

**NORTHERN IRELAND POLICING BOARD**

**MINUTES OF MEETING OF AUDIT AND RISK ASSURANCE COMMITTEE HELD  
ON THURSDAY 19 DECEMBER 2023 AT 2.15PM AT THE NORTHERN IRELAND  
POLICING BOARD, JAMES HOUSE BELFAST AND VIA ZOOM**

**PRESENT:**

**MEMBERS**

- Mr Brendan Mullan (Chair)  
Mr Peter Osborne (Vice-Chair)  
(1) Mr Maurice Bradley MLA\*

**IN ATTENDANCE:**

**DEPARTMENT OF JUSTICE**

Mr Colum Thompson\*

**INTERNAL AUDIT**

Ms Lacey Walker  
Mr Michael Matthews  
Mrs Cathy Hadden

**NORTHERN IRELAND AUDIT  
OFFICE**

Mr Tomas Wilkinson  
Ms Sarah Heanen

**INDEPENDENT PENSIONS  
ADVISOR**

- (2) Mr Brian Quinn\*

**OFFICIALS**

- Mrs Sinead Simpson, Chief Executive  
Mr Sam Hagen, Senior Director of  
Resources  
(3) Ms Aislinn McGuckin, Director of Police  
Pensions and Injury Benefits\*

Five Board Officials

- (1) From 2.40pm until item 8.3.  
(2) Item 6 only  
(3) Item 6 only

\*Attended the meeting via video conference.

**1. APOLOGIES**

Apologies were received from Mr Gerry Kelly MLA, Ms Nuala McAllister MLA, Mr Frank McManus, Mrs Lynne Curran and Ms Fiona Scullion, DoJ and Mr Michael Burton, Police Pension Board Chair.

## **2. CONFLICTS OF INTEREST**

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

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

## **3. DRAFT MINUTES OF THE ARAC MEETING HELD 28 SEPTEMBER 2023**

It was **RESOLVED**:-

- That the minutes of the ARAC meeting held on 28 September 2023 be approved.

## **4. COMMITTEE ACTION LOG**

The Committee noted the updates detailed within the Action Log and the related verbal overview provided by the Director of Resources and Chief Executive in relation to the actions from the meetings on 28 September, 22 June, 23 May and 23 March 2023.

It was **AGREED** that Action Points 5 and 6 from the meeting on 28 September 2023 in relation to updating the Chief Executive's Stewardship Statement and circulating the Gifts and Hospitality policy may be closed.

### **Action Point 4 from 22 June meeting**

The Director of Resources advised that the PSNI ARAC Terms of Reference (ToR) are included for Members information/consideration at agenda item 5.3 of today's meeting.

### **Action Point 5 from 22 June meeting**

The Director of Resources noted that the update paper and associated “tracker” spreadsheet in relation to Freedom of Information (FOI) requests is included for Members consideration at agenda item 12 of today’s meeting.

### **Action Point 3 from 23 May meeting**

The Director of Resources noted he is liaising with the ARAC Chair regarding the compilation of a Committee Effectiveness questionnaire based on a National Audit Office compliance checklist. Once this is completed it will be issued to ARAC Committee Members for consideration. The Director of Resources advised consideration will then be given to the methodology of rolling out/implementing this system across the Standing Committees of the Board.

### **Action Point 2 from 23 March meeting**

The Director of Resources noted the Police Pension Board Chair was unable to attend today’s meeting however, he will be invited to the next ARAC Committee meeting where the Police Pension Board Risk Register will be discussed and reviewed. This action will remain open until then.

### **Action Point 3 from 23 March meeting**

The Director of Resources advised that the Board’s Senior Management Team met to discuss the entirety of the Corporate Risk Register. Risk 4 was amended and updated as a result to reflect recent work taken to mitigate this risk to include the Scoping Exercise, the Joint Guidance Consultation and the amendment of operational aspects of the guidance document. It was agreed this action can now be closed.

## **5. CHAIRPERSON’S BUSINESS**

### **5.1 Internal Audit/NIPB Memorandum of Understanding/Data Sharing Agreement 2023-2026**

Members noted the updated Memorandum of Understanding and Data Sharing Agreements between NIPB and Internal Audit for the period 01 April 2023 to 31 March 2026. It was noted that the documents needed to be revised to reflect NIPB's office relocation to James House and to recognise the recent change in personnel of the Head of Internal Audit. Board Officials to update the documents and circulate to Internal Audit representatives for signature.

**(AP1)**

## **5.2 Committee Effectiveness**

The Chair noted it is his intention to carry out an Evaluation of Committee Effectiveness within this financial year and advised he and the Director of Resources are currently finalising an effectiveness questionnaire. The Chair advised this will be issued to Committee members to complete and the results will be brought back to the March 2024 meeting of the Committee. **(AP2)**

## **5.3 PSNI ARAC TERMS OF REFERENCE**

The Committee reviewed the Terms of Reference (ToR) of the PSNI ARAC. It was noted that the ToR did not include oversight of "Raising a Concern" and it was agreed to write to the PSNI ARAC Chair to bring this to his attention.

**(AP3)**

## **6. BRIEFING FROM INDEPENDENT PENSIONS ADVISOR**

The Committee received a briefing from Brian Quinn, the Board's Independent Pensions Advisor. The purpose of the briefing was to provide a refresher session for Members in relation to the Governance arrangements for the Police Pension Scheme, a summary of the roles and responsibilities for all stakeholders, which included the various statutory responsibilities and obligations of the Board as the Police Pension Scheme Manager, as well as to provide an overview of the current work of the Police Pension Board. In

addition, Members were provided with an update and engaged in a question and answer session in relation to the current position of the McCloud Remedy Project.

During discussion the Chair raised a query regarding the appropriateness of the Board being the Police Pension Scheme manager and asked the Director of Police Pensions and Injury Benefits to provide a list of the Governance Arrangements in other jurisdictions. **(AP4)**

The Chair also requested that the Police Pension Board Chair be invited to the next ARAC Committee meeting on 28 March 2024 and present the Police Pension Board Risk register. **(AP5)**

## **7. PSNI ARAC**

### **7.1 VERBAL UPDATE - PSNI'S ARAC MEETING HELD ON 23 OCTOBER 2023**

The Chief Executive provided an update on key issues from the PSNI ARAC meeting on 23 October 2023. The Chief Executive gave an overview of the issues discussed at the meeting which included:

- The Annual Report on the work of the anti-corruption and vetting branch, noting the key issues from this report were the importance of this work for confidence in policing and the ability to capture breaches against the Code of Ethics. The Chief Executive advised PSNI ARAC were assured this end of the business was being reviewed and asked staff to think about what they would need for the business to perform even better and to advise on that to ARAC at the next annual briefing;
- An update on Attendance Management, noting it has still been a challenge to make any impact on numbers of staff absence from work, which actually increased after the data breach, discussion on trigger points and support plans and merits of bringing forward the trigger

points or leaving as is, recognition that remedying the problem is not just the sole responsibility of Human Resources, it is a behaviours and leadership challenge across the organisation. The Chief Executive added that focus is needed on this issue from the PSNI Performance Board and the ACCs and ACOs should be held to account for delivery in their areas. The Chief Executive noted concerns were also raised as to whether two meetings of the Attendance Management Board in 9 months reflected the urgency and importance of this issue;

- The Internal Audit work programme, noting that despite a slow start due to the impact of everyone's focus being on the data breach, good progress has been made. The Chief Executive advised there has been a deferral of some audits but the majority have been deferred in year so the Committee were content;
- An update on the work of NIAO, noting that it is the last year of KPMG's contract and a new provider is to be sought. The Chief Executive also noted there was discussion on the Holiday Pay judgment and PSNI legal representatives are now developing a strategy to respond including work with the Tribunal and applicants;
- The PSNI's Corporate Risk Register, noting the PSNI ARAC Committee are content it captures all risks and are reassured with how the information is captured, and that it more accurately describes the problems and challenges;
- The PSNI Overview system, noting that overall the number of open recommendations is decreasing, however a recent ICO report delivered 56 new recommendations (a lot of which were high priority), however a third of those have already been implemented;

- Other items of business such as routine financial reporting, Fraud and DAC reports, noting the large DAC reported in respect of custody healthcare and use of Forensic Medical Officers (FMOs) to manage that service. The Chief Executive advised this remains under discussion as to best next steps.

Members **NOTED** the update provided.

## **8. NIPB INTERNAL AUDIT**

### **8.1 Internal Audit Progress Report**

The current Head of Internal Audit advised the Committee that due to an internal reshuffle in the Group Internal Audit and Fraud Investigation Services (GIAFIS) he will no longer be the Head of Internal Audit for NIPB and is replaced by Ms Lacey Walker. Members welcomed the new Head of Internal Audit to the meeting.

The outgoing Head of Internal Audit presented a report which noted that the advisory audit of the Complaints Handling process is complete and the Final Report was issued on 5 December 2023, with a "Satisfactory" Audit opinion. Members noted this report will be discussed in further detail later in the meeting under agenda item 8.3.

The outgoing Head of Internal Audit advised that during Quarter 3, an audit of Procurement and Contract Management commenced on 30 October 2023 and fieldwork is nearing completion and he noted that the Terms of Reference (ToR) have been agreed for the Assurance Mapping review. Fieldwork on this assignment is due to commence early in Quarter 4.

The outgoing Head of Internal Audit advised Internal Audit will also be undertaking audits of the Police Property Fund and PCSPs during Quarter 4 and he confirmed all areas on the 2023/24 Internal Audit Work Plan are on target for completion by year end.

The outgoing Head of Internal Audit noted recent resourcing difficulties across the GIAFIS and advised that additional resource will soon be available to bolster the current team.

Members **NOTED** the update provided.

## **8.2 Internal Audit Open Recommendations**

The Director of Resources presented a paper which provided Members with an update on the progress taken to implement open internal audit recommendations.

The Director of Resources advised following a recently completed audit of Complaints Handling, one Priority 2 and eight Priority 3 recommendations were identified and accepted by Management and it was agreed that these would be implemented by 30 June 2024. The Director of Resources advised this report will be discussed in further detail under the next agenda item at 8.3.

With regard to the older open recommendations the Director of Resources advised that in relation to the two remaining recommendations arising from the Business Continuity Planning Review, a paper is included in respect of the updated Business Continuity Plan for Member's consideration at agenda item 10 of today's meeting.

The Director of Resources advised that there has been no change regarding the implementation of a recommendation arising from an audit on Information Management and Security in March 2022, in particular with regard to the Retention and Disposal Policy and Schedule – this continues to be delayed due to the absence of a functioning Executive. The Board's Retention and Disposal Schedule was laid at the NI Assembly on 14th July 2022, however due to the ongoing absence of an Executive the Schedule cannot be progressed any further at this stage. The Board's Schedule needs to sit



through a period of ten plenary sessions allowing for government scrutiny and challenges to be addressed. When a functioning Executive is restored, this sitting period will begin immediately.

The Director of Resources advised that in relation to the best practice recommendation regarding the Risk Management Framework, following the Risk Management Workshop in September 2023, the Board's Corporate Risk Register has been refreshed and the Risk Management and Corporate Governance Framework documents have been revised and updated and all documents are included for Member's consideration at agenda item 9 of today's meeting.

Members **NOTED** the updates provided.

### **8.3 Raising Concerns Final Report**

The outgoing Head of Internal Audit advised the Final Report on the advisory audit on Complaints Handling and Raising a Concern was issued on 5 December 2023. The outgoing Head of Internal Audit advised the report notes a "Satisfactory" Audit opinion and one Priority 2 and eight Priority 3 recommendations. The outgoing Head of Internal Audit advised that these recommendations were minor points and were not significant in nature. Management have accepted the recommendations and an implementation date of 30 June 2024 has been agreed for all recommendations.

The new Head of Internal Audit advised she is currently leading on a review of the NI Civil Service framework in relation to "Raising a Concern" and noted that if there are any best practice recommendations coming out of the review that are applicable to Arms Length Bodies (ALBs) she will forward to the Chief Executive for attention.

The Chair commented it is reassuring to note the Report assessed procedures as Satisfactory and asked if there is a role for the ARAC Committee and the

Board within the Raising a Concern policy and advised it is normal practice that the Chair of the Board/ARAC should be referenced as a point of contact to reinforce the independence of the process. The outgoing Head of Internal Audit confirmed that such a role is contained within the policy. During discussion the importance of effectively communicating the Raising a Concern process to internal and external stakeholders was noted. It was also noted that access to the Chair of the Board/ARAC should be clearly seen to be unfettered ie. direct and not through Board officials. Clarification to be provided on how this is achieved as part of the update to the Raising a Concern policy. **(AP6)**

Members **NOTED** the Report.

## **9. CORPORATE RISK REGISTER**

The Strategic Planning and Governance Manager noted that as a result of an Internal Audit best practice recommendation, (which advised that the organisation should ensure their Risk Management Framework provides appropriate guidance for all staff on the identification and management of risks and relevant disclosures within Risk Registers), and following the Risk Management Workshop in September 2023, the Board's Risk Management Framework has been revised and updated. The Strategic Planning and Governance Manager presented the revised draft document, outlining the key elements and noted that all revisions that require a decision from Members have been highlighted for their reference.

Following discussion Members requested a number of amendments including:

- In relation to Risk Appetite, language to be amended to reflect that the Risk Appetite for some areas of the business may be "Eager" (whilst it is accepted that the majority of business areas will have an "Open" Risk Appetite) and additional wording to be included to note where an eager risk appetite is agreed for a particular area of work, the residual risk will

be robustly managed;

- In relation to the table on Page 10, the titles used to describe likelihood should be changed to unlikely, possible, likely and almost certain which are more accurate descriptors;
- Paragraph 11 on page 12 – language to be included to reflect that whilst the Board owns the Corporate Risk Register (CRR), it has delegated oversight and responsibility of it to the Audit and Risk Assurance Committee;
- Paragraph 13 on page 12 – additional wording to be inserted in the first sentence to state that the ARAC provides assurance to the Board and to the Accounting Officer.

As the Committee was not quorate on the day, once the amendments have been made, the Risk Management Framework will be circulated in its final form to ARAC Committee Members for agreement by written procedure. **(AP7)**

The Director of Resources presented the Corporate Risk Register (CRR) and noted that following discussion and agreement at the Risk Management Workshop which took place in September 2023 the CRR had been updated and aligned with the new reporting template.

The Director of Resources noted the five corporate risks previously considered by the Committee remain on the CRR, however where appropriate these have been updated to reflect current circumstances and updated information has been included in the “Key Controls in Place” and “Action Planned with Target Dates” sections.

The Chair requested that the table on page 11 of the Risk Management

Framework document relating to descriptors for Impact and Likelihood is included on the front page of the CRR alongside the existing tables for Risk Appetite and Risk Classification. **(AP8)**

During discussion Members put forward some suggestions for inclusion on the updated CRR such as Data Management & Information Security, the McCloud Remedy Project and the risk that perceived lack of confidence in Board Members is impacting on the Board being able to effectively hold the PSNI to account. The Chief Executive noted this would be a decision for the Chair and Vice-Chair and may be explored in further detail at the Board Member development days in January 2024. The Director of Resources noted he will liaise with Internal Audit representatives in respect of Data Management and Information Security being considered for inclusion in the Internal Audit workplan for the next financial year. **(AP9)**

The Committee also noted the Summary of Corporate Risks and Tracker document which was included with the meeting papers and commented it provided a useful overview of the CRR.

Subject to the amendment noted above, Members confirmed they were content with the new format of the CRR.

The Strategic Planning and Governance Manager advised that following the updates made to the Risk Management Framework the Corporate Governance Framework document has also been updated to reflect these changes and to ensure both documents align.

Following discussion Members requested a number of amendments including:

- Section 5.8 relating to Risk Management – the same wording that was agreed above for the Risk Management Framework regarding Risk Appetite to be inserted into this section;

- The Chair advised he had several minor changes he would like to propose to strengthen some of the wording in the document. In the interests of time he agreed to provide a composite list of these suggested amendments to the Strategic Planning and Governance Manager to enable her to update the document.

The Director of Resources presented the Performance Directorate Risk Register which has been refreshed and the content transferred across onto the new reporting template as discussed and agreed at the Risk Management Workshop in September 2023.

Each risk was discussed in turn and a Member suggested that Risk 1 regarding the delivery of a new 5 Year Policing Plan 2025-2030 should be upgraded to the Corporate Risk Register (CRR). During discussion it was suggested that any risk that was “orange” ie of a moderate likelihood/medium risk classification should be upgraded to the CRR and any risks that fell into the yellow category, i.e. of a low likelihood/risk rating should remain on the Directorate level Risk Register.

In relation to Risk 3, specifically for Independent Members who are required to sit on Police Appeals Tribunal (PAT) panels, Members requested that a briefing session/information pack be provided to Members in advance of participating in any PAT so that they are clear on the requirements of the role and how the material provided to panel members should be handled following the end of the appeals process. The Chief Executive to take this forward with the Director of Performance. **(AP10)**

## **10. BUSINESS CONTINUITY & DISASTER RECOVERY PLAN – REVIEW AND UPDATE**

The Emerging Priorities Manager presented an updated Business Continuity

and Disaster Recovery Plan which had been amended to reflect the Board's office relocation to its current premises at James House within the Gasworks complex in Belfast. Members noted the key areas which were the focus of the review and following which, a revised draft of the Business Continuity Plan had been developed. The Emerging Priorities Manager outlined the key areas which were the focus of the review and highlighted the key revisions to the document. The Emerging Priorities Manager also confirmed that a desktop review aimed at testing the plan will be completed in the next financial year. As the Committee was not quorate on the day the Plan will be circulated in its final form to ARAC Committee Members for agreement by written procedure.

**(AP11)**

The Emerging Priorities Manager confirmed that SMT will all be provided with a hard copy of the final document for their reference.

## **11. GOVERNANCE UPDATES**

**11.1 – Fraud Update** - The Director of Resources noted there were no cases of fraud currently being progressed by the Board. It was noted that the revised Fraud policy would be presented at a future ARAC meeting once SMT have reviewed it.

**11.2 – Direct Award Contract (DAC) update** – The Director of Resources advised there was one DAC to report during this period which was in relation to a company used to carry out a scoping exercise to revise the Joint Medical Guidance in relation to Injury on Duty legislation. The Director of Resources noted Board officials had ran a tender exercise, however received no bids, so on the advice and recommendation from CPD Board officials approached a company with experience in this field to carry out the work.

**11.3 Complaints Update** - The Director of Resources noted there were no live complaint cases currently being progressed by the Board.

**11.4 – Raising a Concern Update** - The Director of Resources noted there were no cases of Raising a Concern currently being progressed by the Board.

**11.5 Gifts and Hospitality** - The Director of Resources noted the Gifts and Hospitality register reflects the acceptance of one dinner engagement for the Board Chair, two dinner engagements for the Vice-Chair, two dinner engagements by Board Members and one dinner engagement for the Chief Executive in this reporting period.

## **12. FREEDOM OF INFORMATION / DATA PROTECTION ACT REQUEST STATISTICS**

The Information Officer presented a paper which provided Members with summary information on Freedom of Information Requests (FOIs) and Data Protection Subject Access Requests received by the Board. This included a statistical breakdown of requests received between 1 April 2023 and 30 September 2023. The Information Officer noted that following a request at the June Committee meeting when this agenda item was last considered, two tracker spreadsheets are included with the meeting papers highlighting the number of FOIs and Data Protection requests currently being progressed by the Board and highlighting which stage of the process they are at.

The Information Officer highlighted the high volume of work and complexities involved in the processing of some of these requests and explained that on occasion, despite best endeavours of Board staff, that some requests were not able to be processed within the statutory timeframes. The Information Officer advised however, that although some Data Protection requests were not able to be completed within the statutory timescales, at this point in time, all the requests have since been actioned and are no longer outstanding.

Members **NOTED** the update provided.

## **13. COMMUNICATIONS ISSUES**

None.

**14. ANY OTHER BUSINESS**

The NIAO manager expressed concern regarding some recent public commentary made by the PSNI Chief Constable in relation to the implementation of a police officer pay award – the Chief Executive confirmed the Chief Constable had provided her with reassurance that he did not plan to breach his Accounting Officer responsibilities.

On behalf of the Committee the Chair wished Michael Matthews well in his new role and thanked him for his input into the work of the Committee over his time as Head of Internal Audit.

**15. DATE OF NEXT MEETING**

The next meeting will take place on Thursday 28 March 2024 at 2pm.

(Meeting closed at 16.25)

**Strategic Planning and Governance**

**Date: December 2023**

**Chair**