

**NORTHERN IRELAND POLICING BOARD**

**MINUTES OF MEETING OF AUDIT AND RISK ASSURANCE COMMITTEE HELD  
ON THURSDAY 28 MARCH 2019 AT 2.00PM**

**PRESENT:** Mr Colm McKenna (Chair)  
Mr Doug Garrett (Vice-Chair)

**MEMBERS** Mrs Joanne Bunting  
Mr Gerry Kelly  
Mrs Wendy Osborne

**ACCOUNTANT  
ADVISER** (1) Mr Charles Barnett

**DEPARTMENT OF  
JUSTICE IN  
ATTENDANCE:** (1) Mr Adrian Doherty  
(1) Ms Lesley-Ann Gibson

**NIAO IN ATTENDANCE:** (1) Mr Neil Gray

**DELOITTE IN  
ATTENDANCE** (1) Ms Stacy Bonar, Internal Audit

**ASM ACCOUNTANTS  
IN ATTENDANCE** (1) Ms Christine Hagan

(1) Except item number 1

**1 ELECTION OF CHAIR AND VICE CHAIR**

The Director of Resources outlined details of the process for the appointments of Chair and Vice-Chair of the Committee.

Mr Doug Garrett proposed that Mr Colm McKenna be appointed Chair of the Audit and Risk Assurance Committee. The proposal was seconded by Mr Gerry Kelly and agreed by the Committee.

Mr Gerry Kelly proposed that Mr Doug Garrett be appointed Vice-Chair of the Audit and Risk Assurance Committee. The proposal was seconded by Mrs Wendy Osborne and agreed by the Committee.

As Mr Tom Frawley was not in attendance at the meeting it was agreed that the positions of Chair and Vice-Chair of the Committee should be reviewed at the June 2019 Committee meeting. **(AP1)**

## **2 APOLOGIES**

Apologies were received from Mr Tom Frawley.

The Committee agreed the agenda for the meeting.

## **3 CONFLICTS OF INTEREST**

The Chair asked Members to declare any conflicts of interests arising from the agenda. No conflicts of interest were declared. NOTED.

## **4 COMMITTEE WORK PLAN 2019/20**

Members considered a proposed Committee Work Plan for 2019/20.

Members noted the arrangements for meetings which would take place twice per year between the Committee and the Chair of the PSNI Audit and Risk Assurance Committee. The Chair of the PSNI Audit and Risk Assurance Committee had

also requested a meeting with the Chair of the Board, the Chief Executive and the Chair of the Board's Audit and Risk Assurance Committee and this meeting would be arranged for a mutually convenient date. **(AP2)**.

Members:-

**AGREED:**

The Committee Work Plan for 2019/20.

**5**

**CHAIR'S BUSINESS**

Members discussed the need to hold a Committee meeting in May 2019 to consider the Board's draft Financial Statements and to bring forward the June 2019 Committee meeting in order to approve the NIPB Annual Report and Financial Statement.

Following discussion It was:-

**AGREED:**

- That a meeting of the Committee should be held on 13 May 2019 at 2.00pm.
- That the June 2019 Committee meeting should take place on 17 June 2019 at 2.00pm.

**(AP3)**

The Chair advised Members that training for Committee Members would be scheduled for September/October 2019.

The Chair asked Members to advise the Director of Resources of any specific topics they considered should be covered during the training or any Audit

Training Provider who had delivered quality training and who could potentially be invited to tender for Audit Committee training.

### **5.1 Audit and Risk Assurance Committee Terms of Reference**

Members noted details of the Terms of Reference of the Audit and Risk Assurance Committee which had been approved by the Board. NOTED.

### **5.2 DoF 'Dear Accounting Officer' Correspondence**

The Committee noted the following correspondence:-

- A letter from the Department of Finance to Accounting Officers dated 30 March 2018 regarding the Audit and Risk Assurance Committee Handbook (NI) 2018.
- A letter from the Department of Finance to Accounting Officers dated 19 November 2018 regarding a Fraud Proofing Guidance.

NOTED.

## **6 INTERNAL AUDIT**

### **6.1 Deloitte Internal Audit Progress Report on 2016/17; 2017/18 and 2018/19 to date**

The Committee noted a paper which provided Members with:-

- An update on the Internal Audit Programmes of Work which had been completed during 2016/17 and 2017/18. This included the Assurance Statements for 2016/17 and 2017/18 which detailed work which had been completed during the years, the assurance rating for each review, results of follow up action and any changes

to the Audit Plan.

- The Audit Plan for 2018/19 and the progress to date.

NOTED.

The Internal Auditor briefed the Committee on the progress of the Internal Audit Periodic Work Plans which had been completed and the Internal Audit Plans for 2017/18 and 2018/19 which had been approved by the Chief Executive in the absence of a fully constituted Board.

During discussion Members asked to be provided with details of all of the internal audit recommendations and their current status. **(AP3)**

Officials advised the Committee that the Board's contract for internal audit services would expire on 29 June 2019 and arrangements would be put in place to progress the provision of internal audit services thereafter.

In response to a question from a Member, the Internal Auditor advised that the field work had been undertaken regarding PCSPs and it was expected that a draft report would be provided to the Committee in June 2019. **(AP4)**

In response to another question, the Chief Executive undertook to provide the Committee with a copy of an advisory report on the Police Property Fund for the June 2019 Committee meeting. **(AP5)**

## **EXTERNAL AUDIT UPDATE**

**7**

### **7.1 NIAO External Audit Update including External Audit Strategy**

The Committee noted a paper which updated Members on the NIAO Audit Strategy for the 2018/19 Annual Report and Accounts. NOTED.

The representative from ASM Accountants briefed the Committee on the external audit of the Board's Financial Statement for the year ended 31 March 2019. During the briefing the representative from ASM Accountants advised Members of the areas which would be considered as part of the external audit.

## **RISK MANAGEMENT**

**8**

### **8.1 NIPB Corporate Risk Register**

The Committee noted a paper which provided Members with an update on the NIPB Corporate Risk Register. NOTED.

Members discussed ratings which had been given to some risks and how the Committee could ensure that all risks had been identified and that the risk ratings were accurate.

In conclusion it was:-

#### **AGREED:**

That a session should be arranged later in the year for Members to consider the Board's risk appetite and to establish the Board's tolerance for risk. **(AP6)**

## **OTHER**

**9**

### **9.1 Whistleblowing Policy Approval**

Officials presented a paper regarding the Board's Whistleblowing Policy.

Members noted that section 3.10.1c of the policy states that if a matter cannot be discussed with a line manager or Board Director then it may

be discussed with the Board's Chair, Vice-Chair or designated Board Member. NOTED.

During discussion, Members suggested a few areas in the policy where clarification was required such as the role of the designated Board Member and the training for this person.

In conclusion it was:

**AGREED:**

- That Officials would consider Members' suggestions and bring the Whistleblowing Policy back to the June 2019 Committee meeting for approval.
- That the changes to the policy should be clearly marked on the revised policy which would be brought to the Committee for approval.
- That the designated Board Member would be considered at the June 2019 meeting.
- That Board Staff would be advised about the Whistle Blowing Policy.

**(AP7)**

## **9.2 PSNI ARAC 6 February 2019 Observation Report**

The Committee noted a paper which provided feedback in relation to a meeting of the PSNI Audit and Risk Assurance Committee which the Director of Resources had attended as an observer on 6 February 2019. NOTED.

Members discussed an overview report which had been included in the papers for the PSNI Audit and Risk Assurance Committee on 6 February 2019 which indicated that the PSNI had rejected a number of recommendations from external organisations such as the Office of the Police Ombudsman. It was agreed that the matter should be raised with the

Chief Constable. **(AP8)**

### **9.3 NIPB and PSNI Direct Award Contracts**

The Committee noted a paper on PSNI Directly Awarded Contracts. NOTED.

Members noted that Board did not currently have any Directly Award Contracts. NOTED.

During discussion, Members suggested that it would be useful if additional detail on the total lifetime cost of a contract could be provided. **(AP9)**

Members also noted that proprietary rights were often attached to Direct Award Contracts and discussed the approval process of the contracts valued at £100,000 which had to be approved by DOJ and only approved following discussion with the Central Procurement Directorate. NOTED.

### **9.4 Gifts and Hospitality Register**

The Committee noted the Board's Gifts and Hospitality Register. NOTED.

## **10 QUESTIONS FOR THE CHIEF CONSTABLE**

The Committee:-

### **AGREED:**

That questions should be drafted to ask the Chief Constable at the next Board meeting regarding:-



- The governance arrangements relating to recommendations which are rejected by the PSNI from external organisations such as the Office of the Police Ombudsman.
- Direct Award Contracts.

**(AP10)**

## **11 COMMUNICATION ISSUES**

There were no communication issues arising from the meeting.

## **12 ANY OTHER BUSINESS**

Members discussed issues relating to the volume of papers for Board and Committee meetings. Members noted that there were additional papers as a result of the absence of a fully constituted Board for two years.

## **13 DATE OF NEXT MEETING**

The date of the next meeting would be held on 13 May 2019 at 2.00pm.

(Meeting closed at 4.05pm).

## **CORPORATE SERVICES**

**Date:** April 2019

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**Chair**