and it was **RESOLVED**:

- That the Audit and Risk Assurance Committee recommend that the Accounting Officer sign the Governance Statement for inclusion in the Annual Report and Financial Statements for the year ended 31 March 2021. The Governance Statement would also be submitted to the Board for noting at its meeting on 1 July 2021.

8. NIPB ANNUAL REPORT AND FINANCIAL STATEMENTS 2020-21:

- 8.1 Board Chair's Report**
- 8.2 Performance Report**
- 8.3 Accountability Report**
- 8.4 Financial Statements**

Officials presented a paper which asked the Committee to consider the draft Annual Report and Financial Statements. It was noted that Members had reviewed a draft Annual Report and Financial Statements at the Committee meeting on 19 May 2021 and following feedback from Members amendments had been made to the document. A Member requested further minor amendments be made to the document which Officials agreed to action.

Members discussed the intended audience of the Annual Report and Financial Statements noting that it was one of a suite of public documents that the Board produced- other documents included the monthly e-Zine (“Policing Matters”) that was published and publicised on social media and that extracts of the Annual Report and Financial Statements would be replicated in upcoming Policing Matters publications. Other publications produced by the Board included a composite Annual Committee Report which provided a detailed overview of Committee work. Members discussed the Performance Report section within the Annual Report and Financial Statements and possible changes to the Performance Report to make it more user friendly.

The Chief Executive noted that she intended to discuss with Members how the Board monitored and assessed PSNI’s performance against the Policing Plan measures. It was **RESOLVED**:

- That the Audit and Risk Assurance Committee recommend that the Accounting Officer sign the Annual Report and Financial Statements for the year ended 31 March 2021. The Annual Report and Financial Statements would also be submitted to the Board for noting at its meeting on 1 July 2021.

9. NIPB LETTER OF REPRESENTATION TO THE COMPTROLLER AND AUDITOR GENERAL

Officials presented the draft Letter of Representation to the Committee noting that it contained various assurances to the Comptroller and Auditor General including that Financial Statements represented a ‘true and fair view’, had been prepared in accordance the relevant Accounting Standards and judgements had been made on a reasonable basis. It was **RESOLVED**:

- That the Audit and Risk Assurance Committee recommend that the

Accounting Officer sign the Letter of Representation to the Comptroller and Auditor General. The Letter of Representation would also be submitted to the Board for noting at its meeting on 1 July 2021.

10. EXTERNAL AUDIT

10.1 Draft Report To Those Charged With Governance

The Committee noted a draft Report to Those Charged with Governance for in relation to the Annual Report and Financial Statements for the year ended 31 March 2021.

External Audit Representatives provided an overview of the draft Report noting that it proposed an unqualified audit opinion that the external audit was substantially complete subject to some final information being received. The Committee further noted that:

- No misstatements or irregular expenditure above the clearly trivial threshold of £5,700 were identified during the audit.
- No uncorrected misstatements were identified during the audit.
- External Audit reviewed the internal controls; accounting systems; and procedures to the extent considered necessary for the effective performance of the audit.

The Committee discussed External's Audit's note that a reliable estimate of the costs involved in returning Waterside Tower accommodation to its pre-let state (dilapidation costs) in advance of the accommodation move in early 2022 had not been provided and a provision had not been made for these costs. The Accounting Officer provided an update on the progress to appoint a surveyor to assess the dilapidation costs, and noted that she has raised the issue with DoJ Officials who were aware of there was no provision for the costs.

11. INTERNAL AUDIT

11.1 NIPB Internal Audit Charter

The Internal Audit Manager presented the Internal Audit Charter to the Committee noting that the Committee were asked to recommend that the Board approve the Charter. The Charter detailed the purpose and authority of the internal audit function, and the relationship between the Head of Internal Audit, the Accounting Officer and the Committee. The Charter was initially considered by the Committee and approved by the Board in 2019 and no changes had been made to the Charter since then. It was **RESOLVED**:

- That the Audit and Risk Assurance Committee recommend that the Board approve the 2021-22 Internal Audit Charter.

11.2 NIPB Internal Audit 2021-22 Work Plan

The Internal Audit Manager presented the proposed Internal Audit 2021-22 Work Plan to the Committee for approval. The Internal Audit Manager provide an overview of how the proposed 2021-22 Work Plan had been developed in conjunction with Accounting Officer and Directors and following consideration of the key risks within the organisation and review of the Corporate Risk Register and Directorate Risk Registers. It was also noted that the internal audits would be progressed during Q4 2021 given the accommodation move to James house in early 2022 which may impact Officials capacity and capability in relation to internal audit activity.

Members discussed the development of the next three year internal audit strategy which would be developed following engagement with the Accounting Officer, Directors and Committee Chair and presented to the Committee for consideration in mid-2022

11.3 NIPB Internal Audit Progress Report

The NIPB Head of Internal Audit presented the final 2020-21 Progress Report to the Committee noting that two audits (Business Continuity Planning and a Desktop Review of Belfast City Council Police and Community Safety Partnership (PCSP)) had recently completed and the final reports and were appended to the Progress Report; all audits detailed within the 2020-21 Internal Audit Work Plan had been completed.

The Director of Partnership provided an update on the background of the request for Internal Audit to complete a Desktop Review of Belfast City Council PCSP and the Recommendations identified as a result of the Review. The Partnership Committee Vice-Chair provided an update on the engagement with Belfast City Council following completion of the Desktop review and it was noted that training would be provided to PCSP Members on their role and responsibilities.

12. NIPB FRAUD UPDATE

The Committee noted that there was no suspected or actual fraud to report to the Committee.

13. NIPB DIRECT AWARD CONTRACTS UPDATE

Officials noted that there were no new Direct Award Contracts (DACs) to report to the Committee. A DAC reported to the Committee in September 2020 remained in place.

14. NIPB CORPORATE RISK REGISTER

Officials presented the NIPB Corporate Risk Register to the Committee noting that SMT had given consideration to it and made updates to the current risks.

The identification of new risks was also considered but none were identified and the Inherent and Residual Risk scores had been reviewed and considered appropriate. A primary risk category had also been assigned to each risk in accordance with the categories detailed within the Orange Book on Risk Management and Principles. The format and layout of the Corporate Risk Register had also been considered by SMT who had agreed that the current layout was satisfactory.

Members noted the Police Pension Board Risk Register appended to the Corporate Risk Register. The Police Pension Board monitored its own risks and update the Risk Register accordingly. It was agreed that the Chair of the Police Pension Board and the Board's Pension Advisor would be asked to present to the Committee on Police Pension Board governance matters including the link between the Board, PSNI and the Police Pension Board and the Police Pension Board risks and all Board Members would be invited to attend the presentation. **(AP1)**

Members discussed the risks captured on the Corporate Risk Register noting that the risk relating to areas of responsibility delegated to the Chief Constable had been captured within one risk which related to People, Legal and Estates matters. The Chief Executive noted that the Corporate Risk Register would be appended to the monthly Chief Executive's Report submitted to the Board Meeting on 1 July 2021 and the ARAC Chair noted that the wanted to encourage discussion of the Corporate Risk Register at the Board Meeting and agreed to discuss with Officials how the Corporate Risk Register was presented to the Board.

15. NIPB COMPLAINTS UPDATE

Officials noted that no new complaints had been received since the update provided to the Committee at its meeting on 25 March 2021.

16. NIPB GIFTS AND HOSPITALITY REGISTER

Members noted that because of the impact of the COVID-19 pandemic, there had been no opportunities for Board Members or staff to offer or receive gifts or hospitality.

17. COMMUNICATION ISSUES/ OPPORTUNITIES

The Committee noted it had previously discussed the arrangements for the publication of the Annual Report and Financial Statements and a composite Committee Report.

18. ANY OTHER BUSINESS

No further business was conducted.

19. DATE OF NEXT MEETING

The Committee would meet on Thursday 30 September 2021 at 2pm and Thursday 9 December 2021 at 2pm.

(Meeting closed at 11.30am).

CORPORATE SERVICES

Date: June 2021

Chair