

NORTHERN IRELAND POLICING BOARD

**MINUTES OF MEETING OF THE AUDIT AND RISK ASSURANCE COMMITTEE
HELD ON TUESDAY 17 DECEMBER 2019 AT 10.00AM AT WATERSIDE TOWER,
CLARENDON DOCK, BELFAST**

PRESENT:

MEMBERS

Mr Colm McKenna (Chair)
Mr Doug Garrett (Vice-Chair)
Mr Tom Frawley
Mr Gerry Kelly
Mrs Wendy Osborne

IN ATTENDANCE:

DEPARTMENT OF JUSTICE

Mrs Sharan Dustagheer

ACCOUNTING ADVISOR

Mr Charles Barnett

INTERNAL AUDIT

Mrs Michelle Anderson
Mrs Cathy Hadden

ASM ACCOUNTANTS

Mrs Christine Hagan

NI AUDIT OFFICE

Mr Neil Gray

OFFICIALS

Mrs Amanda Stewart, Chief Executive
Mr Tim Logan, Director of Resources
3 Board Officials

1 APOLOGIES

No apologies were received for the meeting.

The Committee agreed the agenda for the meeting.

2 CONFLICTS OF INTEREST

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

3 DRAFT MINUTES OF MEETING HELD ON 26 SEPTEMBER 2019

The Committee considered the draft minutes of the Committee meeting held on 26 September 2019.

It was:-

RESOLVED:

That the draft minutes of the Committee meeting held on 26 September 2019 be approved.

4 UPDATE ON ACTION LOG

Members noted the following updates from the action log from the Committee meeting held on 26 September 2019. NOTED.

Action Point 1

The Committee noted the update about the Department of Justice's (DoJ) role in the PSNI Estate Strategy in that a Strategic Outline Case (SOC) was being prepared by the PSNI in regards to the transformation of the PSNI estate and the SOC would be considered and approved by the DoJ before being considered and approved by the Department of Finance (DoF). It was agreed

that this this action could be closed on the action log.

Action Point 2

The Director of Partnership had sought and received assurance from representatives the relevant Councils about the audit findings following the Verifications Visits of Policing, Community and Safety Partnerships (PCSPs) and it was agreed that this action could be closed.

Action Point 5

Members noted that a summary of all current external PSNI investigations had been prepared by Board Officials and it was intended that the Chief Executive would write to the Chief Constable seeking further information about the ongoing external PSNI investigations. Members agreed that when a response was received from the Chief Constable it should be considered by the Board's Resources Committee and it was agreed that this action could be closed on the action log.

Action Points 3, 4, 6, 7 and 8 from the meeting held on 26 September 2019 were closed.

Members noted the following updates from the action log from the Committee meeting held on 17 June 2019. NOTED.

Action Points 1, 2, 3 and 4 from the meeting held on 17 June 2019 were closed.

Members noted the following updates from the action log from the Committee meeting held on 28 March 2019. NOTED.

Action Points 6 and 7 from the meeting held on 28 March 2019 were closed.

5 CHAIRPERSON'S BUSINESS

The Chair referred to two recently received Dear Accounting Officer (DAO)

letters from the DoF. The first DAO letter dated 27 November 2019 related to the new Partnership Agreement which would replace the Management Statement and Financial Memorandum and would govern the DoJ's relationship with its Arm's Length Bodies (ALBs); a Partnership Agreement would be put in place between each ALB and the DoJ and each Partnership Agreement would vary. Members noted the update from the DoJ official in attendance that a Partnership Agreement was currently being trialled with an ALB and would be rolled out to NIPB in due course. The Chair noted the ongoing discussions with the DoJ around the tripartite policing relationship which would have to be incorporated into the NIPB and DoJ Partnership Agreement.

The Chair referred to the second DAO letter dated 9 December 2019 which had been received from DoF and related to an ALB's Proportionate Autonomy and this guidance was intended to assist when an ALB and Department were drafting the new Partnership Agreements. Members noted that when drafting the Partnership Agreement consideration will have to ensuring that DoJ and the Board's relationship was captured within the spirit of the Partnership Agreement and the development of the Agreement would be important for both the Board and DoJ.

6 VERBAL UPDATE ON PSNI AUDIT AND RISK ASSURANCE COMMITTEE MEETINGS HELD ON 15 OCTOBER 2019 AND 4 DECEMBER 2019

Officials updated Members on the material issues that had been discussed at the PSNI's Audit and Risk Assurance Committee (ARAC) meetings held on 15 October and 4 December 2019 including the audit of records management and the ongoing work within the PSNI to digitalise records. Members discussed the complexity and volume of PSNI's records that had to be digitalised noting the recent legacy issues that had been raised in regards to records management.

Members further considered the extent to which Business Cases are submitted to the Board's Resources Committee noting that the Resources Committee receives a monthly list of Business Cases and the Committee had recently asked PSNI officials to expand on the information provided to the Resources Committee to provide information on what stage business cases were at i.e. Outline Business Case, Full Business Case, etc. but noted that the Committee did not have a role in approving PSNI Business Cases.

Following discussion, it was

AGREED:

- That the Audit and Risk Assurance Committee would recommend to the Resources Committee the types and value of PSNI Business Cases that the Resources Committee should have sight of on behalf of the Board **(AP1)**.

7 PSNI AND NIPB DIRECT AWARD CONTRACTS UPDATE

Members noted the list of Direct Award Contracts (DACs) that had been received from PSNI for the period 1 June to 20 November 2019. NOTED.

Members discussed the common reason for awarding a DAC noting that they were awarded because of 'exclusivity of proprietary rights of the supplier'.

8 PSNI AND NIPB SUSPECTED FRAUD UPDATE

Members noted the list of the current ongoing PSNI fraud cases to 30 September 2019. NOTED.

Members also noted that there were no current fraud cases within NIPB.

9 NIPB INTERNAL AUDIT

9.1 Internal Audit Progress Update

The Head of Group Internal Audit Services updated the Committee on Internal Audit's work in progressing three internal audits that were currently underway with the reports due to be available during Q1 2020.

It was noted that once completed the Police Administration Branch internal audit report would be made available to the Working Group that had been established to review the current Injury Benefit Award Scheme. The Head of Group Internal Audit Services also noted that Internal Audit Officials were also available to provide advice as needed to the Board.

9.2 Internal Audit Open Recommendations

Officials presented an update to the Committee on the open internal audit recommendations noting that there were seven open internal audit recommendations.

Officials reported that due to competing work priorities the closure date for recommendation 2 which related to a review of the policies and procedures within Police Administration Branch had been extended and its target closure date was now 30 April 2020 and not 31 December 2019. Members also noted that the target closure dates for recommendations 3 and 4 relating to the HR Policy Framework and senior officer policies had been extended to 31 March 2020 from 31 December 2019, again due to competing work priorities. Members further noted that the Management Owner of the two HR Policy Framework and senior officer policies recommendation had been updated to reflect a change in staff responsibilities.

Officials further reported that three recommendations that related to implementation of a Case Management System within Police Administration

Branch which had a closure date of 31 December 2019 would not be met. Officials referred to the Board briefing in October 2019 on the work of the Police Administration Branch and the subsequent establishment of a Working Group to review the current Injury Benefit Award Scheme. They also referred to the discussions which took place at the last Committee meeting about work pressures within the Police Administration Branch which had impacted on the closure target date and a new would have to be re-considered in the future by Management.

Members referred to the three recommendations that had their target closure dates extended and stated that where a target closure date is agreed, the Committee's expectation was that it would be met by Management without the need for extending it. Members stated that, going forward, if Management wished to extend a target closure date then a clear reason why would have to be articulated to the Committee and the Committee would consider it and decide whether the extended target closure date was granted.

10 EXTERNAL AUDIT

10.1 Draft Report on Continuous Improvement in Policing

The Committee noted the draft Northern Ireland Audit Office (NIAO) report on Continuous Improvement in Policing. Members noted the recommendations within the report about the identification of clear outcomes and indicators to assess policing performance going forward. The Committee discussed the development of the Northern Ireland Policing Plan 2020 to 2025 including outcomes and indicators noting that a public consultation was underway with the Policing Plan due to be published by 31 March 2020.

10.2 Report to Those Charged with Governance (PSNI)

The Committee noted Reports to Those Charged with Governance for the

financial year ended 31 March 2019 in relation to the PSNI's Annual Report and Financial Statements and the PSNI's Pension Annual Report and Financial Statements. NOTED.

Members noted the positive outcome of the PSNI and PSNI Pensions external audits and it was agreed that the Board Chair would write to the Chief Constable commending the PSNI on the result **(AP2)**.

With regards to the planned publication of the NIAO report on Injury on Duty (IOD), Members noted the stakeholder meeting that was to take place in early January 2020 and endorsed NIAO's view that this is a significant issue right across the public sectors in terms of the increased volume and value of IOD claims and awards.

11 NIPB CORPORATE RISK REGISTER

Officials presented the NIPB Corporate Risk Register to the Committee. Members discussed the new risk that had been added to the Risk Register and Officials noted that the risk had been escalated and added to the Corporate Risk Register. It was noted that Board Officials were obtaining legal advice on the issue and that the risk was being monitored by Partnership Committee.

Members further discussed the establishment of the Police Administration Working Group with the first meeting yet to be arranged but it would be attended by representatives from NIPB, PSNI and the DoJ.

12 NIPB GIFTS AND HOSPITALITY REGISTER

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

13 QUESTIONS FOR THE CHIEF CONSTABLE

There were no questions to raise with the Chief Constable.

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

Members noted that the next Audit and Risk Assurance Committee meeting would be held on Thursday 26 March 2020 at 2.00 pm. Note that this has since been changed to Friday 27 March at 10.30am

(Meeting closed at 12.00pm).

CORPORATE SERVICES

Date: January 2020

Chair