



# ANNUAL REPORT AND ACCOUNTS

FOR THE PERIOD 1 APRIL 2017 - 31 MARCH 2018

**NORTHERN IRELAND  
POLICING BOARD  
ANNUAL REPORT AND ACCOUNTS**

**NORTHERN IRELAND POLICING BOARD**

**ANNUAL REPORT AND ACCOUNTS TOGETHER WITH THE  
CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR  
GENERAL FOR THE PERIOD 1 APRIL 2017 – 31 MARCH 2018**

**LAI D BEFORE THE NORTHERN IRELAND ASSEMBLY IN  
ACCORDANCE WITH PARAGRAPH 16 OF SCHEDULE 1 TO THE  
POLICE (NI) ACT 2000 AS AMENDED BY THE POLICE (NI) ACT 2003  
AND NORTHERN IRELAND ACT 1998 (DEVOLUTION OF POLICING  
AND JUSTICE FUNCTIONS) ORDER 2010 ON 29 JUNE 2018.**

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Any enquiries related to this publication should be sent to us at:

Waterside Tower, 31 Clarendon Road, Belfast BT1 3BG or email:

[information@nipolicingboard.org.uk](mailto:information@nipolicingboard.org.uk)

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Any enquiries regarding this document/publication should be sent to the Communications Branch of the Policing Board at the above address.

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## 1. CHAIR'S FOREWORD



This has been a very challenging year for the Policing Board given the political impasse that developed following the Assembly Elections in March 2017.

Without an established Executive, the Board could not be constituted and discharge the full range of legislative duties it is responsible for as required by the Police (NI) Act 2000.

The prevailing situation has been deeply concerning and frustrating for me as Board Chair. However, during this reporting period, I along with independent member colleagues, have focused efforts to keep, as far as practicable, the structures that support oversight and accountability functioning. Duties have been progressed and fulfilled in line with the delegations given by the Board at its last meeting on 27 February 2017.

Private meetings have continued to be held with the Chief Constable and senior officers on key policing issues such as resources, recruitment, and policing with the community; and reports and information from the PSNI and the NCA have continued to be received and analysed.

A number of public seminars have been convened to facilitate debate and discussion on key policing issues linked to day to day service delivery. Meetings and engagements have also continued to be held with a wide range of stakeholders and interest groups on policing issues. Support has also continued to be given to the Board's work in relation to Policing and Community Safety Partnerships (PCSPs), the Board's Custody Visiting and Community Observer Schemes and a series of visits to the police estate have been progressed.

Whilst a wide range of work has been progressed, it is of course the case that the full range of statutory duties that the Board is responsible for cannot be discharged without political membership. This includes public accountability sessions, scrutiny through Committee meetings, publication of research reports or the policing plan; and progression of Board and senior officer appointments.

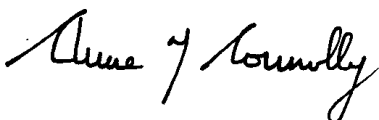
I have placed on public record my concerns around the current status of the Board and provided written and oral evidence to the Northern Ireland Affairs Committee on the impact the current democratic deficit is having on the operation of the Board and policing in Northern Ireland in general. It is welcome that this report is now published and recognises the need for the Board to be reconstituted and for legislative measures to be put in place to prevent any recurrence of the current situation.

Oversight and scrutiny of policing remains essential for confidence building in the service. It brings openness and transparency to police decision making, and equally importantly provides a sounding board for the Chief Constable to outline thinking around strategic plans, whether that is in respect of estates or recruitment or finances.

Policing is changing, as are the demands being faced by the PSNI in day to day service delivery. I pay tribute to the Chief Constable and the officers and staff of the PSNI for the professional work that they on a daily basis in keeping people safe.

I also thank the Chief Constable, for his support for the importance of the Board and the value that oversight, scrutiny and accountability brings to policing; and for his willingness to continue to support the structures of accountability.

It is my sincere hope that political resolutions are found and that the Board is fully constituted in the near future.



**Anne Connolly OBE**

**Chair**



## 2. PERFORMANCE REPORT OVERVIEW



### Chief Executive's Introduction

I am pleased to present this report on the business and performance of the Policing Board for the year ended 31 March 2018.

As Accounting Officer I am responsible for ensuring that the Board complies with the corporate governance requirements of the Department of Justice (DOJ) and the Department of Finance (DOF) as defined by the Management Statement and Financial Memorandum.

In the absence of a legally constituted Policing Board, the ability of the organisation to deliver and discharge its full range of legislative duties has been curtailed. Work has progressed where possible within my delegations as Accounting Officer and those that were provided to me, the Board Chair and Vice Chair at the final meeting of the Board on 27 February 2017.

This annual report contains an assessment of the performance across the organisation to deliver against the measures and targets set in the Board's Corporate and Business Plan. During the reporting period, performance has been reviewed by my Senior Management and in the absence of a legally constituted Board I have provided update reports to the Board Chair, Independent Members and the Department of Justice. The performance report included in this report records where the absence of legal authority has prevented targets being achieved.

Within the executive processes of the Board, there is an embedded corporate approach to risk management. In addition, internal auditors examined control and governance arrangements and I report on this in detail in the Governance Statement. Whilst not having a legally constituted Board has presented a number of operating difficulties during the reporting period, it is also important to acknowledge the commitment and dedication of the Board Chair, Vice Chair, Independent Members and staff to continue the Board's work where possible and maintain the structures of accountability that have been established.



## Statement of the Purpose and Activities of the Organisation

### History

The Board replaced the Police Authority for Northern Ireland and was established as an executive Non-Departmental Public Body (NDPB) of the Northern Ireland Office (NIO) on 4 November 2001 by the Police (NI) Act 2000, as amended by the Police (NI) Act 2003.

On 12 April 2010, justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the Department of Justice came into existence as a new Northern Ireland Department. From this date, the Board became an executive NDPB of the Department of Justice.

In accordance with the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the Annual Report and Accounts of the Board are laid in the Northern Ireland Assembly.

The Board complies with the corporate governance and accountability framework arrangements (including *Managing Public Money Northern Ireland*) issued by the Department of Finance (formally the Department of Finance and Personnel (DFP)) and the DOJ. The Board's Chief Executive, who is the Accounting Officer for the Board, reports directly to the Permanent Secretary who is the Principal Accounting Officer of the DOJ.

### Principal Activities

The Board's statutory duty is to ensure that the Police Service of Northern Ireland (PSNI) is effective and efficient and to hold the Chief Constable to account. Its primary responsibilities are:

- To consult with the community to obtain their views on policing and their co-operation with the police in preventing crime;
- To set and publish objectives and targets for PSNI as part of an Annual Policing Plan and to monitor PSNI performance against this plan;
- To appoint all Chief Officers of the Service above the rank of Chief Superintendent including civilians;
- To set the budget for policing and monitor expenditure;

- To monitor trends and patterns in complaints against the PSNI;
- To oversee complaints and disciplinary proceedings against the PSNI;
- To monitor PSNI Human Rights compliance with the Human Rights Act 1998;
- To ensure arrangements are in place to secure continuous improvement within the PSNI and the Board;
- To assess the level of public satisfaction with the performance of the police and improving the performance of and assessing public satisfaction with Policing and Community Safety Partnerships ( PCSPs); and
- To monitor the National Crime Agency's performance in carrying out its Annual Plan; and making arrangements for obtained the co-operation of the public with NCA in the prevention of organised crime.

The Board continues to seek all opportunities to ensure for all the people of Northern Ireland the delivery of effective, independent oversight of policing which will secure the confidence of the whole community by reducing crime and the fear of crime. However, due to the Board not being legally constituted no Board meetings were held during 2017-18. Detail of the work of the Board for the current year is included in section 3 of this report.

On 1 April 2012 Policing and Community Safety Partnerships (PCSPs) were established in statute by the enactment of the Justice Act 2011. In line with the restructuring of local council boundaries as a result of Local Government Reform, PCSPs reduced from 26 to 11 and are now coterminous with PSNI Districts as well as local councils. Belfast retained one principal PCSP for Belfast and four District Policing and Community Safety Partnerships (DPCSPs). Further information can be found in section 3 of this report.

### **Social and Community Issues**

The Board has specific responsibilities broadly categorised as social and community issues. Even though the Board or Committees did not meet during 2017-18, the Joint Committee, comprising of representatives of the Department of Justice and the Policing Board, continued to support the work of PCSPs with whom significant work was undertaken in 2017-18 to focus on developing an Outcomes Based Accountability (OBA) reporting framework and in developing and implementing a programme of engagement

with PCSP members in highlighting good practice and engaging with the Tackling Paramilitarism Programme.

The work of the Board is taken forward in line with its responsibilities set out in Section 75 of the Northern Ireland Act 1998 to promote equality of opportunity and good relations between persons of different religious beliefs, political opinions or racial groups from diverse backgrounds and communities.

### **Policing Board Community Engagement**

Board Officials have taken the opportunity to develop a draft Engagement Plan for the Board during 2017-18 and will discuss this upon the reconstitution of the Board. The draft Engagement Plan has identified seven areas for engagement and outlines plans for engaging in these over the next three years. The Board has a programme of work to support engagement with communities who are more vulnerable to becoming the victim of crime or who traditionally have mistrusted or been disengaged from policing, and in particular the Board places greater emphasis on policing for young people and disadvantaged communities. During 2017-18 the Board has engaged with a wide range of key stakeholders, through the mechanism of the Youth Champions Forum, to identify the issues which have a negative impact on community confidence in policing.

### **Data Protection Act**

The Data Protection Act 1998 (DPA) gives individuals the right to access information held about them by public authorities. The request is known as a Subject Access Request and the public authority must provide the information promptly and no later than 40 calendar days after the request was received, unless there are grounds for withholding the information.

During the period of 1 April 2017 – 31 March 2018 the Board received 32 Subject Access Requests under the DPA 1998.

### **Environmental Issues**

The Board operates a number of effective schemes in relation to its environmental policy, including:

- Recycling dry office waste products, printer cartridges, plastic and aluminium; and
- Reducing energy consumption through a range of measures (such as motion activated lighting and automated heating systems).

In implementing these schemes the Board has reduced its costs and the environmental impact of the organisation.

### **Carbon Reduction Scheme**

The Board does not exceed the threshold of 6,000 MWh per year (average consumption is approximately 250.4 MWh per year) and is therefore not required under law to report on carbon emissions and purchase carbon allowances.

## **Key Issues and Risks**

### **Key issues**

During 2012-13 an Internal Audit Report, Review of Procedures within Police Administration Branch, received limited assurance and the findings were reported to the Audit and Risk Management Committee on 22 March 2013. The only outstanding issue is the implementation of an electronic case management system which due to lack of capital funding and IT compatibility issues has not been implemented. In a follow-up review of Procedures within Police Administration Branch during 2017-18, the issue of implementation of an electronic case management system was examined and upheld. The recommendation is expected to be fully implemented during the 2019-20 financial year subject to the availability of capital funding.

The Board had a lapse in its controls relating to the processing and storage of information which led to an adverse decision being taken by an Industrial Tribunal against the Board. A review of the Industrial Tribunal's decisions has been sought and an Appeal has been lodged with the Court of Appeal in the event of an unfavourable outcome in our applications to the Tribunal.

### **Risks**

The Board's policy on managing risk, and the Risk Management Framework, details the roles and responsibilities of those parties involved in the process. The policy complies

with HM Treasury Orange Book guidance and integrates with the Board's approach to corporate and business planning.

The Board's attitude to risk is described as 'risk averse'. Key risks identified:

- Functional – risk of ineffective oversight of PSNI in the absence of a legally constituted Board;
- Operational – NIPB budget allocation is not managed effectively to assist the achievement of the Board's statutory functions;
- Security threat – post 21 November 2009 there remains a moderate threat against the Board;
- Human Rights Advice – negative media commentary in respect of a Human Rights Advisor not being appointed to the Board and the risk to reputation;
- Information assurance – to ensure the Board is compliant with GDPR regulations;

## **Going Concern**

The Statement of Financial position as at 31 March 2018 shows net liabilities of £2,966k reflecting liabilities due in future years. To the extent that these are not to be met from the Board's other sources of income, they may only be met by future grants or grants-in-aid from the Board's sponsoring Department, the DOJ, who is supply financed and draws its funding from the Northern Ireland Consolidated Fund. Therefore there is no liquidity risk in respect of the liabilities due in future years.

Grants from the Board's sponsor Department for 2017-18 take into account the amounts required to meet the Board's liabilities falling due in that year and have already been included in the Department's estimates for that year. These had been approved by the Department of Finance, and there is no reason to believe that the Department's future sponsorship and future Northern Ireland Assembly approval will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of the financial statements.

## Performance Summary

The Board is resourced by funds approved by the Department of Finance through the latest comprehensive spending review. The budget for 2017-18 was £5,680k. The Board's expenditure against budget is reported monthly in the Management Accounts which were scrutinised by the Senior Management Team, with in-year pressures and easements reported to the DOJ through the formal process of monitoring rounds. The budget and actual expenditure for 2017-18 is shown below:

<b>Expenditure heading</b>	<b>Budget £000</b>	<b>Actual £000</b>
<b>Resource DEL</b>		
Salaries	2,146	2,204
PCSPs	1,630	1,602
Other	1,604	1,676
Cash payment of provisions	300	135
<b>Total Resource DEL</b>	<b>5,680</b>	<b>5,617</b>
<b>Resource AME</b>	<b>480</b>	<b>(196)</b>
<b>Cash requirement</b>	<b>5,653</b>	<b>4,959</b>
<b>Capital DEL</b>	<b>30</b>	<b>29</b>

The Statement of Comprehensive Net Expenditure is set out in the Financial Statements with supporting notes in the pages that follow.

### Basis of Accounts

The Accounts have been prepared in accordance with an Accounts Direction issued by the DOJ on 28 March 2017, requiring the accounts to present a true and fair view and compliance with the Government Financial Reporting Manual (FRoM).

### **Events after the Reporting Period**

No event as defined in International Accounting Standard 10 has occurred subsequent to the year-end that requires disclosure, except as disclosed in Note 17 of the Accounts.

### **NIPB Business Plan Review**

The Board's KPIs are detailed in its 2017-18 Business Plan. There were 45 Targets in the Board's Business Plan 2017-18: 29 were Achieved (65%); and 5 were Partially Achieved (11%) and 11 were not achieved (24%).

Further information on the Board's performance against the Business Plan is contained in section 3 of this report.



## 3. PERFORMANCE ANALYSIS

### Performance against the Corporate Plan and Business Plan

The Board's 2017 – 20 Corporate Plan sets out the key areas of work that the Board intends to focus on in the next three years. In developing the Corporate Plan, the Board reflected on what it had learned over the last 15 years and refocused its work to meet the very significant challenges in the years ahead. The development of the new Vision, Outcomes and Indicators within the Plan focused on ensuring the Board fulfils its statutory functions, and supports delivery against the strategic outcomes for policing contained within the Policing Plan, whilst working collaboratively against the Justice Minister's priorities and the outcomes in the draft Programme for Government.

The Board in developing the Plan has taken wider views and looked at how its work should be reshaped to keep pace with new demand, new developments and best incorporate the move to a more outcomes based approach to delivery across the public sector. The Board has set seven key priority areas of work for the next three years and linked to those are three Outcomes:

**Outcome 1:** We have an effective, efficient and continually improving police service and PCSPs;

**Outcome 2:** We have trust and confidence in policing; and

**Outcome 3:** We have a safe community, where we respect the law and each other.

In conjunction with the Corporate Plan, the Board published an Annual Business Plan. The measures contained in the Annual Business Plan provide detail on how the Board delivers on all its outcomes as set out in the Corporate Plan 2017- 20. Performance against the Business Plan is monitored by the Board's Chief Executive and Senior Management Team, with reports normally being presented quarterly to the Board. This was not undertaken during 2017-18 due to the Board not being legally constituted. However, performance reports were provided quarterly to the Board Chair and the Department of Justice.

Set out below is a high level overview of performance against the Business Plan measures for the 2017-18 period. Following this overview is a more detailed analysis of each of the

three Outcomes setting out key areas of work progressed under each.

Within the 2017-18 Board Business Plan there were 45 measures of which:

- 29 were achieved;
- 5 were partially achieved; and
- 11 were not achieved.

The main reason for those measures not being met was due to the Board not being legally constituted during 2017-18. When breaking this down further into the Board's three outcomes, as set out in the Corporate Plan 2017 – 20, the results are as follows:

### **Policing Board performance against the Corporate Business Plan**

#### **Outcomes 2017 – 18**

<b>Outcomes</b>	<b>Measures</b>	<b>Fully achieved</b>	<b>Partially achieved</b>	<b>Not achieved</b>
We have an effective, efficient and continually improving police service and PCSPs	27	15	4	8
We have trust and confidence in policing	12	8	1	3
We have a safe community, where we respect the law and each other	6	6	-	-
<b>Total</b>	45	29 (65%)	5 (11%)	11 (24%)

**Outcome 1:** We have an effective, efficient and continually improving police service and PCSPs had 27 measures overall of which 15 were achieved (55%), 4 were partially achieved (15%), and 8 were not achieved (30%).

**Outcome 2:** We have trust and confidence in policing had 12 measures overall of which 8 were achieved (67%), progress was made on 1 but the measure was not achieved (8%), and 3 were not achieved (25%).

**Outcome 3:** We have a safe community, where we respect the law and each other had 6 measures overall of which all 6 were achieved (100%).

## Outcome 1: We have an effective, efficient and continually improving police service, Policing Board and PCSPs

We have an effective, efficient and continually improving police service, Policing Board and PCSPs had 27 measures overall within the 2017-18 Business Plan of which 15 were achieved (55%), 4 were partially achieved (15%) and 8 were not achieved (30%). Details are included in the following table and where appropriate additional information on how work has been progressed to deliver against specific measure follows.

<b>Indicator 1.1 - An implemented effective performance measurement and accountability framework for the PSNI; the Policing Board and PCSPs</b>	
<b>Measures</b>	<b>Status</b>
1.1.1 To publish a report on progress in achieving strategic outcomes for policing by July 2017.	<b>Achieved:</b> The Board's assessment of PSNI performance in achieving the strategic outcomes for policing was contained in the Board's Annual Report 2016-17 and published in July 2017.
1.1.2 To publish the 2018-19 Policing Plan by 31 March 2018.	<b>Not Achieved:</b> A 2018-19 Policing Plan was not published before 31 March 2018.  Officials began the development of a draft Policing Plan for 2018-19; however it is subject to Board approval. In the absence of a legally constituted Board the current policing plan, as agreed by the last Board, will be rolled over to 2018-19.
1.1.3 To implement the Policing Plan Monitoring Framework.	<b>Achieved:</b> An agreed timetable in relation to the submission of reports to the Board was agreed with PSNI and was implemented.

<b>Indicator 1.1 - An implemented effective performance measurement and accountability framework for the PSNI; the Policing Board and PCSPs</b>	
<b>Measures</b>	<b>Status</b>
1.1.4 To publish a report on Human Rights Monitoring by 31 March 2018.	<p><b>Not Achieved:</b></p> <p>A Human Rights report was not published by 31 March 2018.</p> <p>A draft Human Rights Annual Report covering the period 1 January 2016 to 31 March 2017 was completed on 15 September 2017. As publication is subject to Board approval the report remains in draft.</p>
1.1.5 Chief Constable's objectives for 2017-18 agreed by 30 April 2017 and progress monitored at 6 and 12 months.	<p><b>Achieved:</b></p> <p>The Chief Constable's objectives for 2017-18 were agreed.</p> <p>The in-year review of progress against objectives has been completed. The 12 month review is scheduled for May 2018.</p>
1.1.6 To publish the 2018-19 Business Plan by 31 March 2018.	<p><b>Not Achieved:</b></p> <p>Officials developed a draft Business Plan 2018-19 by 31 March 2018. However a legally constituted Board is not in place to consider approval and publication of the draft.</p>
1.1.7 To publish an annual assessment against Corporate Plan and Policing Plan performance in the Board Annual Report.	<p><b>Achieved:</b></p> <p>An assessment of performance against the Corporate Plan objectives and PSNI performance against the Policing Plan was included in the Board's Annual Report for 2016-17.</p>

<b>Indicator 1.1 - An implemented effective performance measurement and accountability framework for the PSNI; the Policing Board and PCSPs</b>	
<b>Measures</b>	<b>Status</b>
1.1.8 To report to the Board and Minister of Justice on PCSP performance for 2016-17 by 31 October 2017.	<p><b>Not Achieved:</b></p> <p>PCSP Effectiveness Report approved at Joint Committee in September 2017.</p> <p>Omnibus Survey published in September 2017 with updated satisfaction information. 43% of respondents had heard of PCSPs, a decrease on the previous year's figure of 49%.</p> <p>Unable to report to the Board and Minister due to the Board not being legally constituted.</p> <p>PCSP planning guidance revised and issued in October 2017.</p> <p>Update on PCSP effectiveness considered by Joint Committee on 6 December 2017.</p>
1.1.9 To receive a quarterly report on National Crime Agency (NCA) activity; and annually on levels of public satisfaction.	<p><b>Achieved:</b></p> <p>NCA Performance reports for Q1 (August 2017), Q2 (November 2017) and Q3 (February 2018) have been received and published on the Board's website.</p> <p>The April 2017 Omnibus Survey findings were published in September 2017. The survey reported 73% of respondents who had heard of the NCA indicated that the Agency is working either adequately, well or very well, an increase from 68% in April 2016.</p>

### **Measure 1.1.2 Setting and monitoring performance against the Policing Plan**

The Board is responsible for overseeing police performance and holding the PSNI to account for service delivery. Each year the Board in conjunction with the PSNI develops a plan for policing (the Policing Plan) which includes key objectives and measures which

PSNI are assessed against. The development of this Policing Plan is a legislative requirement for the Board by virtue of Section 26 of the Police NI Act.<sup>1</sup>

The 2017-18 Policing Plan reflected the second year of monitoring progress against the Board's Strategic Outcomes for Policing 2016-20 document and involved the development of a new performance monitoring framework. This framework sets out the information the Board would need in order to effectively and efficiently assess PSNI's performance towards achieving these Strategic Outcomes.

In developing the Policing Plan for 2017-18 the Board took account of recommendations from the NI Audit Office as they relate to continuous improvement arrangements in policing, recommendations made by HMIC with regard to inspections into PSNI efficiency and effectiveness, the Programme for Government Objectives, and PSNI's performance against the targets within the 2016-17 Plan. The Board also consulted and engaged with a wide range of stakeholders and all Policing and Community Safety Partnerships which fed directly into the development of the 2017-18 Policing Plan.

### **Measure 1.1.3: PSNI Performance against the 2017-18 Policing Plan**

The Policing Plan 2017-18 reflects the Board's Strategic Outcomes for Policing 2016-20 which comprises of five overarching themes:

1. Communication and Engagement;
2. Protection of People and Communities;
3. Reduction in Offending;
4. More Efficient and Effective delivery of justice; and
5. More Efficient and Effective Policing.

Within these five themes are nine Strategic Outcomes, a reduction of three from the previous year.<sup>2</sup>

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<sup>1</sup> <http://www.legislation.gov.uk/ukpga/2000/32/part/IV>

<sup>2</sup> The Board during 2016-17 reviewed the Strategic Outcomes for Policing and consolidated the original 12 Outcomes into 9 without losing the overall objective to be achieved.

Overarching Theme	Strategic Outcomes
1) Communication and engagement	1.1 Trust and confidence in policing throughout NI
	1.2 PSNI engages with communities to improve understanding of the impact of policing decisions and involve communities wherever possible in those decisions.
2) Protection of people and communities	2.1 Harm caused by crime and anti-social behaviour is reduced with a focus on protecting the most vulnerable, including repeat victims.
	2.2 People are safe on the roads
3) Reduction in offending	3.1 Identify and intervene with priority offenders
	3.2 Tackle serious and organised crime
	3.3 Tackle paramilitarism
4) More efficient and effective delivery of justice.	4.1 Achieve an effective partnership with the Public Prosecution Service and wider criminal justice agencies to deliver more positive outcomes for victims.
5) More efficient and effective policing	5.1 An efficient and effective Police Service

Section 28 of the Police (NI) Act 2000, as amended by the Police (NI) Act 2003, requires the Board to make arrangements to secure continuous improvement in the way in which its functions, and those of the Chief Constable, are exercised, having regard to a combination of economy, efficiency and effectiveness.<sup>3</sup> These arrangements include 25 performance measures in the Policing Plan 2017-18 which underpin the Strategic Outcomes for Policing, specific performance indicators outlined in the associated Performance Monitoring Framework<sup>4</sup>, and five continuous improvement projects.

<sup>3</sup> Section 28(1), Police (Northern Ireland) Act, 2000.

<sup>4</sup> Section 28(5)(a)-(b), Police (Northern Ireland) Act, 2000.



PSNI have reported their performance against these performance measures, performance indicators and continuous improvement projects to Board officials throughout the year. Section 28(5A)(a)-(b) of the Police (NI) Act 2000 requires the Board to prepare and publish a performance summary for each financial year which includes its assessment of its own and the Chief Constable's performance in this regard.

The NI Assembly was dissolved from 26 January 2017 for an election in March 2017. At the point of election the Board's ten political Members ceased to hold office. Following the election no Executive has yet been formed and no new political members appointed to the Board, meaning the Board is not legally constituted. While Board officials have continued to receive reports from PSNI and have met with their counterparts on a regular basis throughout the year to progress a number of issues with regard to PSNI performance, they cannot provide an assessment on the Board's behalf as this is a key function of a legally constituted Policing Board.

**Measure 1.1.4: Monitoring the PSNI's compliance with the Human Rights Act 1998**

The Board is required by section 3(3)(b)(ii) of the Police (NI) Act 2000 to monitor the performance of the PSNI in complying with the Human Rights Act 1998. In order to assist it with fulfilling this duty, the Board has a monitoring framework in place which sets out in detail the standards against which the performance of the police in complying with the Human Rights Act 1998 is monitored. The Board is responsible for implementing the Human Rights Monitoring Framework which requires oversight of a range of areas including Training; Policy; Operations; Complaints, Discipline and the Code of Ethics; Public Order; Use of Force; Covert Policing; Victims; Treatment of Suspects; Policing with the Community and Human Rights Awareness; Privacy, Data Protection and Freedom of Information; and Children and Young People.

In order to comprehensively report upon this oversight work and to provide public scrutiny of PSNI's human rights compliance, the Board's Human Rights Advisor presents the Board with a Human Rights Annual Report each year.<sup>5</sup> Where areas for improvement are identified, recommendations for PSNI will be made accordingly and the implementation of

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<sup>5</sup> Human Rights Annual Reports are available to download through the publications section of the Board's website: [www.nipolicingboard.org.uk](http://www.nipolicingboard.org.uk)

these recommendations monitored closely by the Performance Committee and the Human Rights Advisor. The Human Rights Annual Report 2015 contained 14 new recommendations for PSNI to implement. Board officials also received a report from the Human Rights Advisor for the period up to September 2017 and this was shared with Independent Board members.

In the absence of a legally constituted Board, the range of scrutiny work outlined above has not been progressed. It was also not possible to extend the appointment period of the Human Rights Advisor or progress a new appointment as there was no Board in place to do so.

However, progress in respect of the 14 recommendations made in the 2015 Human Rights Annual Report has been continually tracked and monitored by the Human Rights and Professional Standards Branch. Board Officials meet regularly with relevant PSNI personnel and key stakeholders, either in private meetings or as a member of bespoke Independent Advisory Groups, to critically evaluate their achievement of all outstanding recommendations.

All updates from these assurance meetings are being compiled into a Human Rights Assurance Report which will be presented to the Board's Performance Committee when the Board is legally constituted. The Assurance Report will include updates from any outstanding recommendations from the Human Rights Thematic Reviews, which are an additional mechanism through which PSNI compliance with the Human Rights Act can be monitored. Such Reviews enable an in-depth analysis in relation to a specific area of policing and utilise the community's experience of policing to inform the evidence base against which PSNI's human rights compliance is assessed. The work culminates in a report which outlines the key findings of the Review and makes appropriate recommendations for PSNI. To date five Thematic Reviews have been published, the most recent was carried out in 2016-17 and examined the police response to Race Hate Crime.

The report was published on 31 March 2017 and outlines the key findings of the Thematic Review, making 14 recommendations for PSNI which are continually being monitored. The Committee subsequently agreed to conduct a review on the policing of Child Sexual

Exploitation (CSE) by the PSNI and the National Crime Agency. Its publication is anticipated for 2018-19 and it will focus on compliance with the Human Rights Act 1998 as well as international treaty obligations such as the United Nations Convention on the Rights of the Child (UNCRC). The review will assess how the PSNI and the NCA protect children and young people from sexual exploitation and abuse.

In the reporting period seminars were held to address topical issues or trends in the types of crimes committed in NI and the corresponding policing matters, thus they often supplement the work under Thematic Review. In June 2017 there was a seminar on 'Tackling Race Hate Crime: A Review of the PSNI Approach' which directly dealt with the findings and PSNI response to the review, and was presented by the Board's Human Rights Advisor. Followed by a seminar in October 2017 on 'Protecting the Vulnerable: Preventing Child Sexual Exploitation', with guest speaker, Dr Helen Beckett, Director of The International Centre sharing her research on CSE, violence and trafficking, child protection and children's rights. It is an opportunity for the Board to interact and hear from key stakeholders and interested parties for mutual benefit, promoting another mechanism for oversight and collaboration.

### **Monitoring police complaints and disciplinary proceedings**

Another key element which informs police human rights compliance is the Board's statutory duty, by virtue of section 3(3)(c)(i) of the Police (NI) Act 2000, to keep itself informed as to the workings of the system in place through the Office of the Police Ombudsman for Northern Ireland (OPONI) for dealing with complaints against the PSNI and subsequent disciplinary proceedings arising as a result of the complaint. Section 3(3)(c)(i) of the Police (Northern Ireland) Act 2000 also requires the Board to keep itself informed in relation to trends and patterns in complaints.

In the absence of a legally constituted Board, this statutory duty has not been fulfilled. In the reporting period, information which supports the Professional Standards Monitoring Framework in place, has continued to be provided to Board officials by the PSNI and OPONI. The data which forms this report will be presented to the Board when it is reconstituted. This will include information on:

- Trends and patterns in complaints and allegations made to OPONI by members of the public;
- PSNI Anti-Corruption and Vetting Branch and Discipline Branch Annual Report;
- Information on Statute Barred Cases<sup>6</sup>;
- The Policy Evaluation Group Annual Report; this report sets out learning identified from any OPONI policy recommendations.
- Details of compensation claims received and concluded by the PSNI;
- Information relating to police staff discipline, and;
- Referrals made to OPONI by the Chief Constable<sup>7</sup>.

The 2016-17 framework report showed an annual reduction of 8.1% and 4.9% respectively in complaints and allegations. This downward trend continued into the first six months of 2017-18 with the six monthly report (April – September 2017) showing the number of complaints and allegations have fallen by 12% (complaints) and 14% (allegations) from the same period in last year<sup>8</sup>. This pattern is consistent with the continued reduction in complaints and allegations over the previous 5 years. The annual report provided to the Board for 2017-18 shows this trend has continued with an annual reduction of 9% and 12% respectively in complaints and allegations. The Annual Policing Plan allows the Board a mechanism to further monitor and scrutinise allegations seeking a reduction in the specific allegations of failure in duty, oppressive behaviour and incivility. Figures show a reduction of 8% for failure in duty, 18% for oppressive behaviour and 15% for incivility.

The Board examines a range of additional information provided under the framework such as the main factors in complaints received and the types of allegations received. The most common factors behind complaints continue to be in relation to criminal investigation, arrest, traffic related incidents and search; while failure in duty, oppressive behaviour and incivility remain the most common types of allegations.

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<sup>6</sup> Statute Barred Cases are cases where a prosecution cannot proceed due to the police file not being submitted to the Public Prosecution Service within the statutory timescale for the relevant offence.

<sup>7</sup> In accordance with section 55 of the Police (Northern Ireland) Act 1998 the Chief Constable must refer any incident where a death has occurred following contact with the police, and he/she may refer any incident which indicates possible criminality or misconduct and which the Chief Constable believes it is in the public interest for the Ombudsman to investigate. The Chief Constable must also notify the Police Ombudsman of all discharges of firearms, AEP or Taser.

<sup>8</sup> A full statistical breakdown is provided in the Quarterly and Annual Statistical Bulletins published by OPONI and available through: [www.policeombudsman.org](http://www.policeombudsman.org)

The Board is also informed on:

- The geographical distribution of complaints and allegations received. In 2016-17 four policing districts recorded an increase in the total number of complaints; the most significant of these was in Mid and East Antrim with a 17.1% increase from 146 complaints in 2015-16 to 171 complaints in 2016-17. In 2017-18 three policing districts recorded small increases in the number of complaints and allegations, the most significant being Antrim and Newtownabbey which recorded a 7% increase from 171 in 2016-17 to 183 in 2017-18. Mid Ulster and Derry City & Strabane recorded the largest decreases in complaints and allegations with a 26% reduction in Mid Ulster down from 119 in 2016-17 to 88 in 2017-18 and a 20% in Derry City & Strabane down from 205 in 2016-17 to 163 in 2017-18.
- Trends and patterns in policy recommendations made by OPONI and the PSNI's response to such recommendations. In 2016-17 the PSNI received 47 policy recommendations arising from 24 cases. There has been a downwards trend in policy recommendations in the last three years, with 40 in 2017-18 compared to 70 in 2014-15.

**Measure 1.1.9: Oversight of the National Crime Agency (NCA)**

In February 2015 the National Crime Agency and Proceeds of Crime (NI) Order 2015 permitted the NCA to become fully operational in Northern Ireland. The key responsibilities of the Board as they relate to oversight of the NCA, outlined in this Order, are:

- monitoring the NCA's performance in carrying out its Annual Plan in Northern Ireland; and
- making arrangements for obtaining the co-operation of the public with the NCA in the prevention of organised crime and serious crime.

The NCA has powers to tackle serious, organised and complex crime, including strengthening border defences, accelerating efforts against economic crime, tackling the sexual abuse and exploitation of children, and confronting cyber-crime. The Board is required to establish the efficacy of, and monitor the working relationship between, the PSNI and NCA at six monthly intervals as set out in the Memorandum of Understanding between the Board and the NCA.

To carry out its monitoring function the NCA provided the Board with quarterly narrative reports which capture the NCA’s performance with regard to operations tackling organised crime, child sexual exploitation (CSE), civil recovery, cybercrime, organised immigration crime, money laundering and drugs and firearms. To support the Board’s monitoring role the NCA Director General should attend meetings with the Board on a biannual basis to discuss the NCA’s Annual Plan so far as it relates to the NCA’s exercise of functions in Northern Ireland and to discuss performance issues.

During 2017-18, in the absence of a legally constituted Board and Board meetings, senior directors of the NCA met with the Board’s Chair, Vice Chair and Chief Executive on two occasions, in September 2017 and February 2018. They discussed NCA’s performance in NI in relation to CSE, cybercrime disruptions, asset denial, drugs and money laundering, modern slavery and human trafficking and fraud/economic crime. They also discussed the work of the Paramilitary Crime Taskforce which was formally launched in September 2017 and which NCA officers were integrated into in November 2017.

In terms of obtaining the co-operation of the public, an assessment of the level of public satisfaction with the performance of the NCA in exercising its functions in Northern Ireland was undertaken. The April 2017 Omnibus Survey findings, which were published in September 2017, reported that 73% of those who had heard of the NCA believe that the Agency is working adequately, well or very well (a 5% increase from April 2016).

<b>Indicator 1.2 - Effective and efficient management of the financial, human and physical resources of the PSNI and the Board.</b>	
<b>Measures</b>	<b>Status</b>
1.2.1 To approve Board budget for 2018-19 by 31 March 2018.	<p><b>Partially Achieved</b></p> <p>The Chief Executive approved the 2018-19 budget pending approval by the Board. This is on the basis that the budget is consistent with decisions taken by the Board prior to the last Assembly Election on 2 March 2017.</p>
1.2.2 To approve PSNI budget for 2018-19 by 31 March 2018.	<p><b>Not Achieved:</b></p> <p>Officials received a draft PSNI Budget allocation based on the budget handed down by DOJ for 2018-19. However this</p>

<b>Indicator 1.2 - Effective and efficient management of the financial, human and physical resources of the PSNI and the Board.</b>	
<b>Measures</b>	<b>Status</b>
	could not be approved as the Board was not legally constituted. Officials formally notified DOJ that the draft PSNI Budget allocation had been received.
1.2.3 To monitor Board funding and expenditure for 2017-18 monthly.	<b>Achieved:</b>  In the absence of a Resources Committee, Officials continue to produce and monitor Board Management Accounts monthly.
1.2.4 To monitor PSNI funding and expenditure for 2017-18 monthly.	<b>Achieved:</b>  In the absence of a Resources Committee, Officials continue to receive and monitor PSNI expenditure monthly. Board Officials also regularly attend Tri –Partite meetings (with PSNI and DOJ Officials) to monitor the PSNI Budget.
1.2.5 To lay the Board's Annual Report and accounts before the NI Assembly in line with statutory requirements.	<b>Achieved:</b>  The 2016-17 Board Annual Report and Accounts were laid before the NI Assembly on 6 July 2017.
1.2.6 To achieve IIP re-accreditation in the Board	<b>Achieved:</b>  Achievement of IIP Re-Accreditation confirmed on 6 June 2017.
1.2.7 To implement the Health and Wellbeing Action Plan and reduce staff absenteeism in the Board to 10 days per employee by 31 March 2018.	<b>Achieved:</b>  Initiatives identified in the Health and Wellbeing Action Plan were successfully implemented. Staff absenteeism 7.56 days per employee for the rolling year ending 31 March 2018.



<b>Indicator 1.2 - Effective and efficient management of the financial, human and physical resources of the PSNI and the Board.</b>	
<b>Measures</b>	<b>Status</b>
1.2.8 To improve levels of staff satisfaction within the Board by 31 March 2018	<b>Achieved:</b> Evidenced through IIP accreditation, feedback from staff focus groups lead by the Chief Executive and numbers of staff engaged in Health and Wellbeing initiatives organised through the BU Group. A further staff survey was completed in March 2018.
1.2.9 To review the effectiveness of the system of internal control reporting annually.	<b>Achieved:</b> A programme of internal and external audit work was put in place for 2017-18. Six internal audits were undertaken. Internal and external audit recommendations continued to be implemented by lead Officials. Quarterly governance reports/meetings also took place with the DOJ.

## Measure 1.2.1/1.2.3: Board Budget/ Funding

### Performance Budget

The charts below show details of NIPB budget patterns across the period 2013-14 to 2017-18:

Chart 1: Resource DEL Budget 2013-14 to 2017-18

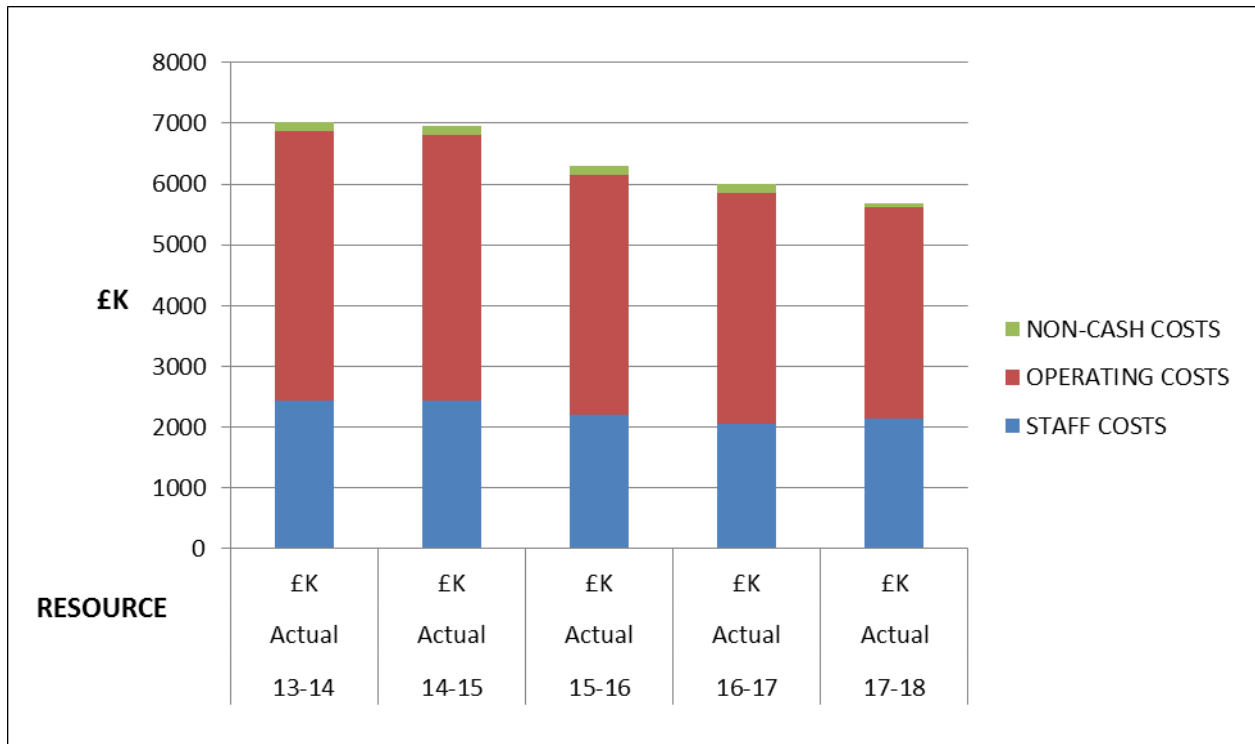


Chart 1 shows the final budget allocation for each of the years 2013-14 to 2017-18, and how this budget was split.

Budgets for the 2013-14 and 2014-15 years were set as part of the four year Budget 2011-15 period. During 2013-14 and 2014-15, in-year budget cuts of £137k and £376k were respectively imposed on the organisation. However, during 2014-15 additional funding of £250k was obtained to accommodate the PCSP recruitment needs.

The budgets for the periods 2015-16 to 2017-18 were one year allocations. Over the three year period in-year budget cuts (£736k 2015-16, £126k 2016-17, £247k 2017-18) have been imposed on the organisation.

**2018-19 Financial Year**

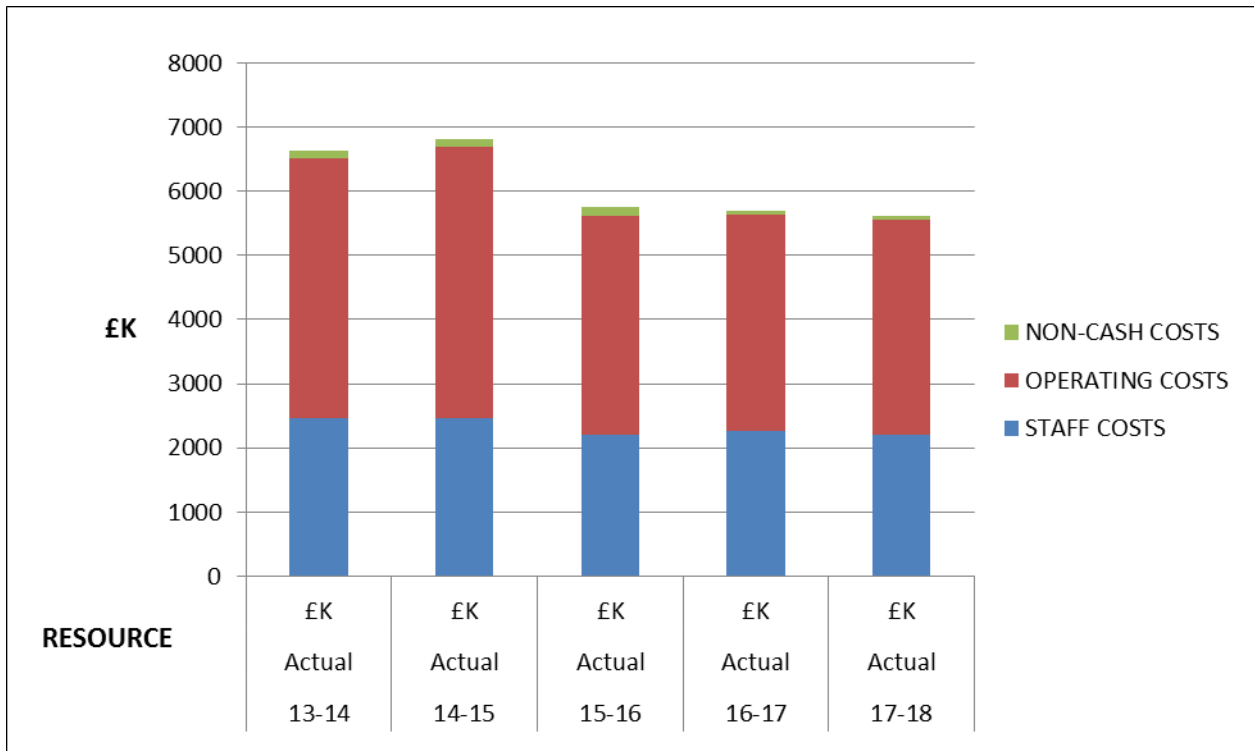
On 8 March 2018 the Secretary of State outlined an indicative 2018-19 Budget position and set out indicative allocations for Northern Ireland departments. This was intended to give clarity to departments as to the basis for departmental allocations, so that Permanent Secretaries could plan and prepare to take more detailed decisions in that light. Whilst the Secretary of State’s statement sets out an indicative budget for departments for 2018-19, it is important to note that this may be adjusted by an incoming Executive.

On this basis NIPB was asked to operate within a net reduction of 1.4% (or £84k) on the 2017-18 opening budget. The Board is working hard to achieve this cut which is compounded by pressures from an annual pay increase, the commencement of the recruitment of independent members to the PCSPs and ongoing legal cases.

**Performance Expenditure**

The chart below show details of NIPB expenditure patterns across the period 2013-14 to 2017-18:

Chart 2: Resource DEL Expenditure 2013-14 to 2017-18



## **Results for the 2017-18 Financial Year**

The Statement of Comprehensive Expenditure is set out on page 91 and shows a Resource DEL deficit for the year of £5.4m. The Total Resource DEL budget allocation available for 2017-18 was £6.0m. The Board declared an easement of £0.3m due to the lack of a legally constituted Board reducing the budget to £5.7m with DEL expenditure against this budget during the financial year of £5.6m, resulting in a reported underspend of under £0.1m.

### **Measure 1.2.2 / 1.2.4: PSNI Budget / Funding**

#### **PSNI Funding**

The Board has a role in negotiating the policing budget, approving the annual budget allocations and holding the Chief Constable to account for the spending of that budget. The Chief Constable has delegated authority in relation to the day to day responsibility for the police budget, but he must report to the Board on how the money is spent. The Board has responsibility for making sure that the funds are spent in an effective and efficient manner and in line with the objectives outlined in the Policing Plan.

The Northern Ireland Assembly was dissolved as of 26 January 2017 for an election which took place on 2 March, on which date political Board members also ceased to hold office. An Executive was not formed following the election within the period specified in the legislation. As a consequence, a Budget Act could not be put in place for 2017-18 and new political members could not be appointed to the Board. In the absence of a budget for 2017-18 determined by an Executive, Section 59 of the Northern Ireland Act 1998 and Section 7 of the Government Resources and Accounts Act (Northern Ireland) 2001 provide for the Permanent Secretary of the Department of Finance to issue cash to departments from the NI Consolidated Fund. These powers were an interim measure designed to ensure that services can be maintained until such times as a budget was agreed and a Budget Act passed.

On 24 April the Secretary of State outlined an indicative 2017-18 Budget position and set out indicative allocations for Northern Ireland departments. This was intended to give clarity to departments as to the basis for departmental allocations, so that Permanent Secretaries could plan and prepare to take more detailed decisions in that light. On this

basis PSNI was asked to operate within a net reduction of 3% (or £20m) on the 2016-17 opening budget.

In the absence of a Resources Committee the PSNI monthly Management Accounts were scrutinised at meetings with Board Officials. Police funding is divided into several different categories, the largest category being for expenditure on salaries (revenue expenditure) amounting to £522.0m during 2017-18. PSNI also receives funding for expenditure on capital items such as land, buildings and vehicles, where benefit will be derived from the expenditure over a number of years. In 2017-18, capital expenditure was £28.7m from an available budget of £29.0m resulting in an under spend of under £0.3m, with PSNI receiving £2.8m in capital receipts. The higher level of capital receipts this year compared to previous years is a combination of an increase in the number of asset disposed and the value of land in Northern Ireland.

In the absence of a Committee Board officials also looked at spending on two small fund accounts – the Police Property Fund (disposal of seized or lost items) and the Police Fund (welfare for police officers and their dependents), as well as overseeing the PSNI on Police Pensions through its role in administrating some aspects of police officers' pensions. The 2017-18 financial year Pension Scheme Accounts were also scrutinised by officials as the Board holds responsibility as Pension Scheme Administrator for the Police Pension Scheme.

The Statement of Financial Position showed a net liability of over £9.23 billion relating to current and future pension liabilities. Although this figure is a large sum, this represents the total liability rather than the annual cost of pensions. It is standard practice for those pension payment liabilities due each year to be provided for out of funding made available to PSNI. There is no threat to or any danger of frontline policing being affected by this overall liability, or any risk that pensioners will not receive their payments. The annual pension bill was £163.4m and relates to current service costs, enhancements and transfers.

Board officials have worked intensively with PSNI during 2017-18 to make sure the Service operates within budget. The cost of overtime coupled with the comprehensive spending review settlement for the year, has put pressure on existing operational budgets.

The NI Assembly through the Comprehensive Spending Review requires all Government Departments, and ALBs, to consider future funding needs and identify savings. The Board has also worked with the PSNI to approve a balanced budget for 2018-19 and this has required serious financial scrutiny leading to efficiencies across the Police Service.

Board officials agreed to accept the following key assumptions and decisions in achieving a balanced budget, in 2018-19:

- Reducing Police Officer numbers to approximately 6,600 through anticipated levels of retirement and increasing the Police Staff numbers to 2,460 reflecting a rebalancing of the workforce model;
- There is no contingency or financial provision for Mutual Aid in this plan;
- Police officer and Staff training will be limited to legislative and mandatory training only;
- There is no provision for any deterioration of the security or public order situation;
- There is no provision for any potential liability arising from the Bear Scotland case;
- There is no provision for any funding implications as a result of Brexit;
- The backlog of estate security works in the region of £4.5m will remain under the current budget reductions;
- Reducing the Police overtime budget which is more realistic than previous years but this may need to be reviewed;
- Almost all expenditure on IT will be focused on maintaining the existing systems rather than on development;
- The work of Operation Kenova and Klina will continue, the associated costs (estimated at £7.0m for 2018-19);
- There is no certainty about any growth of staff posts towards the levels of investment envisaged under Fresh Start;
- A 13% cut in almost all non-pay costs whilst absorbing inflationary pressures.
- Additional Security Funding will remain at its current level, as long as required.
- There has been a large increase in legacy and inquests over the past three years. PSNI is unable to fund the additional work within the 2018-19 budget.

Further discussions will take place between Board Officials and PSNI on the budget allocation throughout 2018-19.

## **PSNI Estate**

Another key part of the PSNI budget relates to the police estate. Whilst the Policing Board is the legal owner of the PSNI estate, day-to-day responsibility for estate management is delegated to the Chief Constable. Plans and proposals for the on-going maintenance and development of police buildings are contained in an Estate strategy (the 2016 Estate Strategy) which was approved by the Board in December 2016. The Strategy covers the three year period 2016-17 to 2018-19 and provides details of PSNI plans for major works, minor works, custody provision and proposed station disposals over the three year period. Budgetary constraints will obviously continue to influence the type and nature of works which can be delivered. It is estimated that PSNI will spend around £30m per annum on estate related works. The current financial climate is such that only the highest priority projects are likely to be progressed. The Strategy identifies 12 stations which are already closed and which the Board has approved for disposal. This process of disposal will result in around £1.5m in capital sales receipts and will result in around £600k savings per annum in running costs.

The Resources Committee normally monitors the implementation of the PSNI Estate Strategy but in the absence of a legally constituted Board, delegated authority was provided to the Chair, Vice Chair and Chief Executive to consider and if appropriate approve any land acquisitions or disposals requested by PSNI since the period of suspension. This included land acquisition of Fern House, Coleraine and disposal of site at Desertcreat.

### **Measure 1.2.7: Health and Wellbeing Initiative**

A Business Plan measure was to 'implement the Health and Wellbeing Action Plan'. By way of background the Board had in September 2016 signed up to an initiative promoted by the Public Health Agency to improve Health and Wellbeing in the workplace. One of the outcomes was to develop a draft Health and Wellbeing Action Plan, under the branding of 'BU' (Be Yourself) and following internal consideration this was agreed with an associated activity calendar of events.

Throughout the year staff engaged in a range of activities which has improved their knowledge and understanding of the benefits of Health and Wellbeing in the workplace. This has been commented upon in the IIP assessor report which highlights that, 'A key

aspect of engagement has been through the BU programme, which has undoubtedly had a positive impact’.

**Measure 1.2.9: Internal Audit**

Internal Audit helps an organisation to accomplish its objectives by way of a systematic and methodical approach to evaluate and improve the effectiveness of its risk management, governance and internal control processes and procedures.

One of the main responsibilities of the Board’s Audit and Risk Management Committee is to approve the Internal Audit Strategy and yearly Internal Audit work programme. At present Deloitte are contracted by the Board to provide internal audit services. In line with the Board’s Internal Audit Strategy 2016-19, and the Internal Audit Operational Plan 2017-18, during this reporting year the following internal audit assignments were carried out:

- Internal Audit of Financial Controls with respect to Policing and Community Safety Partnerships (PCSPs);
- General Data Protection Regulation (GDPR) Readiness Audit;
- Internal Audit of the Internal Dispute Resolution Process;
- Internal Audit functional review of Police Administration Branch;
- Internal Audit of Gifts and Hospitality, and
- Review of external post handling processes.

In the absence of a legally constituted Board, and consequently an Audit and Risk Management Committee, final Internal Audit Reports received in this reporting period were copied to the Board Chair and the Department of Justice Permanent Secretary.



<b>Indicator 1.2 Effective and efficient management of the financial, human and physical resources of the PSNI and the Board</b>	
<b>Measures</b>	<b>Status</b>
1.2.10 To report on Injury on Duty (IOD) and Medical referral applications and user satisfaction with Selected Medical Practitioner (SMP) at least quarterly to Resources Committee.	<b>Not Achieved:</b> Officials have continued to process IOD and Medical Referral applications. However this could not be reported to Resources Committee as the Board was not legally constituted.
1.2.11 To appoint PSNI Senior Officer and Civilian staff within five months of being made aware of the vacancy.	<b>Achieved:</b> There was no requirement to appoint PSNI Senior Officers / Civilian Staff during 2017-18.
1.2.12 To progress Police Appeals Tribunals in line with legislative timeframes.	<b>Achieved:</b> Police Appeals Tribunals have progressed in accordance with statutory requirements, including timeframes.

### **Measure 1.2.10: Injury on Duty Claims**

The Board continues to administer a steady flow of Injury on Duty and Ill Health Retirement applications, to include all subsequent reassessments and reconsiderations. The Board continues to support the Department of Justice in processing appeals relating to these applications. This work is performed in line with all relevant regulations, case law and departmental guidance. The Board also places credence and is keenly aware of Pensions Ombudsman decisions, the results of which often impact the Injury on Duty and Ill Health Retirement caseload.

During the year 2017-18 266 applications were processed by the Board's Police Administration Branch. Of these applications, 189 were approved by the Board's Selected Medical Practitioner. 73 of these applications were refused with the final 4 applications due a decision imminently from the Selected Medical Practitioner. During this time period the Board conducted 11 reassessments, meaning that the cases were returned to the Selected Medical Practitioner to review.

For the same time period, the Board working in tandem with the Department of Justice processed 125 appeals. Some of these appeals were residual appeals which were initiated in the previous year whilst some of these cases were fresh appeals that commenced and concluded in the year 2017-18. On appeal, decisions were upheld in 68 cases. 57 cases were overturned on appeal, with the majority of these involving slight changes in banding.

The Board has delegated authority to process other specific awards, such as Adult Survivor Awards. However, these awards are progressed on a case by case basis and determined by the Resources Committee. Due to the political impasse, the Resources Committee was not constituted and thus no such awards were considered for the year 2017-18.

#### **Measure 1.2.11: Appointment of Senior Officers**

The Police (NI) Act 2000 Section 35 (1) and (2) provides the legislative power for the Board to appoint senior officers to the ranks of Assistant Chief Constable (ACC), Deputy Chief Constable and Chief Constable as well as civilian Chief Officers. During the 2017-18 period the Board was not made aware of any PSNI Senior Officer or Civilian vacancies. Officials reviewed the procedures for the Board to appoint PSNI Senior Officers / Civilian staff. Recommendations will be brought to the Board when it is re-constituted.

#### **Measure 1.2.12: Police Appeals Tribunals**

The Board is required under the Royal Ulster Constabulary (Appeals) Regulations 2000 and The Police Appeals Tribunal Regulations (NI) 2016 to administer the police appeals tribunal process and facilitate the tribunal's hearings. The Police Appeals Tribunal (PAT) is an independent body established under legislation to consider appeals brought by police officers against the finding and or sanction imposed by a misconduct or unsatisfactory performance panel. In the absence of a fully constituted Board, legal advice was sought which confirmed that the Board's staff may continue to organise matters relating to the PAT which includes appointing members to sit on a PAT, one of whom may include an Independent member of the Board. In the year 2017-18 five new appeals were received and three were concluded. Of the tribunals concluded during this year one was dismissed and the remaining two were withdrawn before completion.

<b>Indicator 1.3 - Modernisation and improvement of the PSNI and Policing Board to address changes in community needs; statutory requirements and developments in policing.</b>	
<b>Measures</b>	<b>Status</b>
1.3.1 To monitor PSNI implementation of third party recommendations in line with committee programmes of work.	<b>Not Achieved:</b> PSNI provided relevant Board officials with access to their Overview database which has allowed for a more proactive approach to monitoring recommendations from a range of internal and external sources. However as the Board was not legally constituted in 2017-18 there were no agreed committee programmes of work through which PSNI's implementation of relevant recommendations could be reported.
1.3.2 To approve, publish and monitor the Board Continuous Improvement approach by 31 March 2018.	<b>Not Achieved:</b> A Continuous Improvement (CI) Action Plan was approved by SMT for 2017-18. Following successful IIP re-accreditation Officials monitored and implemented relevant actions in the absence of a fully functioning Board. Officials had previously agreed to roll the existing CI Approach into the 2018-19 year. However this approach could not be approved as the Board was not legally constituted in 2017-18.
1.3.3 To approve, publish and monitor the PSNI Continuous Improvement approach by 31 March 2018.	<b>Partially Achieved:</b> The PSNI Continuous Improvement Approach was contained in the 2017-18 policing plan which was approved by the last Board and subsequently published. Officials have monitored the approach during 2017-18, however as the Board was not legally constituted progress was not reported to the Board.
1.3.4 To implement the recommendations from the 2017 NI Audit Office (NIAO) report on continuous improvement.	<b>Partially Achieved:</b> Two of the five recommendations have been fully implemented. The remaining three recommendations cannot be implemented until a new policing plan/performance plan is agreed by a legally constituted Board.

<b>Indicator 1.3 - Modernisation and improvement of the PSNI and Policing Board to address changes in community needs; statutory requirements and developments in policing.</b>	
<b>Measures</b>	<b>Status</b>
1.3.5 To produce a minimum of two research projects by 31 March 2018.	<p><b>Achieved:</b></p> <p>Two research projects currently at final draft stage.</p> <p>Ulster University (UU) final draft report key points presented to a meeting with Independent Members on 19 October 2017 for discussion and feedback.</p> <p>Queen's University Belfast (QUB) final draft report key points to be presented to a meeting with Independent Members for discussion and feedback in January 2018. Copies of both final reports will come to Partnership Committee for approval and recommendation for the Board to publish.</p>
1.3.6 To establish a framework to assess Board / Committee effectiveness.	<p><b>Partially Achieved:</b></p> <p>Business Consultancy Services were appointed to commence this project and preliminary work has been undertaken.</p>

### **Measure 1.3.2: Board's Continuous Improvement Project 2017-20**

Section 28 of the Police (NI) Act 2000 requires that, 'The Board shall make arrangements to secure continuous improvement in the way in which its functions and those of the Chief Constable are exercised, having regard to a combination of economy, efficiency and effectiveness.'

At the Board meeting of 2 February 2017 it was agreed that the Continuous Improvement Project should be 'working towards Investor in People re-accreditation to Developed Stage'. Re-assessment for the Investor in People (IIP) Generation 6, Developed Stage took place in May 2017 and the outcome was that the NI Policing Board was IIP Accredited until 2019. The Assessment Summary acknowledges that, 'There is an evident

allegiance to the vision and the direction set out in various strategies and plans to ensure that the organisation delivers outcomes as effectively and as efficiently as possible'. A Continuous Improvement Action Plan was approved by SMT and officials have been implementing and monitoring relevant actions in the absence of a legally constituted Board.

### **Measure 1.3.5: Board Research Projects**

#### **Research on the Experiences of the new PSNI Local Policing Model**

The Board commissioned Queens University of Belfast (QUB) to assess the potential impact of changes to local policing structures on the experiences of those living in affected communities in dealing with the PSNI and how this compares to local policing arrangements in place prior to August 2015. Queen's completed this research during 2017-18 and presented their findings to Independent Board members in January 2018. The main findings of the research are that the reactions to the changes were mostly negative with dissatisfaction expressed with the loss of police visibility and local contact. This had the potential to erode both trust and confidence in policing. The research has made a number of recommendations that mainly focus on the PSNI giving further consideration to adapting or adopting an alternative model that reprioritises community based policing. The research needs to be ratified by the Board prior to publication and wider dissemination and implementation of the findings.

#### **The Effectiveness of Policing Committees**

In March 2017, the Board also commissioned Ulster University (UU) to conduct a research project examining the effectiveness of the Policing Committees of Policing and Community Safety Partnerships (PCSPs) and District Policing and Community Safety Partnerships (DPCSPs). The purpose of the project was to progress the development of a framework of indicators that would enable the Board to assess the effectiveness of Policing Committees in their oversight of local policing through conducting initial qualitative research. The research considered a number of areas in relation to Policing Committees, including the variability in approach to administering the role of the Policing Committee locally, the lack of understanding of roles and purposes by members, strategic linkages, the important role individuals play in the success of the Policing Committee. The report also identified some positive impacts of this work. The report concludes with 15 recommendations for improvements in relation to the areas of the relationship between PCSPs and Policing

Committees, the culture of Policing Committees, their role and purpose, their relationship with the Board and their strategic and operational focus. This research report also needs to be ratified by the Board prior to publication and wider dissemination and implementation of the findings.

## OUTCOME 2: We have trust and confidence in policing

We have trust and confidence in policing had 12 measures overall of which 8 were achieved (67%), progress was made on 1 but the measure was not achieved (8%), and 3 were not achieved (25%).

<b>Indicator 2.1 – Improve public awareness and participation in policing issues and increase accountability to the public</b>	
<b>Measures</b>	<b>Status</b>
2.1.1 To increase the percentage of people who have heard of the Board by 31 March 2018.	<p><b>Not Achieved:</b></p> <p>The results of the April 2017 Omnibus survey indicated that 83% of respondents had heard of the Board, a decrease of 2% points from the 2016 survey.</p>
2.1.2 To increase the number of people accessing the Board online channels by 31 March 2018.	<p><b>Achieved:</b></p> <p>31 March 2017:                      Twitter followers 4,364                      Facebook likes 808</p> <p>1/4/17- 31/3/18                      Twitter followers – 4,957                      Facebook likes - 945</p> <p>1/4/17- 31/3/18                      Website views – 124,380                      YouTube views - 2,859</p>
2.1.3 To carry out 2 engagement events during 2017-18.	<p><b>Achieved:</b></p> <p>Joint Seminar held with QUB on 23 June 2017.</p> <p>Joint Engagement Seminar held with PSNI and PCSPs on 14 December 2017.</p> <p>Three Good Practice Workshops held with</p>

<b>Indicator 2.1 – Improve public awareness and participation in policing issues and increase accountability to the public</b>	
<b>Measures</b>	<b>Status</b>
	PCSP's in February and March 2018.
2.1.4 To implement a programme of roundtable discussions on policing issues involving key stakeholders by 31 March 2018.	<b>Achieved:</b> A series of seven seminars have been held between May 2017 and February 2018. The series proved very successful and was well attended and achieved its objective of addressing the key themes in the Policing Plan in a public setting.
2.1.5 To deliver the Independent Custody Visiting Scheme in line with investing in volunteer standards.	<b>Achieved:</b> The reassessment of Investing in Volunteers took place in May 2017 and was successful with the award made in July 2017.
2.1.6 To hold at least 8 Board meetings in public during 2017-18.	<b>Not Achieved:</b> This target was not met due to the absence of a legally constituted Board during 2017-18.

### **Measure 2.1.1 – 2.1.4 Improve public awareness and participation in policing issues and increase accountability to the public**

The Board routinely publishes information about its work so that the community and those with an interest in policing issues know how key areas of responsibility are being progressed. The Board is committed to openness and transparency in how it conducts its business and to allow the public to see what the Board and its Members are doing.

This year, in the absence of a legally constituted Board, the amount of information published has been more limited as there are no statutory public meetings or Committees being held. However, the Board's website and social media channels are regularly updated with information that explains the types of issues the Board Independent Members have been engaged in including seminars, visits to the police estate, meetings

with stakeholders and other visitors who wish to find out more about policing oversight and governance structures.

In the reporting period, a series of seven seminar sessions were organised to focus debate on discussion on policing issues. Topics were selected which supported the monitoring of the Policing Plan 2017-18 and which would stimulate discussion on best practices within policing with the aim of seeking improvement within PSNI. The following issues formed the focus of debate and external expert opinions injected new thinking into discussions and provided the opportunity to explore issues and examine how policing policy and practice could best respond to meet the challenges ahead.

Date	Seminar Topic
24 May 2017	A Policing Plan for NI: Delivery and meeting public expectations
28 June 2017	Tackling race hate crime: A review of the PSNI approach
27 September 2017	Local Policing: Delivering for communities?
25 October 2017	Protecting the vulnerable: Preventing Child Sexual Exploitation
22 November 2017	Moving from the traditional to technological: How do the police and other agencies respond effectively to the growing level of online criminality?
24 January 2018	Doing more with less: How police services can optimise their resources to best effect
28 February 2018	From crime to court: Can our policing and criminal justice sector deliver faster and more positive outcomes for victims?

In the absence of a legally constituted Board, the seminars proved an effective platform for maintaining the Board's public presence and bringing focus to key policing issues amongst stakeholders. Each seminar attracted around 60-70 attendees with a cross section of representation from politicians, academics, researchers, PCSPs, Custody Visitors and people working within the policing and criminal justice sector. The events were live streamed with footage published online.



In June 2017, a seminar was jointly hosted with Queen's University Belfast, to consider the topic 'Twenty-First-Century Policing Challenges: Crime, Terrorism and Borders in a Changing Europe'.

**Measure 2.1.1: Finding out what the community thinks about the Board and policing**

In 2017-18, public satisfaction was measured via the policing module of the NI Omnibus Survey, which was conducted by the NI Statistics and Research Agency (NISRA). The sample used for this survey comprised 2,200 randomly selected households across NI drawn from the Land and Property Services Agency list of addresses. The survey was completed between 3 April and 1 July 2017 with a total of 911 interviews which gave a response rate of 41%.

**Public Perceptions of the Police**

In April 2017, almost three quarters (74%) of respondents indicated that the police were doing a very/fairly good job in their area, a statistically significant increase from the April 2016 figure (68%), with around three quarters of respondents (78%) indicating that the PSNI was doing a very/fairly good job in NI as a whole, a small increase on April 2016 (75%).

A large majority (90%) of respondents indicated either total, a lot, or some confidence in the PSNI's ability to provide an ordinary day-to-day service for all the people of NI, a similar figure to April 2016 (88%). In April 2017, 93% of respondents indicated that they felt very/fairly safe in their local community, a similar figure to April 2016 (91%). Analysis by religion revealed a statistically significant increase for Protestant respondents indicating that they felt 'Very safe' in their local community, from 42% in April 2016 to 53% in April 2017.

**Public Perceptions of PCSPs**

In April 2017, 43% of respondents had heard of PCSPs, a statistically significant decrease on the previous year's figure (49%). This was particularly pronounced for Protestant respondents – 42% had heard of PCSPs in April 2017 compared with 53% in April 2016.

41% of the respondents who had heard of PCSPs, felt that their local PCSP has helped to improve policing in their local area, a small increase on April 2016 (37%). Almost a quarter of respondents (23%) recorded a 'Don't know' response or did not respond to this question.

### **Public Perceptions of the NI Policing Board**

In April 2017, a large majority of respondents (83%) had heard of the Policing Board, a similar proportion to the previous year (85%). Just over three quarters (76%) of the respondents who had heard of the Policing Board thought that the Board helps ensure that the PSNI do a good job, a small increase on the April 2016 figure of 73%.

Analysis by religion revealed a statistically significant increase in the proportion of Protestant respondents agreeing with this statement from 70% in April 2016, to 78% in April 2017.

Almost three quarters of respondents (72%) who had heard of the Policing Board correctly thought that the Board is independent of the police, a small decrease on the April 2016 finding of 74%, yet a marked increase on the 2014 and 2015 figures (both 57%).

More than three quarters of the respondents (82%) who had heard of the Policing Board indicated that the Board is working either adequately, well or very well, a small increase on the April 2016 figure (79%) and continuing a trend of increases from 2015.

### **Measure 2.1.5: The Independent Custody Visiting Scheme**

Section 73 of the Police (NI) Act 2000 requires the Board to make, and keep under review, arrangements for designated places of detention to be visited by lay visitors. This function is carried out by the Independent Custody Visitor (ICV) Scheme. Independent Custody Visitors (ICVs) are impartial volunteers from the community who make unannounced visits to police custody suites to check on the rights, health and wellbeing, and conditions of detention of people being held in custody by inspecting facilities, speaking to detainees and checking custody records. This is an essential role and helps the Board ensure that PSNI meet their human rights responsibilities. There are currently 28 ICVs with a mixed composition of gender, age and community background based in three Custody Visiting Teams across Northern Ireland.

From these visits any issues or concern are brought to the attention of PSNI and the Board for addressing. These are usually in the areas of quality of treatment, cleanliness and conditions. Quarterly reports are produced highlighting the number of visits, number of detainees and number of satisfactory and unsatisfactory visits. In this reporting period (April 2017-March 2018), the Board's ICVs carried out 486 valid visits to custody suites across Northern Ireland of which 38 were to TACT detainees.

The Board was re-accredited with Investing in Volunteers (IiV), the UK quality standard for good practice in volunteer management and held events for the volunteers including the annual volunteer conference.

The information provided by ICVs is instrumental to the Board's representation on four UK Wide organisations aligned to Custody Visiting. They are:

- Independent Custody Visiting Association (ICVA): a Home Office funded organisation set up to promote and support the effective provision of custody visiting nationally. The Board provides a quarterly report to ICVA, including statistics for the National Experts Forum (NEF).
- National Expert Forum (NEF): in 2016-17 ICVA reformed its governance and created the NEF, a forum to bring together Scheme Managers from all regions. The Board has contributed to NEF by supporting its development, sharing good practice and networking with members.
- Terrorist Act (TACT) Network: aims to share practice, learning and expertise, and discuss contemporary issues, on TACT custody visiting; most notably for Max Hill QC to provide thematic feedback and improve procedures and processes. Board Officials met separately with Max Hill QC in February 2018.
- National Preventive Mechanism (NPM): aimed at strengthening the protection of people in detention through independent monitoring and inspection of places of detention through 21 statutory bodies. Membership allows the Board to be part of investigations that identify variations in the practices, procedures, safeguards against harm and experiences of detainees with the aim to improve consistency of

approach; identify and promote good and improved practice; and inform detention practice and policy.

ICVs play a vital role in ensuring the Board deliver effective independent oversight of policing and ICVs are the Board's eyes and ears when visiting custody suites. The Board does not underestimate the complexities of this role and is grateful for the valuable dedication and contribution our ICVs make in this important form of oversight of detention, procedures and conditions.

### 2.1.6 Board Business

The Board has a statutory duty to hold at least 8 meetings in public annually. Due to the Board not being legally constituted during 2017-18 no meetings in public were held. Independent Members did hold several meetings and briefings with the Chief Constable and members of the PSNI Service Executive Team to discuss policing issues. On three occasions representatives from the Political Parties who are eligible for seats on the Board following the last Assembly election attended these meetings / briefings.

<b>Indicator 2.2 - Increase public confidence in the police by understanding and responding to the interests of the community, including those under-represented in the PSNI and areas where confidence is lower.</b>	
<b>Measures</b>	<b>Status</b>
2.2.1 Implement the Professional Standards Monitoring Framework every six months and meet with representatives from OPONI and PSNI Discipline Branch.	<b>Partially Achieved:</b> The Professional Standards monitoring framework was implemented and the Year-end report for 2016-17 and six monthly report for 2017-18 were received. However in the absence of a legally constituted Board representatives from OPONI and PSNI were unable to meet with Performance Committee.
2.2.2 To monitor and report on the implementation of the Police College Review recommendations by 31 March 2018.	<b>Achieved:</b> The Independent Members of the Oversight Panel continued to monitor the implementation of recommendations in the Gibson Report and presented a Progress Report to the independent Members of the Board 22 February 2018.

<b>Indicator 2.2 - Increase public confidence in the police by understanding and responding to the interests of the community, including those under-represented in the PSNI and areas where confidence is lower.</b>	
2.2.3 To deliver the Independent Community Observer Scheme reporting within 2 months of the end of a campaign.	<b>Achieved:</b>  Recruitment campaign commenced and ICO's received training in December 2017 with assessment centres attended in January, February and March 2018.
2.2.4 To monitor the representation of PSNI Workforce in line with agreed timescales.	<b>Not Achieved:</b>  Officials have continued to receive information from PSNI. However this information could not be reported and monitored by the Committee as the Board was not legally constituted in 2017-18.

### **Measure 2.2.3: The Independent Community Observer Scheme**

Following the Report of the Independent Commission on Policing for NI, the Board established a team of volunteers from all sections of the community known as Independent Community Observers (ICOs). These volunteers observe and report to the Board on the PSNI recruitment processes in line with Section 10 of the Police (Recruitment) (NI) Regulations 2001.

ICOs report back to the Board with reference to the adequacy of facilities and arrangements and whether, so far as practicable, the same procedures were applied to all candidates. Any issues of concern during a visit are brought to the attention of Deloitte, the PSNI's independent recruitment company, to be resolved straight away if possible and the Board informed through completion of agreed paperwork. The PSNI recruitment campaign was advertised in October 2017. Ten ICOs took part in independent oversight of it with the assessment centre being held in one venue in Belfast between 25 January 2017-17 April 2018. During this time ICOs carried out a total of 25 observation visits and observed 45 roleplay sessions. 100% of the ICOs rated their visit as 'good'.

**Measure 2.2.4: Representation of the PSNI Workforce**

As at 31 March 2018 PSNI consisted of 6,784 police officers of which 66.13% were Protestant, 31.53% were Roman Catholic and the gender representation was 28.99% female and 71.01% male. The number of police staff was 2,374 of which 78.22% were Protestant, 19.46% were Roman Catholic and the gender representation was 58.64% female and 41.36% male. Throughout the course of the most recent recruitment campaign which saw the highest number of applicants to date under the post-Patten recruitment arrangements, PSNI have provided regular updates to Board officials, and a full analysis of the applicant pool will be provided upon completion of the process and the establishment of a merit list. In the absence of a legally constituted Board the statutory function to monitor representation has not been fulfilled.

<b>Indicator 2.3 - Promote equality, diversity and good relations practices within the Board and with those with whom we work.</b>	
<b>Measures</b>	<b>Status</b>
2.3.1 To review the Board's Equality Scheme Audit of Inequalities and formulate action plans and report to the Equality Commission by 30 November 2017.	<b>Achieved:</b> A 5 year review of the Equality Scheme, Audit of Inequalities, Draft Equality Action Plan and Draft Disability Action Plan submitted to the Equality Commission on 28 November 2017.
2.3.2 To submit an Annual Progress Report by 31 August 2017 to the Equality Commission.	<b>Achieved:</b> The Annual Progress report was submitted to the Equality Commission on 31 August 2017.

**Measure 2.3.1/ 2.3.2: Equality and Diversity**

During the reporting year the Board following consultation on its Equality Scheme undertook a five year review in accordance with its statutory responsibilities under Section 75 and Schedule 9 of the NI Act 1998. In addition in order to reflect the changes in organisational structure the Board updated its Equality Scheme.

An Audit of Inequalities was performed and as a result a new Draft Equality Scheme Action Plan and draft Disability Action Plan were developed. When legally constituted

these Action Plans will be considered by the Board. Subsequently both these Action Plans will be exposed to public consultation.

In accordance with legislation the Board submitted to the Equality Commission an Annual Progress Report by 31 August 2017 and continued the Equality Screening of its Policies as appropriate throughout the year.

**OUTCOME 3: We have a safe community, where we respect the law and each other**

We have a safe community, where we respect the law and each other had 6 measures overall of which all 6 were achieved (100 %).

<b>Indicator 3.1 - Support PSNI and PCSPs in collaborative delivery against the Strategic Outcomes for Policing and the Policing Plan.</b>	
<b>Measures</b>	<b>Status</b>
3.1.1 To work through the Joint Committee to deliver funding and support for PCSPs by 31 March 2018.	<p><b>Achieved:</b></p> <p>Joint Committee met quarterly throughout 2017 and 2018 and funding has been secured for the 2018-19 year.</p> <p>A programme of Outcome Based Accountability (OBA) introductory workshops for PCSP Members was delivered between August and November 2017.</p> <p>An OBA Turning The Curve session was delivered at each PCSP/DPCSP 18/19 action planning event between November 17 and January 2018.</p>
3.1.2 To disseminate examples of good practice amongst PCSPs.	<p><b>Achieved:</b></p> <p>Template developed for PCSPs to report good practice examples. Good practice examples published on the Board’s website.</p> <p>PCSP general and thematic good practice examples shared at a Joint Committee event in September and December 2017.</p> <p>Three good practice workshops were held on Domestic Violence, ASB and Road Safety</p>

<b>Indicator 3.1 - Support PSNI and PCSPs in collaborative delivery against the Strategic Outcomes for Policing and the Policing Plan.</b>	
<b>Measures</b>	<b>Status</b>
	with the aim of sharing good practice.
3.1.3 To support Board Member engagement with PCSPs, and collaborate with PCSPs to enhance community input to the work of the Board.	<p><b>Achieved:</b></p> <p>Updated schedule of PCSP public and private meetings circulated to Board members every month.</p> <p>Board Member engagements with PCSPs have been supported on 38 occasions.</p>
3.1.4 Influence and support collaborative working arrangements in order to contribute to the strategic outcomes for policing by 31 March 2018.	<p><b>Achieved:</b></p> <p>PCSPs used an agreed template to report on Policing Plan targets that reference PSNI working in collaboration with PCSPs.</p> <p>Reports received in October 2017, November 2017 and December 2017.</p> <p>Discussion with PCSP Managers in relation to report content took place in January 2018.</p> <p>Policing Committee research completed with a number of recommendations to be implemented to improve collaboration.</p>

**Measure 3.1- 3.4: Support PSNI and PCSPs in collaborative delivery against the strategic outcomes for policing and the policing plan**

**Partnership Working**

There are 11 Policing and Community Safety Partnerships (PCSPs) and 4 District Policing and Community Safety Partnerships (DPCSPs) which are legislated for by the Justice (NI)



Act 2011. The PCSPs cover the 11 Council areas and the 4 DPCSPs operate under Belfast PCSP to cover East, South, West and North Belfast respectively. PCSPs are made up of 10 Political Members nominated by the local Council; 9 Independent Members appointed by the Board; and representatives of 7 Designated Organisations which are statutory organisations whose work is considered to have a positive impact on community safety.

The Joint Committee is the body responsible for the governance of PCSPs. It is jointly chaired by the Chair of the Board's Partnership Committee and the Department of Justice Director of Safer Communities. The Joint Committee meets on a quarterly basis during the financial year and facilitates open meetings as part of a schedule to enable engagement with PCSP members and key stakeholder groups to seek their views on strategic matters that will impact on PCSPs and to identify current and emerging issues. The Joint Committee also meets with PCSP managers on a quarterly basis to disseminate information and to discuss operational issues.

In 2017-18, the Board continued to support the work of PCSPs via the Joint Committee through private meetings and through meetings with:

- The Council Chief Executives and Designated Organisations in May and December 2017;
- The PCSP Chairs and Vice Chairs in September 2017 and through a series of Governance meetings in October 2017; and
- Meetings with PCSP Managers in May and September 2017 and January 2018.

During 2017-18 the Joint Committee also invested in the PCSP training plan that focussed on equipping members and managers with the skills to implement the Outcomes Based Accountability approach to reporting on outcomes. The National Children's Bureau (NCB) was appointed to deliver two series of training workshops to all 15 PCSPs. The first workshop provided an introduction to the theory behind the OBA methodology, with the second workshop focussing on a practical turning the curve exercise. PCSP were also encouraged to implement this training when reporting back to the Joint Committee at the thematic level with bespoke report cards. It is anticipated that this will provide the Joint Committee with more information on PCSP impacts.

PCSP's have also been encouraged to report examples of good practice to the Joint Committee and these have been collated into booklets, profiled at various events and profiled monthly in the PCSP ezine *Inpartnership* and the PCSP website and social media channels. The Joint Committee also arranged three thematic workshops to highlight and profile good practice examples in the areas of Domestic Violence, Anti-Social Behaviour and Road Safety.

The Joint Committee also organised a number of engagement events to provide PCSP's with further information in specific areas. In September 2017 two workshops were arranged with PCSP's to explore the Executive's Tackling Paramilitarism Programme and how the PCSP's could effectively contribute to the delivery of a number of those recommendations. In November 2017 the Board organised an engagement event between the PCSP managers and the PSNI Engagement teams to explore the area of community engagement and build more effective partnerships locally. The Joint Committee expect that this training and engagement will lead to PCSP's being more effective locally and delivering local impact.

Independent Board members continued to engage with PCSPs throughout the year and attended 24 PCSP meetings throughout Northern Ireland.

### **PCSP Effectiveness**

PCSPs and DPCSPs are currently required to provide the Joint Committee with specific information during the course of a financial year to enable their effectiveness to be monitored. This information consists of:

- Annual Reports;
- Annual action plans with quarterly financial returns and progress reports; and
- Reports from the Policing Committee in relation to specific measures contained within the Policing Plan.

Through these reports all PCSP's provided evidence of effective consultation at the local level. There is evidence that PCSPs/DPCSPs had consulted widely with a range of fora, including hard to reach communities, vulnerable adults, older people, ethnic minority

groups, young people, voluntary and community including LGBT and Neighbourhood Watch Coordinators and statutory partner groups.

PCSP's have engaged effectively with their local communities in the development of their strategic action plans and identifying the key issues that local people want to see addressed by local police. All PCSPs demonstrated regular and varied engagement with local groups including themed events and meetings addressing farm crime, domestic violence, burglary, cybercrime, hate crime and road safety. These events and meetings offered evidence of partnership working across statutory and voluntary and community organisations.

Anti – Social Behaviour has been a key focus for all PCSPs and there is evidence of a wide and diverse range of initiatives in all areas, including, targeted youth engagement/outreach programmes, sporting and diversionary activities, such as boxing, Cage Soccer and promotion of the One Punch Kills initiative.

In 2017-18, PCSPs supported community confidence in policing through supporting engagement opportunities with communities and police and by monitoring the performance of the police in relation to targets in the NI Policing Plan and the local Policing Plan. The PCSP's Annual Reports illustrate a wealth of good practice examples of projects supported at a local level that are contributing to building confidence in the police and policing at a local level as well as making a real change in people's lives. Working in partnership with the police, other statutory agencies, local community and voluntary sector groups to implement sustainable solutions for local issues is now commonplace, particularly around the issues of anti-social behaviour (ASB) and reducing crime levels.

PCSPs contributed to local Policing Plans by identifying community priorities for policing which were forwarded to the respective PSNI District Commander for consideration for inclusion in the 2018 -19 local Policing Plan for the district. PCSPs were also involved in the development of targets for the 2018-19 NI Policing Plan which references PSNI working in collaboration with PCSPs on five targets.

PCSPs monitored local police performance during 2017-18 through private Policing Committee meetings at which the local PSNI District Commander or their representative presented a report referencing performance against targets in the local Policing Plan and the NI Policing Plan. The reports requested by the Board from Policing Committees during 2017-18 reflected that the majority of Policing Committees now receive the PSNI report once a quarter and in advance of the meeting to enable analysis and the formulation of questions. The Policing Committees also raised matters concerning the policing of the council area for discussion with the PSNI District Commander. Common issues included the 101 non-emergency number, police response times and engagement with local officers.

<b>Indicator 3.2 - Contribute to the NI Executive's Action Plan in tackling paramilitary activity, criminality and organised crime.</b>	
<b>Measures</b>	<b>Status</b>
3.2.1 To develop a programme of work in collaboration with key partners to implement recommendations for the Board in the NI Executive Action Plan.	<p><b>Achieved:</b></p> <p>Board Members met with the Independent Reporting Commission in May 2017.</p> <p>Board officials in attendance at 3 Working Group meetings throughout 2017 and 2018.</p> <p>Programme Director presented update to Independent Members in September 2017 and March 2018.</p> <p>Board Members met with the Task Force on Tackling paramilitarism in March 2018.</p>
3.2.2 To support and monitor PSNI and PCSPs contribution to the NI Executive Action Plan.	<p><b>Achieved:</b></p> <p>PCSPs included information on local activities to increase confidence and eliminate paramilitarism in the thematic report cards submitted for Oct-Dec 2017 quarter.</p> <p>Two workshops held on Tackling Paramilitarism in September 2017 with PCSP Chairs, Vice Chairs and Managers.</p> <p>Board Members met with the Task Force on Tackling paramilitarism in March 2018.</p>

**Measure 3.21/3.2.2: Contribute to the NI Executive's Action Plan in tackling paramilitary activity, criminality and organised crime.**

'Fresh Start' set out the Executive's commitment to tackling paramilitary activity and associated criminality. It established an Independent 3 Person Panel ('The Fresh Start Panel') to make recommendations with their report published on 7 June 2016. The Executive responded to the report with an Action Plan, published 19 July 2016 that contains 43 actions. The Board has a role in implementing four of these actions, namely, A4, A5, A6 and A7.

The Board Chair, Vice Chair and officials met with representatives of the Independent Reporting Commission (IRC) in May 2017 to discuss the Board's role and its potential contribution to the delivery of these four actions. This initiated the Board's work in this area.

On 20 September 2017 five Independent Board Members, alongside Board Officials, met with the Programme Director for the Tackling Paramilitarism Programme Team and were provided with an overview of the programme and briefing on progress to date, including achievements since the launch of the Paramilitary Crime Task Force.

In implementing the four recommendations, in conjunction with the PSNI and the PCSPs, Board officials attend three working groups organised by the Programme Team, namely, the Tackling Criminality and Promoting Lawfulness Delivery Group (TCPL), the Communities, Transition and Learning Delivery Group (CTL) and the Communications Subgroup.

In addition, officials also organised two workshops for PCSP Chairs, vice chairs and managers on the issue of the potential contribution that PCSPs could make to building community confidence in the rule of law and embedding a culture of lawfulness at the local level. PCSPs have included various actions within their 2018-19 Action plans to tackle these issues at a local level and the Board will be able to report on this in more detail in future years.

Recommendation A5 states that "The Executive, the Policing Board and the PSNI should review the resourcing and operation of policing in communities to ensure that policing is

visible and resourced to fully engage in those communities most vulnerable to criminal control". Discussion points included that the role of the Community and Voluntary sector and PCSPs are vital in the delivery of this recommendation and that resourcing will be key. Policing and Community Support Officers may be needed to deliver this objective, Neighbourhood Policing presence may need increased, there is a need to look at the Scottish model of Special Constables and the possibility that this recommendation could be progressed without additional resourcing were all identified. The following progress has been made in the reporting period:

- Discussion between Independent Members and the PSNI in relation to the Policing with the Community (PwC) project;
- Completion of QUB research to examine the impact of recent changes to Neighbourhood policing;
- Delivery of 2 public seminars by the Board to address these issues; Local Policing (September 2017) and Doing more with Less (January 2018); and
- Working closely with the PSNI Engagement Branch, including the delivery of a joint seminar (November 2017).

Recommendation A6 states that "In setting the strategic objectives of PCSPs, the Department of Justice and Policing Board should ensure that the partnerships focus on building community confidence in the rule of law and embedding a culture of lawfulness". This recommendation forms part of the 2018-19 objectives for PCSPs and discussion points included the need to focus on building community confidence in the rule of law and embedding a culture of lawfulness in the delivery of PCSP action plans and what can PCSP's can do to support others. The following progress has been made in the reporting period:

- DOJ, Policing Board and DfC held a workshop with PCSP's (September 2017) to discuss the rule of law and embedding a culture of lawfulness;
- PCSP's encouraged to include actions to address this issue under Strategic Priority 3 in their 2018-19 plans (budget was made available);
- Outcome Based Accountability (OBA) training provided to PCSP's to assist them articulate the impact of this work; and

- PCSP's will be reporting against the impact made to attitudinal change/opinion and to knowledge.

Recommendation A7 states that "The designated organisations should also ensure that their representatives are sufficiently senior and committed to building effective partnerships". Discussion points included the need for the Board and Joint Committee to meet regularly with designated organisations, the most recent meeting was on 6 December 2017, with the next meeting scheduled for 19 June 2018 and the importance of the role, attendance and representation emphasised to designated organisations. The following progress has been made in the reporting period:

- The Joint Committee meet regularly with designated organisations, the most recent meeting was 6 December 2017; and
- The importance of the role, attendance and representation emphasised to designated organisations at this meeting.

Recommendation A8 states that "The Executive and the PSNI, in conjunction with the Policing Board, should review their protocols for engaging with representatives of paramilitary groups. This change in approach should also apply to other public and community bodies and public representatives". In the absence of a legally constituted Board there has been no progress on this recommendation in this reporting period.



**Amanda Stewart**  
**Chief Executive**  
**15 June 2018**



## 4. ACCOUNTABILITY REPORT

### Corporate Governance Report

#### Policing Board Membership

The Police (NI) Act 2000 covers membership of the Board during Devolved Government and in respect of its constitution states that the Board shall consist of 19 members. Ten are elected NI Assembly Members and nine are independent members appointed by the Department of Justice. Following the Assembly Election on 2 March 2017 political members to the Board have not been nominated. The following independent members remain in post. Details of Members are outlined below. Members' Register of Interests can be found on the Board website at [www.nipolicingboard.org.uk](http://www.nipolicingboard.org.uk)



#### Independent Members

1. Anne Connolly (Chair)
2. Brice Dickson
3. Ryan Feeney
4. Roisin McGlone
5. Paul Nolan
6. Wendy Osborne
7. Catherine Pollock
8. Deirdre Toner
9. Deborah Watters (Vice Chair)



### **Non-current Assets**

Movements in property, plant and equipment are disclosed in Note 6 to the Financial Statements. The Board does not believe there is any material difference between the market and net book value of its assets.

### **Interest Rate and Currency Risk**

The Board has no borrowings, relies on the DOJ for its cash requirements and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, therefore it is not exposed to interest rate risk or currency risk.

### **Future Developments**

The Board, in conjunction with the PSNI, published the 2017-18 Policing Plan on 31 March 2017. As well as consultation with the Chief Constable, the Northern Ireland Audit Office, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), Policing and Community Safety Partnerships (PCSPs) and the public, the Board also analyse crime statistics and trends, strategic priorities, resources available for policing and police performance information before setting the outcomes to be achieved. The Strategic Outcomes set by the Board must also reflect the long term policing objectives as set out by the Minister of Justice.

The Policing Plan 2017-18 reflects the Board's Strategic Outcomes for Policing 2016-2020 which comprises of five overarching themes:

- Communication and Engagement;
- Protection of People and Communities;
- Reduction in Offending;
- More efficient and effective delivery of Justice; and
- More efficient and effective Policing.

To acknowledge the importance of Policing with the Community and cultural change within PSNI, the Policing Plan reflects a strengthened emphasis on quality of service, partnership working and a focus on strategic policing priorities.

The 2017-18 Plan is the second year of working towards achieving the Strategic Outcomes and in order to assess PSNI performance the Board developed a performance monitoring framework containing a range of specific measures and indicators which clearly delineate the information required in order to assess service delivery against these Strategic Outcomes. As the Board is not currently legally constituted the 2017-18 Policing Plan arrangements will continue in 2018-19.

Throughout 2017-18, PSNI have reported their performance to Board officials as agreed through the performance monitoring framework however as the Board is not currently legally constituted, a Board assessment of PSNI's performance against the 2017-18 Policing Plan cannot be reported.

### **Charitable Donations**

No charitable donations were made in the year. (2016-17: £Nil)

### **Health and Safety**

The Board is committed to providing for staff an environment that is as far as possible, safe and free from risk to health. In accordance with this commitment, the Board has complied with the relevant legislation.

### **Payments to Suppliers**

The Board's policy is to pay bills from suppliers within ten working days following receipt of a properly rendered invoice or in accordance with contractual conditions, whichever is the earlier. During this year the Board achieved a prompt payment performance of 100% (2016-17: 100%) of all properly rendered invoices within ten days.

### **Pensions**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (NI) (PCSPS)(NI). Detailed information on Pensions can be found in the Remuneration and Staff Report and in the Notes to the Financial Statements.

### **Audit**

Financial statements for 2017-18 are audited by the Comptroller and Auditor General for Northern Ireland (C&AG), who heads the Northern Ireland Audit Office (NIAO), is

appointed by statute and reports to the NI Assembly. His certificate is produced at pages 87 – 90.

The audit fee for the work performed by the staff of the C&AG during the reporting period, and which relates solely to the audit of these Financial Statements, was £15,000 (2016-17: £15,000). The C&AG carried out an annual review of the Board's obligations under Part V of the Police (NI) Act 2000 to provide an independent assessment of the Board's approach to Best Value/Continuous Improvement and made conclusions which resulted in an unqualified audit opinion for the year 2017-18. Further information on this and prior year Internal Audit Reports where limited assurance was given is detailed in the Chief Executive's Governance Statement on pages 64 - 72.

### **Reporting of Personal Data Related Incidents**

Departments are required by Central Government to monitor their 'information risk management' in line with policy and Information Commissioner's Office Guidance to provide an annual report. There were no protected personal data incidents to report to the ICO in the reporting period of 1 April 2017 – 31 March 2018. The Board will continue to monitor and assess its information risk to identify any weaknesses and to ensure continuous improvement of its systems.

### **Reporting of Complaints**

The policy for dealing with complaints made against the Board is published on the Board's website. Formal complaints must in the first instance be addressed to the Board's Chief Executive and a response will be issued to the complainant by Senior Management. If, after receiving the response to their complaint, the complainant remains dissatisfied they may complain directly to the Board's Performance Committee. The Committee must consider the complaint and then make a recommendation to the Chair's Advisory Group as regards any action to be taken. The complainant will be advised of Committee deliberations. If the complainant is still not satisfied, they may complain to the Office of the Northern Ireland Ombudsman, in accordance with its complaints procedures. The Board received two complaints during the 2017-18 financial year in line with this policy.

## **Statement of Accounting Officer Responsibilities**

Under Paragraph 16 of Schedule 1 of the Police (NI) Act 2000, as amended by the Police (NI) Act 2003 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the Department of Justice, has directed the Northern Ireland Policing Board to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Northern Ireland Policing Board and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the DOJ, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis;
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable; and
- Confirm that, as far as the Accounting Officer is aware, there is no relevant audit information of which the Board's auditor is unaware and has taken all necessary steps to make herself aware of any relevant audit information and to establish that the Board's auditor is aware of that information.

The Permanent Secretary of the DOJ has appointed the Chief Executive as Accounting Officer of the Board. The responsibilities of an Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Board's assets, as set out in Managing Public Money Northern Ireland issued by DOF.

## **Governance Statement**

### **Scope of Responsibility**

The work of the Board is wide ranging in respect of its statutory duties which include measures to ensure effective oversight and monitoring of the work of the police and encouraging the engagement of the community with the police. It is the role of the Board to secure the delivery of an effective, efficient and impartial policing service and to hold the Chief Constable to account for that. For example through:

- developing and monitoring the Annual Policing Plan, the key document for policing in Northern Ireland setting the outcomes and measures for an effective and efficient police service;
- monitoring police performance in delivering key strategies – including Equality, Diversity and Good Relations, People, Training and Development; Information and Communication Systems; Estate Services; Procurement and Logistic Services, Transport Service, Counter Terrorism and Community Engagement.
- monitoring the compliance of the police with the Human Rights Act, which includes the developing and monitoring of the Code of Ethics which governs the conduct of police officers;
- appointment and discipline of senior officers\staff in PSNI.
- negotiating the annual budget for policing and scrutinising expenditure;
- assessing the level of public satisfaction with the performance of the police assessing the effectiveness and public satisfaction of Policing and Community Safety Partnerships (PCSPs) and DPCSPs;
- making arrangements to gain the co-operation of the public with the police in preventing crime;
- ensuring arrangements are in place to secure continuous improvement within PSNI and the Board; and
- monitoring the NCA's performance in carrying out its Annual Plan in Northern Ireland and making arrangements for obtaining the co-operation of the public with the NCA in the prevention of organised crime.

The Board replaced the Police Authority for Northern Ireland and was established as an executive Non-Departmental Public Body (NDPB) of the Northern Ireland Office (NIO) on 4 November 2001 by the Police (NI) Act 2000, as amended by the Police (NI) Act 2003.

On 12 April 2010, justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the DOJ came into existence as a new Northern Ireland Department. From this date, the Board became an executive NDPB of the DOJ.

In accordance with the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the Annual Report and Accounts of the Board are laid in the Northern Ireland Assembly.

The Board priorities are set out in the 2017–2020 Corporate Plan and in the associated one year plans.

### **Purpose of the Governance Framework**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Ireland Policing Board's (Board) policies, aims and objectives, whilst safeguarding public funds and Board assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

I am directly accountable to the Accounting Officer of the Department of Justice for Northern Ireland (DOJ) and may be called to appear before the Northern Ireland Assembly's Justice and Public Accounts Committees. The responsibilities of an Accounting Officer are set out in the Police (NI) Act 2000 and in the DOF publication, Managing Public Money Northern Ireland.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Board policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Board for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts, and accords with DOF guidance.

## **Governance Framework**

Membership of the Board is governed by Part III of Schedule 1 to the Police (NI) Act 2000. Nine Independent Members are appointed by the Minister of Justice (most recently in June 2015); ten political Members are nominated by the Assembly parties under the d'Hondt principles at the request of the Minister of Justice. In June 2016, as a result of the Assembly elections, seven new political Members joined the Board. Members work together and act as a single corporate body.

There has not been a legally functioning Board following the NI Assembly elections on 2 March 2017 on which date Political Board Members ceased to hold office. An Executive was not formed following the 2 March 2017 election. During the reporting period meetings were held with the Independent Members of the Board to ensure they were fully briefed on key issues and regular Governance meetings with our Sponsor Department to discuss and review areas of concern to either party.

The Chair has particular responsibility to provide effective and strategic leadership to the Board. The Chair will ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, and responsibilities and will undertake an annual appraisal of Independent Members of the Board. The Chair will work closely with the Chief Executive to facilitate the business of the Board. Following appointment Board Members are required to adhere to the Code of Conduct for Board Members.

Members each have a corporate and collective responsibility to ensure that the Board properly discharges its functions. In doing so, each Member is required to spend a minimum of four days per month on Policing Board matters and be required to perform a representative role on behalf of the Board at a variety of events, and be required to attend Policing Board meetings and the meetings of those Committees to which they have been allocated. In addition to attendance at formal Board and Committee meetings, the Board may agree that Members should take on additional roles to assist in furthering the Board's objectives.

## **Northern Ireland Policing Board**

The purpose of the Board is to:

- secure an effective and efficient local police service;
- hold the Chief Constable to account by receiving a monthly report on policing and questioning the Chief Constable in public and private;
- appoint and dismiss, if necessary PSNI senior officers/civilian staff;
- oversee the Board's Corporate Business Planning arrangements;
- publish a Policing Plan;
- take decisions based on recommendations received by all of the Committees of the Board; and
- receive and consider reports and recommendations from Board Officials.

There has not been a legally functioning Board following the NI Assembly elections on 2 March 2017 on which date Political Board Members ceased to hold office. An Executive was not formed following the 2 March 2017 election. As a consequence, the Northern Ireland Budget Act 2017 was progressed through Westminster, receiving Royal Assent on 16 November 2017, followed by the Northern Ireland Budget (Anticipation and Adjustments) Act 2018 which received Royal Assent on 28th March 2018. The authorisations, appropriations and limits in these Acts provide the authority for the 2017-18 financial year and a vote on account for the early months of the 2018-19 financial year as if they were Acts of the Northern Ireland Assembly.

At the last meeting of the Board in 27 February 2017, I sought and received approval for the Board and PSNI's budget. In approving the budget planning information the Board agreed the associated cash and resources be released as required in order to maintain services within NIPB and PSNI.

At that meeting, I also sought and received delegated authority from the Board, for the Chair, Vice Chair and the Chief Executive to consider and if deemed suitable, approve high value compensation requests, land acquisitions/disposals, assisted removals and PSNI secondments.



The absence of a legally constituted Policing Board has curtailed the organisation to deliver and discharge its full range of legislative duties. During the reporting period, work has progressed where possible within my delegations as Accounting Officer and those that were provided to me, the Board Chair and Vice Chair at the final meeting of the Board on 27 February 2017.

Details of the Members are set out on page 59 of the Annual Report. Due to the Board not being legally constituted no Board meetings were held during 2017-18.

### **Executive Team**

The Board has an Executive team of four led by myself, Amanda Stewart, appointed as Chief Executive on 16 May 2016. I am the principal advisor to the Board and I lead and direct the Board's staff to ensure the Board achieves its objectives. I am also the Accounting Officer of the Board.

The Board and PSNI have agreed Management Statement and Financial Memorandum's in place with DOJ. During the reporting period I held regular meetings with my Senior Management Team, I had regular Governance meetings with our Sponsor Department to discuss and review areas of concern to either party, and meetings with the Independent Members of the Board to ensure they were fully briefed on key issues.

### **Risk Management and Internal Control**

Leadership is provided through the Chief Executive and the Senior Management Team (SMT) with Directors being held responsible for the management of risk within their areas of responsibility. The Boards policy on managing risk and the Risk Management Framework, detail the roles and responsibilities of those parties involved in the process. The policy complies with HM Treasury Orange Book guidance and integrates with the Board's approach to corporate and business planning. The Board's attitude to risk is described as 'risk averse'.

Key risks identified:

- Security threat – post 21 November 2009 there remains a moderate threat against the Board;

- Resource implications – to ensure adequate resources are available to meet the requirements of the Board and PSNI discharging their statutory duties;
- Reputation – the Board has been identified as co-defendants in a number of legal cases; and
- Information assurance – to ensure the Board implements procedures to safeguard information and comply with Information Assurance (IA) Maturity Model requirements.

Staff are aware of this Framework and guidance is provided through regular meetings of senior management, each directorate and branch. Training is also provided for staff to equip them with the necessary knowledge and skills to manage risk in a way appropriate to their authority and duties.

The Board is committed to embedding risk management within the activities of the organisation as a priority in developing an appropriate Corporate Governance environment and through linkages with the corporate / annual business plans, and decision making process to ensure relevance.

Risks are identified, evaluated and monitored through regular updates and reviews conducted by the Accounting Officer and the SMT. The Corporate and Directorate Risk Registers are reviewed quarterly or more frequently as determined by the SMT. These areas are discussed and any appropriate action is agreed between the Chief Executive and the Director concerned. The Corporate Risk Register is reviewed and discussed at each of the Board's quarterly Audit and Risk Management Committee meetings, with Directorate red risks being reported to the Committee by exception. No instances of fraud have been identified during the financial year.

IA is the confidence that the Board's Information Systems will protect the information they handle and will function as and when they need and under the control of authorised users. More specifically, IA seeks to protect and defend information and information systems by ensuring confidentiality, integrity and availability, in addition to other such properties, such as, authentication, accountability, non-repudiation and reliability. These goals are relevant whether the information is in electronic or hard copy, storage, processing or transit and whether threatened by malice or accident by employees or contractors.

## **Review of Effectiveness of the Governance Framework**

Each Director is responsible for providing a stewardship statement every six months to me which is assessed against their Directorate Business Plan on issues of risk. Within this statement they demonstrate how they have controlled risks during these periods and highlight any areas which might adversely affect the performance of their Directorate or the organisation as a whole. I as the Accounting Officer provide assurances to the Departmental Accounting Officer that any non-compliance with relevant guidelines or instructions has been included in my report as required and, where necessary, controls have been strengthened to prevent recurrence. In the current year I had one instance of non-compliance to report.

The Board has an Internal Audit service provider which operates to defined standards and whose work is informed by an analysis of risk to which the Board is exposed and provides me with assurance on issues of internal control, governance and risk. The Chief Audit Executive issues an independent opinion on the adequacy and effectiveness of the Board's system of internal control.

The C & A G for Northern Ireland carried out a statutory review of the Board's 'Continuous Improvement Arrangements' as per Part V of the Police (NI) Act 2000. The report for 2017-18 contained an unqualified audit opinion.

In a normal year a number of reviews are undertaken of Board functions. These include:

- internal audit reviews of specific work areas as defined in the Board's Internal Audit Strategy and Annual Internal Audit Work Plan;
- self-assessment of the Audit and Risk Management Committee; and
- NIPB Board evaluation.

However as the Board was not legally constituted during 2017-18 the self-assessment of the Audit and Risk Management Committee and the NIPB Board evaluation were not undertaken. In the Board's Business Plan 2017-18 an outcome was set 'to establish a framework to assess Board / Committee effectiveness'. This work has commenced and will be completed during 2018-19.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Board who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Report To Those Charged With Governance and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board Chair, and (in the absence of the Audit and Risk Management Committee) the DOJ Permanent Secretary, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

### **Significant Internal Control Issues Identified**

During 2012-13 an Internal Audit Report, Review of Procedures within Police Administration Branch, received limited assurance and the findings were reported to the Audit and Risk Management Committee on 22 March 2013. The only outstanding issue is the implementation of an electronic case management system which due to IT compatibility issues has not been implemented. In a follow-up review of Procedures within Police Administration Branch during 2017-18, the issue of implementation of an electronic case management system was examined and upheld. I expect the recommendation to be fully implemented during the 2019-20 financial year subject to the availability of capital funding.

The Board had a lapse in its controls relating to the processing and storage of information which led to an adverse decision being taken by an Industrial Tribunal against the Board. I have sought a review of the Industrial Tribunal's decisions and lodged an Appeal with the Court of Appeal in the event of an unfavourable outcome in our applications to the Tribunal.

### **Ministerial directions**

During the year no Ministerial directions were sought or given.

### **Accounting Officer Statement on Assurance**

In the absence of an Audit and Risk Management Committee the 2017/18 Internal Audit plan was agreed in principle by Board's Senior Management Team, based on the NIPB Internal Audit Strategy and taking into account new risks and issues arising since approval of the 3 year Strategy.

During the year Deloitte completed their Annual Internal Audit Plan submitting reports together with recommendations for improvements where appropriate to the Chief Executive and Board Chair on a timely basis. As advised by the Board's Chief Audit Executive, in the absence of a legally constituted Board copies of the completed reports were provided to the DOJ Permanent Secretary. Their Internal Audit Annual Report for 2017/18 contained an overall assurance statement on the Board's internal control framework, governance and risk management process. On the basis of the audit work performed during the year, they were able to provide **satisfactory assurance** in relation to the adequacy of the systems of control in place within the organisation and their operation throughout the year. They have received responses from management on issues raised and acknowledge that recommendations for improvements are being implemented.

I am therefore confident that the Board has in place a robust system of accountability, which I can rely on as Accounting Officer, and which complies with the Corporate Governance Code. The system allows me to provide the assurance that the Board will spend its money in line with the principles set out in Managing Public Money NI.

Having reviewed the evidence provided to me by the management assurance exercises, the risk registers, the 2017-18 annual internal audit report and the external audits of the Board, I am satisfied that the Board has maintained a sound system of internal control during the financial year 2017-18.

## **Remuneration and Staff Report**

### **Remuneration Policy**

The Board remunerates three distinct categories of employees and Members, which are disclosed below.

#### **Independent Board Members**

Independent Members are appointed by the DOJ. The remuneration and allowances of members is dictated by the requirements of the Police (NI) Act 2000, Schedule 1, part 3, paragraph 12-(1) – “The Board may pay the Chair, Vice-Chair and other members of the Board such remuneration and allowances as the Minister of Justice may determine.”

#### **Political Board Members**

Political Members are appointed using the D’Hondt principles pertaining to the Local Northern Ireland Assembly. When the Assembly is fully operational, Political Members of the Board do not receive additional remuneration for their work on the Board, above their MLA allowance. During periods when the local Assembly is not fully operational, Political Members receive an allowance up to the total of that received by an Independent Member of the Board, but no more than the difference between the amount equal to a full MLA Assembly allowance and that paid when the local Assembly is not fully operational.

#### **Officials**

The Chief Executive post is aligned with the Senior Civil Service (SCS) and is remunerated accordingly. The Senior Civil Service (SCS) remuneration arrangements are based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance. In 2012, upon creation, there were 11 points on each scale. The minimum point has been removed in each year from 2014 to 2016 (the scales now have 8 pay points) to allow progression through the pay scales within a reasonable period of time.

The pay remit (for the NI public sector and SCS) is normally approved by the Minister of Finance but in the absence of an Executive the DoF Permanent Secretary has set the 2017-18 NI public sector pay policy in line with the overarching HMT parameters and in a

manner consistent with the approach taken by the previous Finance Minister in 2016-17. The Directors and other staff are all remunerated in accordance with NICS remuneration conditions and pay scales. In line with NICS pay and conditions, the Board operates a Special Bonus Scheme which applies to all staff in the Board, except the Chief Executive.

### Service Contracts

Independent Members are appointed for a period of up to four years in accordance with the Police (NI) Act 2000, Schedule 1, part 3, paragraph 8. Board Officials are appointed on merit on the basis of fair and open competition. The officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at [www.nicscommissioners.org](http://www.nicscommissioners.org)

### Salary and Pension Entitlements

The following sections provide details of the remuneration of Board Members and the remuneration and pension interests of the senior officials of the Board.

Audited Information	2017-18			2016-17		
	Salary	Benefit In Kind	Total	Salary	Benefit In Kind	Total
Name and Title	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Ms D Toner	15	4	19	15	-	15
Mrs A Connolly (Chair)	50	4	54	50	6	56
Professor B Dickson	15	-	15	15	-	15
Mr R Feeney	15	-	15	15	-	15
Ms R McGlone	15	-	15	15	-	15
Dr P Nolan	15	-	15	15	-	15
Mrs W Osborne	15	1	15	15	-	15
Ms C Pollock	15	-	15	15	2	17
Ms D Watters (Vice-Chair)	30	-	30	30	-	30
Mr K Buchanan MLA	-	-	-	-	2	2
Mr R Hussey MLA	-	-	-	-	3	3
Mr R McCartney MLA	-	-	-	-	2	2
Ms C Ruane MLA	-	-	-	-	2	2

## Board Members Salary Entitlements

Remuneration of Board members is disclosed below. None of the posts are pensionable and the only other primary benefit is the payment of expenses for home to office travel and the associated taxation, totalling £9,020 (2016-17: £15,534). Remuneration for Independent Board Members (excluding the Chair and Vice-Chair) is £15,000 per annum (2016-17: £15,000). Disclosed below is Board members' remuneration.

## Senior Officials Salary and pension entitlements (Audited Information)

Audited Information Title	2017-18				2016-17			
	Salary (£'000)	Bonus Payment (£'000)	Pension Benefits * (to nearest £1000)	Total (£'000)	Salary (£'000)	Bonus Payment (£'000)	Pension Benefits * (to nearest £1000)	Total (£'000)
Mr Edgar Jardine, Acting Chief Executive (From 1 April 2016 to 15 May 2016)	-	-	-	-	5-10 75-80 full year equivalent)	-	-	5-10 (75-80 full year equivalent)
Mrs Amanda Stewart, Director of Policy (From 1 April 2016 to 15 May 2016); Chief Executive (From 16 May 2016)	70-75	-	47	115-120	65-70	-	114	175-180
Mr. David Wilson, Director of Support Services	50-55	-	10	60-65	50-55	-	15	65-70
Mr Brian McDonald, Acting Director of Support Services (From 1 April 2016 to 15 May 2016)	-	-	-	-	5-10 (45-50 full year equivalent)	-	2	5-10 (45-50 full year equivalent)
Mrs Siobhan Fisher, Acting Director of Partnership (From 1 April 2016 to 19 June 2016)	-	-	-	-	10-15 (45-50 full year equivalent)	-	3	10-15 (50-55 full year equivalent)
Mrs Paula Gow, Acting Director of Partnership (From 12 September 2016 to 23 April 2017)	0-5 (45-50 full year equivalent)	-	16	15-20 (60-65 full year equivalent)	25-30 (45-50 full year equivalent)	-	22	45-50 (65-70 full year equivalent)
<b>Audited Information</b>	<b>2017-18</b>				<b>2016-17</b>			



Northern Ireland Policing Board Annual Report and Accounts

Title	Salary (£'000)	Bonus Payment (£'000)	Pension Benefits * (to nearest £1000)	Total (£'000)	Salary (£'000)	Bonus Payment (£'000)	Pension Benefits * (to nearest £1000)	Total (£'000)
Ms Jenny Passmore, Acting Director of Policy (From 25 May 2016 to 31 January 2017); Director of Policy (From 1 February 2017)	45-50	-	70	115-120	35-40 (45-50 full year equivalent)	-	63	100-105 (105-110 full year equivalent)
Mr Adrian McNamee Director of Partnership (From 24 April 2017)	40-45 (45-50 full year equivalent)	-	32	75-80 (75-80 full year equivalent)	-	-	-	-

\* The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

### Salary Senior Officials

'Salary' includes gross salary, overtime and any other allowance to the extent that it is subject to UK taxation and any gratia payments. This report is based on payments made by the Board and thus recorded in these accounts.

### Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid to senior employees.

### Bonuses

Bonuses, if awarded, relate to performance in the year in which they become payable to the individual. The bonuses reported in 2017-18 relate to performance in 2016-17 and the comparative bonuses reported for 2016-17 relate to performance in the 2015-16 financial year.

## Fair Pay Disclosure

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

	2017-18	2016-17
Band of Highest Paid Director's Total Remuneration	65-70	65-70
Range of staff remuneration	15-20 to 65-70	15-20 to 65-70
Median Total	30,383	29,605
Ratio	2.3	2.3

In 2017-18, and in 2016-17, no employees received remuneration in excess of the highest-paid director. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

## Pension Entitlements (audited information)

Pension entitlements of the most senior employees are shown below:

Senior Employees	Accrued pension at pension age as at 31/03/18 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/18	CETV at 31/03/17	Real increase in CETV	Employer Contribution to partnership pension account
	£000	£000	£000	£000	£000	Nearest £100
Mrs Amanda Stewart, Director of Policy (From 1 April 2016 to 15 May 2016); Chief Executive (From 16 May 2016)	20.0 - 25.0 Plus lump sum of 50.0 – 55.0	2.5 – 5.0 Plus lump sum of 0 – 2.5	316	273	23	-
Mr. David Wilson, Director of Support Services	15.0 – 20.0 Plus lump sum of 45.0 – 50.0	0 – 2.5 Plus lump sum of -2.5 – 0	321	299	1	-
Mrs Paula Gow, Acting Director of Partnership (From 12 September 2016 to 23 April 2017)	5.0 – 10.0 Plus lump sum of 20.0 – 25.0	0 – 2.5 Plus lump sum of 0 – 2.5	132	122	10	-
Ms Jenny Passmore, Acting Director of Policy (From 25 May 2016 to 31 January 2017); Director of Policy (From 1 February 2017)	15.0 – 20.0 Plus lump sum of 45.0 – 50.0	2.5 – 5.0 Plus lump sum of 5.0 – 7.5	319	253	49	-

Senior Employees	Accrued pension at pension age as at 31/03/18 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/18	CETV at 31/03/17	Real increase in CETV	Employer Contribution to partnership pension account
	£000	£000	£000	£000	£000	Nearest £100
Mr Adrian McNamee, Director of Partnership (From 24 April 2017)	15.0 – 20.0	0 – 2.5	185	160	16	-

Mr E Jardine chose not to be covered by the Northern Ireland Civil Service Pension Scheme during the 2016-17 reporting period.

No member of the Senior Management Team is in a supplementary pension scheme.

### Northern Ireland Civil Service (NICS) Pension Schemes

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and nuvos pension arrangements also moved to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate is 2.32%.

New entrants joining can choose between membership of alpha or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). From April 2011, pensions payable under classic, premium, and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2017 was 3% and HM Treasury has announced that public service pensions will be increased accordingly from April 2018.

Employee contribution rates for all members for the period covering 1 April 2018 – 31 March 2019 are as follows:

<b>Annualised Rate of Pensionable Earnings (Salary Bands)</b>		<b>Contribution rates – Classic members or Classic Members who have moved into Alpha</b>	<b>Contribution rates – All other members</b>
<b>From</b>	<b>To</b>	<b>From 01 April 2018 to 31 March 2019</b>	<b>From 01 April 2018 to 31 March 2019</b>
£0	£15,000.99	4.6%	4.6%
£15,001.00	£21,636.99	4.6%	4.6%
£21,637.00	£51,515.99	5.45%	5.45%
£51,516.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is

essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of **classic**, **premium**, and **classic plus** and 65 for members of **nuvos**. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website <https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>.

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their

purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

### Compensation for loss of office

There were no compensation benefits paid by the Board during this financial year. One member of staff left under Voluntary Redundancy during the 2016-17 financial year. They received a compensation payment in the band £25k - £50k.

## Staff Report (Audited Information)

### Staff Numbers and Related Costs

Details of the total staff costs and breakdown of staff between permanently employed and other staff are shown below:

<b>(i) Staff costs comprise:</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>£000</b>	<b>£000</b>
<b>Permanently employed staff</b>		
Wages and salaries	<b>1,520</b>	1,592
Social security costs	<b>153</b>	151
Other pension costs	<b>300</b>	302
<b>Total permanent staff costs</b>	<b>1,973</b>	2,045
Secondments/agency costs	<b>231</b>	226
<b>Total cost</b>	<b>2,204</b>	2,271

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but the Board is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DOF Superannuation and Other Allowances Annual Report and Accounts as at 31 March 2018.

For 2017-18, employers' contributions of £299,943 were payable to the NICS pension arrangements (2016-17 £301,742) at one of three rates in the range 20.8% to 26.3% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of alpha from April 2015. For 2018-19, the rates will also range from 20.8% to 26.3% however the salary bands differ. The contribution rates are set to meet the cost of the benefits accruing during 2017-18 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £Nil (2016-17 £Nil) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2016-17 8% to 14.75%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £Nil, 0.5% (2016-17 £Nil, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the reporting period date were £Nil. Contributions prepaid at that date were £Nil.

No persons (2016-17: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £Nil (2016-17: £Nil).

(ii) The average number of whole-time equivalent persons employed during the year was as follows:

	<b>2017-18</b>	2016-17
	<b>Number</b>	Number
Senior management	<b>4</b>	4
Other directly employed staff	<b>37</b>	39
<b>Total permanent staff numbers</b>	<b>41</b>	43
Secondments/agency	<b>8</b>	8
<b>Total number of employees</b>	<b>49</b>	51

The average number of Board Members during the year was 9 (2016-17: 19).

### (iii) Staff numbers

Staffing at 31 March 2018, the staff of the Board comprised 22 seconded civil servants from the Northern Ireland Civil Service and 32 direct recruits appointed following public advertisement, 1 of which is aligned with the Senior Civil Service (SCS).

The breakdown by gender:

	<b>2017-18</b>		2016-17	
	<b>Male</b>	<b>Female</b>	Male	Female
Senior civil service equivalent	-	<b>1</b>	-	1
Directors	<b>2</b>	<b>1</b>	2	2
Staff	<b>19</b>	<b>31</b>	21	25
<b>Total</b>	<b>21</b>	<b>33</b>	23	28



**Voluntary Redundancy Scheme – exit packages**

Details of all compensation and exit packages for staff are outlined below:

Exit package cost band	Number of agreed departures	Total number of exit packages by cost band for 2017-18	Total number of exit packages by cost band for 2016-17
<£10,000	-	-	-
£10,000 - £25,000	-	-	-
£25,000 - £50,000	-	-	1
£50,000 - £100,000	-	-	-
£100,000 - £150,000	-	-	-
£150,000 - £200,000	-	-	-
Total number of exit packages	-	-	1
Total resource cost band	-	-	£25,000 – £50,000

Exit costs are accounted for in the year of departure.

**Staff Policies**

The Board places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them and on the various factors affecting performance of the organisation. This is achieved through formal and informal meetings, regular briefings, information bulletins, and staff memos.

The Board has a policy of equal opportunities which applies in relation to recruitment of all new employees and to the management of existing personnel. All staff are offered training relevant to their roles and this has contributed to the overall performance of the organisation.

### Disabled persons

The Board as a member of the Employers Forum for Disability Northern Ireland works closely with disability organisations to ensure all disability and equality legislation is adhered to through the welcoming of employment applications from disabled persons and promoting, training, development and promotion of disabled persons employed by the Board.

### Sickness absence data

The level of staff absence due to sickness in 2017-18 was 3.05% (2016-17: 4.04%).

### Off payroll disclosures (audited information)

During the year the Board did not engage the services of any individual at a cost exceeding £58,200 where the contract for services stated the individual was liable for their own taxes to HMRC. All off-payroll engagement arrangements are now assessed in line with IR35 requirements. Details of the number of engagements in place during the year are shown in the table below:

<b>Number of engagements at 1 April 2017</b>		<b>1</b>
Number of new off payroll engagements ( <b>(a)+(b)</b> below)		
Those caught by IR35 <b>(a)</b>		<b>1</b>
Which consists of:	<b>1</b>	
- Number engaged directly by the Board and are on the Boards payroll <b>(c)</b>	<b>1</b>	
- Number of engagements reassessed for consistency/assurance purposes during the year.	-	
- Number of engagements changed to IR35 status following the consistency review.	-	
	<hr/>	
Those not caught by IR35 <b>(b)</b>	-	
	<hr/>	
Number of engagements which have come onto the payroll (this will include <b>(c)</b> above)		<b>(1)</b>
Number of engagements which have come to an end		<b>(1)</b>
		<hr/>
<b>Off payroll engagements at 31 March 2018</b>		<b>-</b>

**Consultancy costs (audited information)**

Details of all consultancy costs are outlined below:

	<b>2017-18</b>	2016-17
	£	£
Consultancy costs	<b>1,280</b>	-

**Losses and special payments (audited information)**

There were no losses and special payments over £250,000 (2016-17: £Nil).



**Amanda Stewart**  
**Chief Executive**  
**15 June 2018**

**NORTHERN IRELAND POLICING BOARD  
THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL  
TO THE NORTHERN IRELAND ASSEMBLY**

**Opinion on financial statements**

I certify that I have audited the financial statements of the Northern Ireland Policing Board for the year ended 31 March 2018 under the Police (Northern Ireland) Act 2000, as amended by the Police (Northern Ireland) Act 2003, as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of Northern Ireland Policing Board's affairs as at 31 March 2018 and of the net expenditure for the year then ended; and
- have been properly prepared in accordance with the Police (Northern Ireland) Act 2000, as amended by the Police (Northern Ireland) Act 2003, as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 and Department of Justice directions issued thereunder.

**Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

**Basis of opinions**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff

and I are independent of the Northern Ireland Policing Board in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

### **Other Information**

The Northern Ireland Policing Board and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Justice directions made under the Police (Northern Ireland) Act 2000, as amended by the Police (Northern Ireland) Act 2003, as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Responsibilities of the Northern Ireland Policing Board and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Northern Ireland Policing Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to examine, certify and report on the financial statements in accordance with the Police (Northern Ireland) Act 2000, as amended by the Police (Northern Ireland) Act 2003, as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

I am required to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

## Report

The Northern Ireland Policing Board normally consists of nine independent members appointed by the Minister of Justice and ten political members nominated by the Assembly parties under the d'Hondt principles. No Executive was formed after the Assembly elections in March 2017 meaning that political members could not be nominated. Some briefing of independent members has been undertaken since then, however the Governance Statement notes that the absence of a legally constituted Board has curtailed the organisation in discharging its full range of duties. As a result of this there is no functioning Audit Committee which is required under the *Corporate governance in central government departments: Code of Good Practice (NI)*. Whilst acknowledging that the current circumstances are beyond the Board's control, I am concerned at the impact that they have had on its governance arrangements. My opinion is not qualified in this regard.



*KJ Donnelly*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*Belfast*  
*BT7 1EU*

*28 June 2018*

## 5. NI POLICING BOARD FINANCIAL STATEMENTS

### Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

		2017-18	2016-17
	Note	£000	£000
Other Operating Income	5	(120)	(138)
<b>Total Operating Income</b>		<b>(120)</b>	<b>(138)</b>
Staff costs	3	2,204	2,271
Depreciation	6 & 7	55	49
Provision Expense	4	(61)	578
Other Operating Expenditure	4	3,341	3,472
<b>Total Operating Expenditure</b>		<b>5,539</b>	<b>6,370</b>
<b>Net Operating Expenditure</b>		<b>5,419</b>	<b>6,232</b>
<b>Net expenditure for the year</b>		<b>5,419</b>	<b>6,232</b>
<b><u>Other Comprehensive Net Expenditure</u></b>			
<b>Items that will not be reclassified to net operating costs:</b>			
Net loss (gain) on revaluation of Property Plant and Equipment	6	2	(8)
Net (gain) on revaluation of Intangibles	7	-	(3)
<b>Comprehensive Net Expenditure for the year</b>		<b>5,421</b>	<b>6,221</b>

The notes on pages 95 - 112 form part of these accounts.



**Statement of Financial Position as at 31 March 2018**

		<b>2018</b>	2017
	Note	<b>£000</b>	£000
<b>Non-current assets:</b>			
Property, plant and equipment	6	<b>86</b>	112
Intangible assets	7	<b>25</b>	34
<b>Total non-current assets</b>		<b>111</b>	146
<b>Current assets:</b>			
Trade and other receivables	9	<b>87</b>	100
Cash and cash equivalents	10	<b>26</b>	113
<b>Total current assets</b>		<b>113</b>	213
<b>Total assets</b>		<b>224</b>	359
<b>Current liabilities:</b>			
Trade and other payables	11	<b>(2,088)</b>	(1,565)
Provisions	12	<b>(981)</b>	(1,185)
<b>Total current liabilities</b>		<b>(3,069)</b>	(2,750)
<b>Total assets less current liabilities</b>		<b>(2,845)</b>	(2,391)
<b>Non-current liabilities</b>			
Provisions	12	<b>(121)</b>	(113)
<b>Total non-current liabilities</b>		<b>(121)</b>	(113)
<b>Total assets less total liabilities</b>		<b>(2,966)</b>	(2,504)
<b>Taxpayers' equity and other reserves</b>			
Revaluation reserve		<b>59</b>	61
General reserve		<b>(3,025)</b>	(2,565)
<b>Total Equity</b>		<b>(2,966)</b>	(2,504)

The financial statements on pages 91 - 112 were approved and authorised by NIPB on 15 June 2018 and were signed on its behalf by:



**Amanda Stewart**  
**Chief Executive**  
**15 June 2018**

The notes on pages 95 - 112 form part of these accounts.

**Statement of Cash Flows for the year ended 31 March 2018**

		2017 -18	2016-17
<b>Cash flows from operating activities</b>	Note	<b>£000</b>	£000
<b>Net Operating Expenditure</b>		<b>(5,421)</b>	(6,221)
Adjustment for non-cash transactions	4,6 & 7	<b>(46)</b>	619
Decrease in trade and other receivables	9	<b>13</b>	36
Increase/(Decrease)in trade and other payables	11	<b>523</b>	(306)
Use of provisions	12	<b>(95)</b>	(49)
<b>Net cash outflow from operating activities</b>		<b><u>(5,026)</u></b>	<u>(5,921)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	<b>(15)</b>	(25)
Purchase of intangible assets	7	<b>(5)</b>	(12)
<b>Net cash outflow from investing activities</b>		<b><u>(20)</u></b>	<u>(37)</u>
<b>Cash flows from financing activities</b>			
Grants from sponsoring department		<b><u>4,959</u></b>	<u>6,005</u>
<b>Net financing</b>		<b><u>4,959</u></b>	<u>6,005</u>
<b>Net (decrease) / increase in cash and cash equivalents in the period</b>	10	<b>(87)</b>	47
<b>Cash and cash equivalents at the beginning of the period</b>	10	<b><u>113</u></b>	<u>66</u>
<b>Cash and cash equivalents at the end of the period</b>	10	<b><u><u>26</u></u></b>	<u><u>113</u></u>

The notes on pages 95 - 112 form part of these accounts.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2018

	<b>SoCNE Reserve £000</b>	<b>Revaluation Reserve £000</b>	<b>Taxpayers' Equity £000</b>
<b>Balance at 31 March 2016</b>	(2,338)	50	(2,288)
<b>Changes in Taxpayers' Equity 2016-17</b>			
Grants from Sponsoring department	6,005	-	6,005
Comprehensive Net Expenditure for the year	(6,221)	-	(6,221)
Transfers between reserves	(11)	11	-
<b>Balance at 31 March 2017</b>	<b>(2,565)</b>	<b>61</b>	<b>(2,504)</b>
<b>Changes in Taxpayers' Equity for 2017-18</b>			
Grants from Sponsoring department	4,959	-	4,959
Comprehensive net expenditure for the year	(5,421)	-	(5,421)
Transfers between reserves	2	(2)	-
<b>Balance at 31 March 2018</b>	<b>(3,025)</b>	<b>59</b>	<b>(2,966)</b>

The notes on pages 95 - 112 form part of these accounts.

## **Notes to the Accounts**

### **1. Statement of Accounting Policies**

These financial statements have been prepared in accordance with the 2017-18 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Board for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Board are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### **1.1 Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

The accounts are stated in sterling, which is the Board's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

#### **1.2 Property, plant and equipment**

Property, plant and equipment are capitalised at their cost of acquisition. The level for capitalisation as an individual or grouped non-current asset has been applied for the year shown at £1,000. The Board does not own any land or buildings. All property, plant and equipment is valued annually in accordance with the Office for National Statistics indices as published by the Stationery Office. Surpluses on revaluation are taken to the revaluation reserve. Deficits on revaluation are charged to the Statement of Comprehensive Net Expenditure to the extent that the loss exceeds the amount held in the revaluation reserve for the same asset.

### 1.3 Depreciation

Depreciation is provided on all non-current assets from the month they are brought into service, on a straight line basis in order to write off cost or valuation over their expected useful lives.

Estimated useful lives, which are reviewed regularly, are:

IT equipment	-	5 years
Office equipment and furniture	-	5 - 12 years
Intangible assets (software licences)	-	2 - 10 years

### 1.4 Intangible Assets

The Board recognises software licences as intangible non-current assets. Purchases of software licences are capitalised as intangible non-current assets where the purchase cost of an individual licence exceeds £1,000. Software licences are amortised over the shorter of the term of the licence and the useful economic life. Software licences are revalued annually using appropriate indices provided by the Office for National Statistics.

### 1.5 Operating income

Operating income comprises the recoupment of salaries for staff on secondment and externally generated programme funding received or receivable.

### 1.6 Foreign exchange

Transactions that are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

### 1.7 Leases

Leases, where substantially all of the risks and rewards are held by the lessor, are classified as operating leases. These relate rental of the Board's headquarters. Rentals are charged to the Statement of Comprehensive Net Expenditure in equal instalments over the life of the lease.

## **1.8 Financial instruments**

The Board does not hold any complex financial instruments. This is due to the organisation being a non-trading entity and is financed as a Non Departmental Public Body. The only financial instruments included in the accounts are receivables and payables (Notes 9 and 11).

## **1.9 Financing**

The Board is resourced by funds approved by NI Assembly through the latest comprehensive spending review. Resources are drawn down as required to meet expenditure requirements and are credited to the Statement of Comprehensive Net Expenditure Reserve.

## **1.10 Provisions**

Provisions are recognised when: the Board has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

## **1.11 Critical accounting estimates and judgments**

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise this judgment in the process of applying the Board's accounting policies. We continually evaluate our estimates, assumptions and judgments based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The areas involving a higher degree of judgment or complexity are described below:

**Depreciation and Amortisation:** The Board assesses the useful economic life of assets on an annual basis.

**Provision for Medical Appeals:** The Board provides for the cost of outstanding appeals for the non-award of medical pensions based on the average value of cases previously settled.

### **1.11 Critical accounting estimates and judgments (cont.)**

**Provision for Injury on Duty (IOD) cases:** The Board provides for the cost of outstanding cases where serving and ex-serving PSNI officers apply for medical retirement and/or injury on duty award. The cost of these cases is provided for on the basis of a contract with the Board's Selected Medical Practitioners, who undertake medical assessments of applicants. Based on past experience, the Board also provides for the cost of cases which may be subsequently appealed.

### **1.12 Value Added Tax (VAT)**

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant and equipment.

### **1.13 Pension costs**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS (NI)). The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependents benefits. The Board recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payments to the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI). In respect of the defined contribution elements of the schemes, the Board recognises the contributions payable for the year.

### **1.14 Trade and other receivables**

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount.

### **1.15 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

### **1.16 Impairment of financial assets**

The Board assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Board makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the Statement of Comprehensive Net Expenditure in those expense categories consistent with the function of the impaired asset.

### **1.17 Trade and other payables**

Trade and other payables are recognised initially at fair value, which is usually the original invoiced amount. The most significant accrual is in relation to the PCSPs. This is due to the timing of claims submitted for payment and represents the final quarter's expenditure of the current financial year which will be paid post year end.

### **1.18 Employee benefits**

Under IAS 19, an employing entity should recognise the undiscounted amount of short term employee benefits expected to be paid in exchange for the service. The Board has therefore recognised annual and flexi leave entitlements, bonuses and unpaid overtime that have been earned by the year end but not taken or paid. These are included in current liabilities for all staff across the Board.



### **1.19 Contingent liabilities**

In addition to contingent liabilities disclosed in accordance with IAS 37, the Board discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

### **1.20 Insurance**

Except where there is a statutory requirement to do so, the Board does not take out general insurance. Instead, expenditure in connection with uninsured risks is charged as incurred.

### **1.21 Accounting standards, interpretations and amendments to published standards and *FReM* - issued and effective in 2017-18 for the first time**

The Board has considered the accounting initiatives amended by HM Treasury and considers that these changes are not relevant or material to its operations. There were no accounting initiatives issued and effective in 2017-18 for the first time.

### **1.22 Accounting standards, interpretations and amendments to published standards not yet effective**

In addition, certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Board's accounting periods beginning on or after 1 April 2018 or later periods, but which the Board has not adopted early. Other than as outlined below, the Board considers that these standards are not relevant or material to its operations.

<b>Standard</b>	<b>IFRS 16 - Leases (replaces IAS 17 Leases and related interpretations)</b>
<b>Effective date</b>	1 January 2019 (EU endorsed 31 October 2017) - with a view to include in the 2019-20 FReM.
<b>Description of revision</b>	<p>The IASB issued IFRS 16 in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application is permitted for those entities applying IFRS 15.</p> <p>IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value on the Statement of Financial Position. There are corresponding changes to the disclosure requirements to show the effect that leases have on the financial position, financial performance and cash flows of the lessee.</p> <p>The lessor accounting model is significantly unchanged from IAS 17 but entities should be aware of the introduction and impacts of IFRS 9 Financial Instruments and the enhanced disclosure requirements.</p>
<b>Comments</b>	The introduction of IFRS 16 is subject to analysis and review by HM Treasury and the other Relevant Authorities. HM Treasury will issue an Exposure Draft on IFRS 16 during 2018 in advance of the effective date.

### 1.23 Financial Reporting - Future Developments

The Board has considered the accounting initiatives identified by HM Treasury for which the Standards are under development and considers that these changes are not relevant or material to its operations.

## 2. Statement of operating costs by operating segment

At 31 March 2018 Northern Ireland Policing Board organised into two main business segments reported to the Chief Operating Decision Maker through monthly Management Accounts:

- expenditure which supports the statutory and other objectives of the Northern Ireland Policing Board ; and
- expenditure which supports the statutory and other objectives of the Policing and Community Safety Partnerships (PCSPs). Further information in relation to the PCSPs can be found in section 3 of the annual report.

The segmental results for the year ended 31 March 2018 are as follows:

	<b>NIPB £000</b>	<b>PCSPs £000</b>	<b>Total £000</b>
Gross expenditure	3,939	1,602	5,541
Income	(120)	-	(120)
Net Expenditure	<u>3,819</u>	<u>1,602</u>	<u>5,421</u>

The segmental results for the year ended 31 March 2017 are as follows:

	<b>NIPB £000</b>	<b>PCSPs £000</b>	<b>Total £000</b>
Gross expenditure	4,762	1,597	6,359
Income	(138)	-	(138)
Net Expenditure	<u>4,624</u>	<u>1,597</u>	<u>6,221</u>

### 3. Staff costs

(i) Staff costs comprise:	2017-18 £000	2016-17 £000
<b>Permanently employed staff</b>		
Wages and salaries	1,520	1,592
Social security costs	153	151
Other pension costs	300	302
<b>Total permanent staff costs</b>	<u>1,973</u>	<u>2,045</u>
Secondments/agency costs	231	226
<b>Total cost</b>	<u><u>2,204</u></u>	<u><u>2,271</u></u>

### 4. Other operating expenditure and Provision expense

Other operating expenditure	Note	2017-18 £000	2016-17 £000
Grants to PCSPs		1,583	1,556
PCSP Recruitment costs		1	6
PCSP Training costs		18	35
American Consulate Fund expenditure		-	6
Running costs		369	487
Accommodation costs		316	397
Rentals under operating leases		370	399
Press and public relations		61	63
Information technology		142	165
Human rights monitoring		40	96
Pension medical services and appeals		426	234
External audit fees		15	15
Loss on disposal – Tangible assets		-	13
<b>Total Other operating Expenditure</b>		<u><u>3,341</u></u>	<u><u>3,472</u></u>
<b>Provision expense</b>			
Provisions provided for in year	12	510	880
Provisions released in year not required	12	(571)	(302)
<b>Total Provision expense</b>		<u><u>(61)</u></u>	<u><u>578</u></u>

PCSPs are funded jointly by the Board and the DOJ reporting through a Joint Committee. The Joint Committee agrees the level of funding for each PCSP based on approval of their Partnership Plans. The PCSP expenditure, above, only relates to the Board's share of the cost.

## 5. Income

	<b>2017-18</b>	2016-17
	<b>£000</b>	£000
<b>Income source</b>		
Reimbursement of payroll costs for secondments	119	128
TALK Fund income	-	10
Data Protection income	1	-
<b>Total income</b>	<u>120</u>	<u>138</u>

## 6. Property, plant and equipment

<b>2017-18</b>	<b>Information Technology</b>	<b>Furniture &amp; Fittings</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost or valuation</b>			
At 1 April 2017	92	331	423
Additions	-	15	15
Disposals	-	(7)	(7)
Revaluations	1	(2)	(1)
<b>At 31 March 2018</b>	<u>93</u>	<u>337</u>	<u>430</u>
<b>Depreciation</b>			
At 1 April 2017	66	245	311
Charged in year	10	22	32
Disposals	-	-	-
Revaluations	2	(1)	1
<b>At 31 March 2018</b>	<u>78</u>	<u>266</u>	<u>344</u>
Carrying amount at 31 March 2017	<u>26</u>	<u>86</u>	<u>112</u>
<b>Carrying amount at 31 March 2018</b>	<u>15</u>	<u>71</u>	<u>86</u>
<b>Asset financing:</b>			
Owned	<u>15</u>	<u>71</u>	<u>86</u>
<b>Carrying amount at 31 March 2018</b>	<u>15</u>	<u>71</u>	<u>86</u>

Information technology and furniture and fittings are valued using relevant indices.

**6. Property, plant and equipment (cont.)**

<b>2016-17</b>	<b>Information Technology</b>	<b>Furniture &amp; Fittings</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost or valuation</b>			
At 1 April 2016	463	302	765
Additions	7	28	35
Disposals	(380)	(6)	(386)
Revaluations	2	7	9
<b>At 31 March 2017</b>	<b><u>92</u></b>	<b><u>331</u></b>	<b><u>423</u></b>
<b>Depreciation</b>			
At 1 April 2016	424	230	654
Charged in year	9	20	29
Disposals	(367)	(6)	(373)
Revaluations	-	1	1
<b>At 31 March 2017</b>	<b><u>66</u></b>	<b><u>245</u></b>	<b><u>311</u></b>
Carrying amount at 31 March 2016	<u>39</u>	<u>72</u>	<u>111</u>
<b>Carrying amount at 31 March 2017</b>	<b><u><u>26</u></u></b>	<b><u><u>86</u></u></b>	<b><u><u>112</u></u></b>
<b>Asset financing:</b>			
Owned	<u>26</u>	<u>86</u>	<u>112</u>
<b>Carrying amount at 31 March 2017</b>	<b><u><u>26</u></u></b>	<b><u><u>86</u></u></b>	<b><u><u>112</u></u></b>

Information technology and furniture and fittings are valued using relevant indices.

## 7. Intangible Assets

	<b>Software Licences £000</b>
<b>2017-18</b>	
<b>Cost or valuation</b>	
At 1 April 2017	82
Additions	14
Disposals	(72)
Revaluations	4
<b>At 31 March 2018</b>	<b><u>28</u></b>
<b>Amortisation</b>	
At 1 April 2017	48
Charged in year	23
Disposals	(72)
Revaluations	4
<b>At 31 March 2018</b>	<b><u>3</u></b>
Carrying amount at 31 March 2017	<u>34</u>
<b>Carrying amount at 31 March 2018</b>	<b><u><u>25</u></u></b>
<b>Asset financing:</b>	
Owned	<u>25</u>
<b>Carrying amount at 31 March 2018</b>	<b><u>25</u></b>

**7. Intangible Assets (cont.)**

	<b>Software Licences £000</b>
<b>2016-17</b>	
<b>Cost or valuation</b>	
At 1 April 2016	99
Additions	12
Disposals	(34)
Revaluations	5
<b>At 31 March 2017</b>	<b>82</b>
<b>Amortisation</b>	
At 1 April 2016	60
Charged in year	20
Disposals	(34)
Revaluations	2
<b>At 31 March 2017</b>	<b>48</b>
Carrying amount at 31 March 2016	39
<b>Carrying amount at 31 March 2017</b>	<b>34</b>
<b>Asset financing:</b>	
Owned	34
<b>Carrying amount at 31 March 2017</b>	<b>34</b>

**8. Financial instruments**

As the cash requirements of the Board are met through Grant-in-Aid provided by the Department of Justice, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Board's expected purchase and usage requirements and the Board is therefore exposed to little credit, liquidity or market risk.



**9. Trade receivables and other current assets**

(i) Analysis by type	2017-18 £000	2016-17 £000
<b>Amounts falling due within one year:</b>		
VAT	30	46
Trade receivables	18	16
Prepayments and accrued income	39	38
<b>Total receivables at 31 March</b>	<b>87</b>	<b>100</b>
(ii) Intra-government balances	2017-18 £000	2016-17 £000
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	18	16
Balances with local authorities	30	46
Subtotal: intra-government balances	48	62
Balances with bodies external to government	39	38
<b>Total receivables at 31 March</b>	<b>87</b>	<b>100</b>

**10. Cash and cash equivalents**

Commercial banks and cash in hand	2017-18 £000	2016-17 £000
Balance at 1 April	113	66
Net change in cash and cash equivalent balances	(87)	47
<b>Balance at 31 March</b>	<b>26</b>	<b>113</b>

**11. Trade payables and other current liabilities**

(i) Analysis by type	2017-18 £000	2016-17 £000
<b>Amounts falling due within one year:</b>		
Other taxation and social security	4	7
Trade payables	309	243
Balances due to PCSPs	1,165	940
Accruals and deferred income	610	375
<b>Total payables at 31 March</b>	<b>2,088</b>	<b>1,565</b>

**11. Trade payables and other current liabilities (cont.)****(ii) Intra-government balances**

	<b>2017-18</b>	2016-17
	<b>£000</b>	£000
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	<b>533</b>	483
Balances with local authorities	<b>1,165</b>	940
Subtotal: intra-government balances	<b>1,698</b>	1,423
Balances with bodies external to government	<b>390</b>	142
<b>Total payables at 31 March</b>	<b>2,088</b>	1,565

Balances with other central government bodies are with the DOJ, Crown Solicitors Office, HM Revenue and Customs, Northern Ireland Statistics and Research Agency, DOF, and the PSNI. Payable balances with local authorities are with the local Councils and relate to the PCSPs.

**12. Provisions for liabilities and charges**

<b>2017-18</b>	<b>Medical Appeals £000</b>	<b>IOD Cases £000</b>	<b>Legal Cases £000</b>	<b>Total £000</b>
Balance at 1 April 2017	437	691	170	1,298
Provided in the year	28	122	360	510
Provisions not required written back	(257)	(314)	-	(571)
Provisions utilised in the year	(124)	(11)	-	(135)
<b>At 31 March 2018</b>	<b>84</b>	<b>488</b>	<b>530</b>	<b>1,102</b>

Analysis of expected timing of discounted flows.

	<b>Medical Appeals £000</b>	<b>IOD Cases £000</b>	<b>Legal Cases £000</b>	<b>Total £000</b>
Not later than one year	84	367	530	981
Later than one year and not later than five years	-	121	-	121
<b>At 31 March 2018</b>	<b>84</b>	<b>488</b>	<b>530</b>	<b>1,102</b>

**12. Provisions for liabilities and charges (cont.)**

<b>2016-17</b>	<b>Medical Appeals £000</b>	<b>IOD Cases £000</b>	<b>Legal Cases £000</b>	<b>Total £000</b>
Balance at 1 April 2016	151	563	55	769
Provided in the year	337	373	170	880
Provisions not required written back	(2)	(245)	(55)	(302)
Provisions utilised in the year	(49)	-	-	(49)
<b>At 31 March 2017</b>	<b>437</b>	<b>691</b>	<b>170</b>	<b>1,298</b>

Analysis of expected timing of discounted flows.

	<b>Medical Appeals £000</b>	<b>IOD Cases £000</b>	<b>Legal Cases £000</b>	<b>Total £000</b>
Not later than one year	437	578	170	1,185
Later than one year and not later than five years	-	113	-	113
<b>At 31 March 2017</b>	<b>437</b>	<b>691</b>	<b>170</b>	<b>1,298</b>

**(i) Medical Appeals**

This provision relates to outstanding appeals for the non-award of medical pensions and injury on duty pensions as a result of the percentage of disablement awarded, before and after review or due to the implementation date of the award for serving and ex-serving PSNI officers.

**(ii) Injury on Duty (IOD) Cases**

This provision relates to outstanding cases where serving and ex-serving PSNI officers apply for medical retirement and/or injury on duty awards.

**(iii) Legal Cases**

There are currently a number of outstanding legal cases in which the Board is named as defendant.

**13. Capital commitments**

There were no capital commitments outstanding at the year-end for which contracts had been entered into or which had been authorised by the Management Board.

**14. Commitments under leases****Operating Leases**

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

	<b>2017-18</b>	2016-17
	<b>£000</b>	£000
<b>Premises</b>		
Not later than one year	<b>370</b>	370
Later than one year and not later than five years	<b>524</b>	894
	<u><b>894</b></u>	<u>1,264</u>

**15. Contingent liabilities disclosed under IAS 37**

The Board has no contingent liabilities.

**16. Related party transactions**

The Board is a Non-Departmental Public Body of the DOJ.

The DOJ is regarded as a related party. During the year the Board has had a number of material transactions with the Department and with other government departments and central government bodies. Most of these transactions have been with the Department of Finance, the Northern Ireland (NI) Assembly, the Crown Solicitor's Office, the Central Procurement Directorate, the Rate Collection Agency and the Northern Ireland Statistics and Research Agency (the last two are executive agencies of the Department of Finance), the PSNI and Local Councils through the PCSPs.

An Independent Board Member is employed by NI Alternatives, a company limited by guarantee which has charitable status. This organisation has been in receipt of grant funding from PSNI and Policing and Community Safety Partnerships during the financial years 2016-17 and 2017-18.

With the exception of the above, no other Board member, key manager or other related parties have undertaken any related party transactions with the Board during the year.

Transactions with related parties are as follows:

Name of related party	Nature of transaction	Amount of transaction		Amount owed to/(from) related party	
		2017-18 £000	2016-17 £000	2017-18 £000	2016-17 £000
NI Alternatives	Grant funding	30	33	-	-

#### 17. Events after the reporting period

No events as defined in IAS 10 have occurred subsequent to the year-end that require disclosure.

#### Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on 28 June 2018.

## 6.GLOSSARY

<b>ACC</b>	Assistant Chief Constable
<b>AME</b>	Annual Managed Expenditure
<b>AEP</b>	Attenuating Energy Projectile
<b>BU</b>	Be Yourself (BU)
<b>CARE</b>	Career Average Revalued Earnings
<b>C&amp;AG</b>	Comptroller and Auditor General
<b>CETV</b>	Cash Equivalent Transfer Value
<b>CJINI</b>	Criminal Justice Inspection NI
<b>CPI</b>	Consumer Prices Index
<b>CSP</b>	Civil Service Pensions
<b>CTC</b>	Co-ordination and Tasking Centre
<b>CSE</b>	Child Sexual Exploitation
<b>DCC</b>	Deputy Chief Constable
<b>DFP</b>	Department of Finance (formally the Department of Finance and Personnel)
<b>DOF</b>	Department of Finance
<b>DOJ</b>	Department of Justice
<b>DPA</b>	Data Protection Act
<b>DPCSPs</b>	District Policing and Community Safety Partnerships
<b>ECHR</b>	European Convention on Human Rights
<b>FOI</b>	Freedom of Information
<b>FReM</b>	Financial Reporting Manual
<b>GDPR</b>	General Data Protection Regulations
<b>HET</b>	Historical Enquiries Team
<b>HIU</b>	Historical Investigations Unit
<b>HMIC</b>	Her Majesty's Inspectorate of Constabulary
<b>IA</b>	Information Assurance
<b>ICV</b>	Independent Custody Visitor
<b>IFRS</b>	International Financial Reporting Standards
<b>IIP</b>	Investors in People
<b>liV</b>	Investing in Volunteers
<b>IOD</b>	Injury on Duty
<b>IMR</b>	Independent Medical Referee
<b>IPR</b>	Individual Performance Review
<b>IT</b>	Information Technology
<b>JATF</b>	Joint Agency Task Force
<b>JSA</b>	Justice Security Act
<b>KPI</b>	Key Performance Indicators
<b>LGBandT</b>	Lesbian, Gay, Bisexual and Transgender
<b>LIB</b>	Legacy Investigations Branch
<b>MLA</b>	Member of the Legislative Assembly
<b>NCA</b>	National Crime Agency
<b>OBA</b>	Outcome Based Accountability
<b>NDPB</b>	Non Departmental Public Body
<b>NEF</b>	National Expert's Forum
<b>NI</b>	NI
<b>NIAO</b>	NI Audit Office
<b>NICS</b>	NI Civil Service
<b>NIO</b>	NI Office
<b>NIPB</b>	NI Policing Board
<b>NIPSA</b>	NI Public Services Alliance

<b>NISRA</b>	NI Statistics and Research Agency
<b>OCG</b>	Organised Crime Group
<b>OCTF</b>	Organised Crime Task Force
<b>OBA</b>	Outcomes Based Accountability
<b>OPONI</b>	Office of the Police Ombudsman NI
<b>PACE</b>	Police and Criminal Evidence Order
<b>PAT</b>	Police Appeals Tribunals
<b>PBR</b>	Priority Based Resourcing
<b>PCSP</b>	Policing and Community Safety Partnership
<b>PCSPS(NI)</b>	Principal Civil Service Pension Scheme
<b>PPS</b>	Public Prosecution Service
<b>PSNI</b>	Police Service of NI
<b>PSMF</b>	Professional Standards Monitoring Framework
<b>PWC</b>	Policing with the Community
<b>RPI</b>	Retail Prices Index
<b>SCS</b>	Senior Civil Service
<b>SMP</b>	Selected Medical Practitioner
<b>SMT</b>	Senior Management Team
<b>SPED</b>	Special Purchase of Evacuated Dwelling
<b>UNCRC</b>	United Nations Convention on the Rights of the Child
<b>UU</b>	Ulster University
<b>VAT</b>	Value Added Tax
<b>QUB</b>	Queen's University Belfast

## Northern Ireland Policing Board

Waterside Tower  
31 Clarendon Road  
Clarendon Dock  
Belfast BT1 3BG

 028 9040 8500

 [information@nipolicingboard.org.uk](mailto:information@nipolicingboard.org.uk)

 [www.nipolicingboard.org.uk](http://www.nipolicingboard.org.uk)

 [policingboard](https://www.facebook.com/policingboard)

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## DOCUMENT TITLE

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Annual Report and Accounts  
For the Period 1 April 2017 – 31 March 2018

Laid before the Northern Ireland Assembly in accordance with paragraph 16 of Schedule 1 to the Police (NI) Act 2000 as amended by the Police (NI) Act 2003 and Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

## ONLINE FORMAT

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## PUBLISHED JUNE 2018

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