

Keeping People Safe



Police Service of Northern Ireland

**Annual Report and Accounts
for the year ended 31 March 2019**

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POLICE SERVICE OF
NORTHERN IRELAND

Annual Report and Accounts
For the year ended 31 March 2019

Laid before the Northern Ireland Assembly under Section 12 (6)b of
the Police (Northern Ireland) Act 2000 as amended by the
Police (Northern Ireland) Act 2003 and the Northern Ireland Act 1998
(Devolution of Policing and Justice Functions) Order 2010

On

01 August 2019

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PERFORMANCE REPORT

OVERVIEW

The purpose of the Overview is to provide information to allow the purpose and the activities of the Police Service Northern Ireland (PSNI) to be understood.

INTRODUCTION BY CHIEF CONSTABLE

This is my first Annual Report, having just taken up office as the Chief Constable of the PSNI.

I am proud to have been chosen by the NI Policing Board (NIPB) to lead a Police Service I have held in high regard throughout my policing career. It is a unique Service, with unique challenges.

Like most other public services, PSNI faces the dual challenge of budgetary pressures and increasingly complex work. However, it is clear to me as I begin my tenure that the uniqueness of the policing context here means PSNI must also consider a range of additional issues, all of which have a significant impact on both public confidence and the policing budget. Among others, these challenges include dealing sensitively with unresolved legacy issues; responding professionally and proportionately to a SEVERE terrorist threat; and preparing for the implications of EU Exit.

Despite these challenges, my clear initial impressions are that the officers and staff of the PSNI contribute to a high performing organisation. In the latest Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Inspection the PSNI was rated as 'good' for Efficiency and Effectiveness. The foundations are strong for further development.

My ambition is to help build on the significant achievements that have been delivered over recent years. I am clear that we need to align what we do with an agreed strategic way ahead, and a clear understanding of our priorities and how to resource them.

We need to keep the momentum going to continue to reduce crime and anti-social behaviour; improve our contribution to the criminal justice system and speed up justice for victims. Two areas that I am keen to focus on throughout my tenure are firstly, further developments in the important area of community policing; and secondly investment in innovation and technology to deliver a more efficient and effective service for our communities.

I join PSNI at a traditionally busy time of the year with the summer parading season stretching ahead of us. I am looking forward to getting out across the community to see our Service in action and hear from the communities we serve what policing means for them.

To succeed at our job, PSNI needs the confidence and trust of the community. I am committed to working hard to deliver this.

Background Information

The Police (Northern Ireland) Act 2000 and subsequent amendments in the Police (Northern Ireland) Act 2003, made specific provision about policing in Northern Ireland. Section 12(4) of the Act, as amended by Section 7 of the 2003 Act, refers specifically to the requirement for the Chief Constable to submit the statement of accounts to the Northern Ireland Policing Board (in regard to amounts put at disposal of the Chief Constable by the Policing Board) within such period after the end of the financial year to which they relate as the Department of Justice may determine. This is to allow the Policing Board to meet its own specific requirements under Section 12(1)(a) of the Act.

Nature of the business

The NIPB is an independent public body established under the Police (Northern Ireland) Act 2000. Made up of 19 Political and Independent Members, the NIPB aims to ensure an effective, efficient, impartial, representative and accountable police service for all the people of Northern Ireland. The Policing Board was re constituted in December 2018 and started meeting again in January 2019. The PSNI continued to work with the Board during the period when it was not constituted to ensure a level of accountability in a period of uncertainty.

Each year the PSNI and the Policing Board publish an annual Policing Plan in accordance with the Police (Northern Ireland) Act 2000. The plan sets out specific outcomes indicators and measures and takes a strategic view of policing in Northern Ireland over the next five years. PSNI, on behalf of the NIPB, are legislatively responsible for drafting the Policing Plan. This is done in close consultation with the NIPB and the Department of Justice (DoJ) through regular tripartite meetings. Ultimately, outcomes, indicators and measures can be revised by NIPB as it is their plan.

The Chief Constable is accountable to the NIPB for delivery of outcome indicators and measures detailed in the Policing Plan.

The Northern Ireland Policing Board, in conjunction with the PSNI, published the 2019-20 Policing Plan. The 2019-20 Plan forms the final year of the Strategic Outcomes for Policing 2016- 2020. The 2019-20 Policing Plan retains the previous framework of five themes and nine Strategic Outcomes. The outcomes fall under five key themes of;

- Communication and Engagement;
- Protection of people and communities;
- Reduction in Offending;
- More efficient and effective delivery of justice; and
- More efficient and effective policing.

A copy of the Policing Plan 2019 -20 can be viewed on the Policing Board's website:
<https://www.nipolicingboard.org.uk/outcomes-policing-annual-policing-plan>

Vision

The PSNI's vision is to help build a safe, confident and peaceful society.

Northern Ireland continues to grow and thrive and as a police service we have a vital role in enabling this development. It is our role to support and work with the Northern Ireland Executive, Community, Business and Voluntary groups to continue to help in building a safe, confident and peaceful society. The PSNI's ability to provide a reliable and reassuring presence to all communities and a service that communities have confidence in creates the conditions for our society to exist and thrive. The role PSNI plays in sustaining communities, supporting cohesion and keeping people safe is a core enabler in building a peaceful society and something we should be proud of.

The **Vision** of the Police Service of Northern Ireland

'Keeping People Safe is what we do; Policing with the Community is how we do it ...'



Purpose

Our policing purpose is Keeping People Safe. As a police service we will work with partners and communities to meet this purpose.

Keeping People Safe means: **Preventing harm, protecting our communities and detecting offences.**

Policing with the Community is about creating real participation between the police and the community - a partnership in which policing reflects and responds to the community's needs and in which the community play an active part in delivering a solution. PSNI are committed to achieving all that is laid out in the challenging Policing Plan.

The PSNI will work with communities and partners to 'help build a safe, confident and peaceful society' in the years ahead. The PSNI will continue to deliver policing based on our Policing with the Community behaviours of accountability, fairness, courtesy and respect, and collaborative decision making.

Operating Environment

PSNI, like all public services are facing very significant challenges, these relate to reducing budgets, changing demands, reducing workforce and altering public expectations. PSNI will continue to deliver policing based on our Policing with the Community behaviours of accountability, collaborative decision making and fairness, courtesy and respect. As a police service we also recognise that we operate in an environment unique to policing and the importance of policing in a Northern Ireland context. We have to consider a current, real and severe terrorist threat to our officers, staff and infrastructure.

The demands facing PSNI are constant, complex and often competing. Policing however is changing, in the future the threats we face will often be cyber related and cross international boundaries, be less visible to the public and more difficult to investigate.

In light of the United Kingdom triggering Article 50 of the Lisbon Treaty and thus electing to exit the European Union the PSNI, along with many other police services, submitted a bid to HM Treasury to secure additional funding. PSNI was the only UK police service to receive its full request - £16.48million. PSNI submitted a clear and balanced proposal to receive this funding. PSNI are in the process of recruiting 308 new officers and support staff, along with the necessary upgrades to existing infrastructure and equipment to support this increase.

Moreover, PSNI also received circa £800,000 for ‘pre-Exit’ funding. This was used to exercise and test PSNI readiness and ensure our existing collaborative work to keeping people safe with our partner agencies, such as Department of Justice, Northern Ireland Ambulance Service and Northern Ireland Fire & Rescue Service, were as effective and well planned as they could be. Considerable planning went into an array of possible scenarios, based on planning assumptions provided by HM Government.

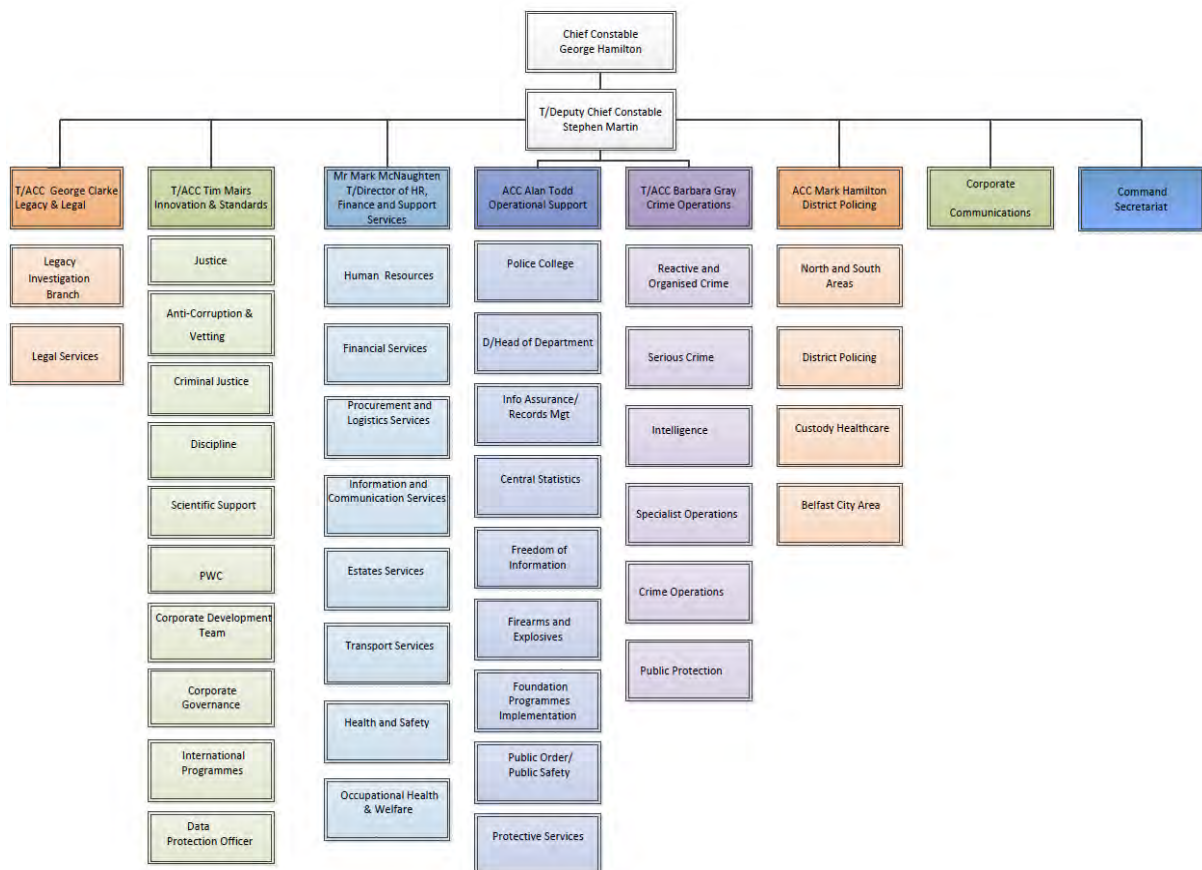
Due to further delays to EU Exit, with the exit date now 31st October 2019, PSNI are continuing to plan for EU Exit, maintaining contingency plans, which were formulated over many months, in a state of preparedness. Furthermore, work is commencing on a proposal the secure funding for the next financial year to sustain the demands of EU Exit and to ensure our continuing support, particularly to those communities most impacted by EU Exit, for example in border areas.

The PSNI corporate plan sets out the 7 core areas that PSNI will use to guide its approach in developing new, innovative ways of working that will ensure that we continue to Keep People Safe in the years ahead. We will focus on Local Policing, Culture, Specialist Capabilities, Workforce, Digital Policing, Enabling Business Delivery and Partnerships.

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Organisational Structure

The PSNI is headed by the Chief and Deputy Chief Constable. They are supported by 5 Assistant Chief Constables and a Police Staff Director, who manage the operational departments of the organisation. The organisational structure as at the 31 March 2019 is shown in the chart below.



Fund Accounts

The Annual Report and Accounts also provide details of the activities of the Police Fund and Police Property Fund, which are separate Funds administered by the PSNI. The PSNI administer the Police Fund in association with the RUC Benevolent Fund and ex members who volunteer their services. It was established by regulations under section 28 of the Police Act (NI) 1970 which consist of PSNI grants and fines imposed on police officers as a result of disciplinary action. This together with investment income is applied by PSNI for the welfare of police officers and their dependants.

The Police Property Fund was established by regulations under section 2 of the Police (Property) Act 1987, and comprises unclaimed receipts arising from criminal investigations by the PSNI, which the Policing Board donate to charities.

Accounts Direction

The Annual Report and Accounts for 2018-19 have been prepared in a form directed by the Department of Justice in accordance with Section 12 (3) of Part 2 to the Police (Northern Ireland) Act 2000 as amended by the Police (Northern Ireland) Act 2003 and Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

PSNI complies with the corporate governance and accountability framework arrangements (including Managing Public Money Northern Ireland) issued by the Department of Finance (DoF) and 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 PSNI for the year ended 31 March 2019, will be laid in the Northern Ireland Assembly.

Risks and uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the PSNI's long-term performance. These risks are managed within the PSNI risk and control framework.

The key risk priorities detailed in the Corporate Risk Register, which are currently facing the organisation, include the following areas; EU Exit, Terrorist Attack, Future Funding, Legacy Litigation, Records Management and Data Protection, Mandatory Training, Sick Absence and Duty Restriction. Further information on risk management is contained within the Governance Statement.

Interest rate and currency risk

PSNI has no borrowings, relying primarily on Departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material

deposits. As all significant assets and liabilities are determined in sterling, it is not exposed to material interest rate or currency risk.

Going concern

PSNI forms part of the DOJ and is funded via the Department through supply grants from the Northern Ireland Consolidated Fund.

The Statement of Financial Position at 31 March 2019 shows net current liabilities of £83.9m. This reflects the inclusion of liabilities already incurred which are due for payment in future years. These liabilities will be financed from the Northern Ireland Consolidated Fund. Such drawings will be from grants approved annually by the Northern Ireland Assembly. The Secretary of State for Northern Ireland published an NI budget for 2019-20 on the 28 February 2019.

There is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of the PSNI's financial statements for 2018-19.

Performance Summary

In 2018-19, Northern Ireland saw a 2.9% increase in recorded crime. This remains below the average for the previous five years.

Additionally, the figures show an increase in reports of crime types which are traditionally under-reported, such as sexual offences and domestic abuse and suggest that efforts to encourage reporting are successful.

The figures also show an increase in the detection of drug offences, which demonstrates that our officers remain proactive and effective in finding and removing illegal drugs from our communities.

Finally, a change in Home Office Counting Rules has largely driven the increase in crime. If the crimes affected by these changes were removed, we would have recorded a 0.4% decrease in crime for 2018-19.

In 2018-19 100,995 crimes were recorded in Northern Ireland, equating to an increase of 2.9% or 2,875 crimes, compared to 2017-18. When considering crime trends over the past five years, the number of crimes recorded in 2018-19 remains below the average for the five previous years. For example in 2015-16 the number of recorded crimes was 104,925, this is 3,930 more than last year.

This increase in recorded crime can be explained, in part, by changes in Home Office Counting Rules for Harassment and a change in policy for Making off without Payment (MOWP) offences. If these offences were excluded, then we would have recorded a 0.4% (400 crimes) decrease.

The levels of anti-social behaviour (ASB) are at their lowest since the start of the time series in 2006-07. In the last financial year there were 56,503 incidents of ASB which is a 7.7% decrease on the previous 12 months. In 2006-07 100,366 incidents of ASB

were recorded compared to the 56,503 in 2018-19, a reduction of 43,863 incidents which equates to a 44% decrease. Nine out of the eleven Districts recorded a decrease in 2018-19 compared to the previous 12 months.

Burglary has fallen by 10.2% in 2018-19 compared to 2017-18. This is the lowest level recorded since the time series began in 1998-99. When Making off without Payment offences are excluded, Theft has decreased, again this is consistent with the longer term trends. Criminal damage is also at the lowest level recorded with a further reduction of 618 crimes (-3%) this financial year. These figures demonstrate that traditional, visible crime is decreasing. Previously these offences accounted for the majority of crime reported.

While the overall number of crimes is forecasted to continue to decline, more harmful crime types are increasing and, which in general, require a more complex investigation involving specialist skills. This demonstrates the changing demands facing the Police Service. PSNI is actively working to increase reporting in relation to these crime types, specifically sexual offences, domestic abuse, hate crime and cyber enabled crime. In this context, an increase in crime reporting can indicate greater confidence in policing. We believe this is the case around domestic abuse - where in 2018-19, we saw an increase of 11.4% in this type of crime compared to the previous 12 months. The number of recorded incidents of domestic abuse was 31,682 - an increase on the previous 12 months and the highest figure recorded since 2004-05.

The recorded crime figures also highlight the proactive activity of policing. For example, this year there was a 10.3% increase in drug offences to 7,106 - the majority of which relates to drug possession offences. We are continuing to remove more drugs from our streets, reducing the harm to our communities and bringing those responsible before the courts.

Whilst overall crime, across Northern Ireland, has increased by just under 3%, given the operational challenges, increasing complexity of crime, financial pressures and a £150m budget reduction over the past five years, this is still an encouraging outcome.

Most Similar Force Comparisons

In the national context, the crime rate of 54 crimes per 1,000 population in PSNI is lower than all of its most similar forces (Devon & Cornwall, Greater Manchester Police (GMP), Merseyside, Northumbria, Nottinghamshire, West Midlands and West Yorkshire). Furthermore for the period January to December 2018 each of the police forces (except GMP) recorded increases greater than PSNI. Northern Ireland continues to be one of the safest places to live.

In relation to specific crime types, the patterns in Northern Ireland are comparable to those in England and Wales with a few exceptions.

There are anomalies in theft offences. Vehicle offences in Northern Ireland are decreasing while the opposite is true in England and Wales in general, and in most of the Most Similar Forces.

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Shoplifting offences in England and Wales are decreasing, although PSNI recorded a 5.7% increase (+349 crimes). However, the Association of Convenience Store (ACS) said there was a “significant” under-reporting of incidents. ACS chief executive, James Lowman, said: “The ONS figures may show a decrease in the overall number of shop thefts being recorded by the police, but we know that there is significant under reporting of incidents like theft due to frustration from retailers about the lack of response from police. We urge retailers to report all incidents of shop theft when they occur. According to our members completing our crime survey, four in five shop thieves are repeat offenders, and half are motivated by needing to feed a drug or alcohol addiction, so failing to report shop theft allows these problems to develop unchecked, which could lead to more shop theft and progression to crimes like robberies or burglaries.”

The increase in Other Theft Offences is due to the change in local practice in relation to Making off without Payment (MOWP). When this crime type is excluded, the Other Theft Offences category shows a decrease of 4.3%(-416 crimes).

| Most Similar Force Comparison – Percentage Change January to December 2017 – January to December 2018 | | | | | | | | | |
|--|----------------------------|-----------------------------|---------------------------|-------------------|--------------------|------------------------|----------------------|-----------------------|-------------|
| | England & Wales | Devon & Cornwall | Greater Manchester | Merseyside | Northumbria | Nottinghamshire | West Midlands | West Yorkshire | PSNI |
| Total recorded crime (excluding fraud) | 7.2 | 5.9 | -0.2 | 9.8 | 7.6 | 11.0 | 10.9 | 12.1 | 1.0 |
| Violence against the person | 19.2 | 16.9 | 6.3 | 34.0 | 15.0 | 21.6 | 28.5 | 32.4 | 3.9 |
| <i>Homicide</i> | 6.4 | 0.0 | -1.3 | -8.7 | -38.9 | 100.0 | 31.6 | 62.5 | -4.2 |
| <i>Violence with injury</i> | 6.8 | 11.5 | 3.8 | 6.8 | 7.9 | 17.8 | 13.2 | 13.7 | 0.2 |
| <i>Violence without injury</i> | 16.9 | 8.4 | 3.0 | 61.7 | 17.0 | 7.6 | 32.2 | 30.4 | -0.5 |
| <i>Stalking and harassment*</i> | 46.3 | 44.9 | 17.1 | 42.9 | 19.5 | 54.5 | 66.7 | 62.0 | 40.1 |
| Sexual offences | 9.9 | 4.0 | 5.7 | 0.3 | 14.0 | 9.7 | 14.5 | 11.3 | 7.9 |
| Robbery | 11.4 | 16.0 | 18.1 | 3.8 | 8.6 | 21.3 | 11.6 | 32.3 | 9.5 |
| Burglary | -3.2 | -7.1 | -8.5 | -11.7 | -5.2 | -2.0 | 8.2 | -2.7 | -6.3 |
| Theft offences | -0.5 | -2.3 | -1.3 | -7.7 | -1.2 | 4.1 | 3.4 | -2.6 | 3.3 |
| <i>Vehicle offences</i> | 2.4 | 3.5 | 2.7 | -10.4 | 6.4 | 2.8 | 3.5 | -2.4 | -11.0 |
| <i>Theft from the person</i> | 0.3 | -12.8 | 13.7 | 18.3 | -4.4 | 104.2 | 11.4 | -4.7 | 3.3 |
| <i>Bicycle theft</i> | -6.2 | -1.7 | -11.1 | -2.4 | -10.9 | 26.7 | -10.3 | -5.9 | -11.0 |
| <i>Shoplifting</i> | -2.7 | -3.7 | -2.7 | -9.1 | -2.9 | 13.7 | -4.9 | 0.2 | 5.7 |
| <i>Other theft offences (inc MOWP)</i> | 1.9 | -0.7 | 1.5 | -4.2 | 0.7 | -6.6 | 5.5 | -3.9 | 8.0 |
| Criminal damage and arson | -3.8 | -3.8 | -13.3 | -9.8 | -1.6 | 2.3 | -3.0 | -5.3 | -8.1 |
| Drug offences | 7.6 | 8.0 | 5.5 | 24.5 | 23.9 | 16.7 | 10.0 | 17.5 | 9.3 |
| Possession of weapons offences | 20.8 | 15.5 | 37.0 | 25.4 | 36.7 | 7.3 | 28.2 | 32.5 | 10.0 |
| Public order offences | 18.9 | 8.8 | -5.8 | 47.3 | 21.4 | 19.7 | 27.6 | 32.4 | -10.8 |
| Miscellaneous crimes against society | 11.2 | 6.3 | 9.5 | 18.2 | 5.1 | 38.4 | 14.7 | 11.6 | -2.6 |

*PSNI crime category is Harassment only

PERFORMANCE ANALYSIS

Performance

OVERARCHING THEME 1: COMMUNICATION AND ENGAGEMENT

1.1 Trust and confidence in policing throughout Northern Ireland

1.1.1 Increase the level of public confidence in the police's ability to provide an ordinary day-to-day service and in local police.

| Confidence in the police and police accountability arrangements | | | | |
|--|---------|---------|---------|---------|
| % confident that the police... | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| provide an ordinary day-to-day service for all the people of NI | 85.0 | 86.1 | 85.9 | 86.0* |
| do a very or fairly good job in Northern Ireland as whole | 75.0 | 74.2 | 77.1 | 73.8** |
| treat Catholics and Protestants equally in Northern Ireland as a whole | 81.5 | 81.3 | 82.6 | 82.9* |

| Confidence in the local police | | | | |
|--|---------|---------|---------|---------|
| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
| Overall confidence in the local police | 68.3 | 68.3 | 70.9 | 67.7* |

* not statistically significant

** statistically significant

Confidence ratings for all three police indicators have generally increased over the years. Findings for 2017-18 show that, when compared with 2003-04, the proportions confident that the police 'provide an ordinary day-to-day service' (75% to 86%) and 'treat Catholics and Protestants equally in Northern Ireland as a whole' (72% to 83%) have both increased by 11 percentage points. While the latest findings have shown a significant decrease ($p < 0.05$) in the proportion believing the police 'do a very or fairly good job in Northern Ireland as whole' compared with 2016-17, the 2017-18 figure of 74% is still 16 percentage points higher than the proportion recorded in 2003-04 (58%).

PSNI actively use social media to share advice on crime prevention, keeping safe and highlight police successes. Social media provides a platform to engage with communities and quickly share important information and news to a large number of people across Northern Ireland. It helps us to communicate directly with the public and by promoting the good work that we do we can help to reassure them that we are keeping them safe. It also allows the public to interact with us and let us know their thoughts, concerns and highlight issues we may not yet be aware of.

In December 2018, PSNI reached the milestone of over one million social media followers across our various social media platforms. This includes 32 Facebook pages, 22 Twitter accounts, an Instagram account and a YouTube channel. There are 500 staff and officers who have received training and are posting onto our sites on a regular basis.

PSNI were invited to present on our use of social media for citizen engagement at the Hootsuite Government Breakfast to partners from the Metropolitan, Warwickshire and West Mercia Police Services, HMRC, Transport for Greater Manchester, London Ambulance Service and Food Standards Agency.

1.1.2 To improve victim satisfaction in certain aspects of contact with the PSNI.

The PSNI surveyed over 16,000 victims of crime in 2018-19 to monitor satisfaction levels and understand whether or not the PSNI is meeting the public’s expectations. The table below highlights that the majority of victims are satisfied with the way they were treated by PSNI. The weakest area of performance is in relation to keeping victims informed about the progress of their case.

| Question | % responding Strongly Agree-Agree | | |
|---|-----------------------------------|---------|------------|
| | 2017-18 | 2018-19 | %pt Change |
| The police officers - staff treated me with fairness and respect | 75.4% | 77.9% | 2.5 |
| I am satisfied with how well I have been kept informed of the progress of my case | 50.0% | 49.3% | -0.7 |
| I am satisfied with my contact with PSNI | 57.5% | 58.3% | 0.8 |
| If a family member or friend were a victim of crime in the future, based on this experience, I would recommend they report it to the police | 71.9% | 71.7% | -0.2 |

The findings of the survey are presented to the Service Performance Board monthly for discussion. Mechanisms to better understand the data are being developed.

1.1.3 Increase confidence in policing in areas where it was identified as being lower through initiatives in collaboration with local communities, partner agencies and PCSPs.

PSNI continues to work with PSCPs, statutory agencies; Non-Governmental Organisations (NGOs) and the public. District Engagement Leads meet regularly with PSCPs and work on joint projects. District Officers continue to meet with vulnerable groups and offer support and advice.

All Districts developed engagement plans to take forward bespoke activity to address local concerns and issues. For example in Derry & Strabane District, Spanner in the Works performed “Read all about it”. This is a cross community initiative designed to improve confidence in policing and for the audience to be more aware of hate crime; sectarianism and stereotypes. Feedback was received from over 600 participants and the play was described as funny and informative and learning was achieved about different religions and how they are the same.

In Antrim & Newtownabbey District, a CORE jail trip was arranged with residents of New Mossley. Since this engagement, there was a request for a return to high visibility patrolling within the estate.

In South Belfast, anti-drugs banners and leaflets were produced and disseminated to increase awareness and reporting and to increase confidence that the police are treating the issue seriously.

Blue light services ran a Community Safety Event, in conjunction with the Melmount Forum, a forum made up from residents of local estates, in Strabane. This was an important and positive event which enabled local officers to engage with representatives from the community. A similar event was also held in Fermanagh in partnership with the PCSP and RNLI.

Neighbourhood Officers from Antrim attended two Irish language schools in Toome and Crumlin. Over the course of the visits officers were able to talk to the children about road safety and what police do. The sessions were facilitated by an Irish speaking officer and Publications Branch provided promotional materials in Irish for the children. There was positive feedback from the staff, children and parents.

1.1.4 Increase young people's confidence in policing in areas where it was identified as being lower through initiatives carried out in collaboration with local communities, partner agencies and PCSPs.

During 2018-19 the Youth Volunteer Academy (YVA) ran in nine areas, most recently in Poleglass, Coleraine and Fermanagh.

The YVA is a 16 week programme ran as a partnership between PSNI, the Education Authority and Northern Ireland Ambulance Service (NIAS). Each scheme aims to recruit 15 young people deemed to be "At Risk" into a programme of activities designed to increase their confidence in policing and other public services, whilst raising awareness of anti-social and risk taking behaviours. Young people are referred to the scheme from a range of bodies including PSNI, Child and Adolescent Mental Health Services (CAHMS) referrals and referrals from detached youth work. The programme is designed to strengthen the relationship between police and young people, break down barriers and promote positive role models.

Within the 16 weeks the young people are led by a team of two PSNI personnel, two NIAS staff and two Education Authority Youth Workers. They are taken through a schedule of topics and hands on interactive activity with various PSNI Departments and subjects of interest and importance to young people such as: Tactical Support Group (TSG), PSNI Dogs, Cyber Safety, Alcohol and Drug misuse, and PCSP Car Crash Simulation.

NIAS deliver a First Aid course and the Northern Ireland Fire and Rescue Service (NIFRS) provide fire safety advice along with an educational experience at a local fire station. The young people use the weekly sessions to complete a portfolio leading to a level one Open College Network qualification. The scheme includes a residential weekend held at Shannaghmore Outdoor Education Centre in Newcastle where various life skills are further developed. This gives the young people a fantastic opportunity to build relationships with each other and their leaders, including PSNI. The YVA programme has been evaluated as being effective in engaging "hard to reach" young people, introducing them to positive policing, teaching them new skills, enhancing their confidence and increasing their self-esteem.

The partnership agreement between the NIAS, the Education Authority and PSNI has been reviewed, amended where necessary and signed off. Recent meetings with the NIFRS Engagement Department have resulted in a commitment from them for the next set of YVAs.

At the end of 2018-19 the PSNI, in partnership with the Education Authority, launched a corporate Work Experience Programme. The programmes will run over a three day period and will be delivered by the local Districts, supported by Operational Support Department (OSD). The PSNI offer work experience to pupils between the ages of 16-18 years old and this will introduce students to some of the roles performed by Police Officers and Staff. Children in schools from areas of low confidence will be encouraged to apply through their careers teachers. The three day programme will give pupils an insight into the Service.

PSNI continues to meet young people’s representatives in the Youth Champions forum which includes the Children’s Law Centre, Action for Children, Include Youth and NICCY.

1.1.5 Reduce allegations against the PSNI.

There has been a slight increase in the number of complaints in 2018-19 compared to 2017-18, although the level is lower than 2016-17. The number of allegations has decreased.

| | 2017-18 | 2018-19 | Change | % Change |
|--------------------------|----------------|----------------|---------------|-----------------|
| No of complaints | 2562 | 2597 | 35 | 1.4% |
| No of allegations | 4269 | 4035 | -234 | -5.5% |
| Oppressive Behaviour | 891 | 853 | -38 | -4.3% |
| Failure in Duty | 2116 | 1882 | -234 | -11.1% |
| Incivility | 244 | 263 | 19 | 7.8% |

Professional Standards Department has continued its lead on the Complaints Reduction Strategy. This involves providing monthly management information in relation to complaints trends within Districts, management intervention with officers who have received three or more complaints in the previous 12 months, workshops with supervisors/managers and meetings with Professional Standards Champions to reiterate standards and discuss trends and themes.

A newly developed module on ‘Professional Standards for Emerging Leaders’ has been delivered at courses for Emerging Leaders and Student Officers.

1.1.6 Improve under-representation in respect of gender and community background across departments and branches of the PSNI.

As of 31 March 2019, 32.2% of Police Officers and 19.4% of Police Staff were Roman Catholic. The percentage of Roman Catholic Police Officers has increased slightly from 31.6% on 31 March 2018. There has been a slight reduction in the percentage of Roman Catholic Police Staff compared to 31 May 2017 (19.8%). At the end of the financial year, 29.5% of Police Officers and 57.5% of Police Staff were female. The percentage of female Police Officers has increased by 0.5% points compared to 31 March 2018.

Roman Catholic Police Officers are under-represented in all Departments, except District Policing. However there has been improvement across all Departments in the numbers of Roman Catholic Officers in 2018-19. This is the second consecutive year there has been an improvement.

| Percentage of Police Officers by Community Background | | | | | | | | | | |
|---|-------------------|---------|------------------|---------|-------------------|---------|---------------------|---------|---------|---------|
| | Other Departments | | Crime Operations | | District Policing | | Operational Support | | Service | |
| | 2017/18 | 2018/19 | 2017/18 | 2018/19 | 2017/18 | 2018/19 | 2017/18 | 2018/19 | 2017/18 | 2018/19 |
| Protestant | 75.7% | 71.8% | 69.9% | 67.4% | 64.6% | 65.2% | 67.9% | 66.8% | 67.1% | 66.5% |
| Roman Catholic | 22.7% | 25.9% | 28.7% | 31.1% | 34.3% | 33.7% | 30.2% | 31.4% | 31.6% | 32.2% |
| Undetermined | 1.7% | 2.3% | 1.4% | 1.5% | 1.1% | 1.0% | 1.9% | 1.8% | 1.3% | 1.3% |

The Culture, Ethics, and Diversity Board (CEDB) in January 2019 approved the Equality, Diversity and Good Relations Action Plan. The ambition of the plan is that ‘PSNI is a diverse and inclusive police service, keeping people safe and helping to build a safe, confident and peaceful society’. One of the means of achieving this is to have a more diverse workforce, reflective of the communities we serve; delivered through our engagement, recruitment and retention strategies.

PSNI host work placement students in a variety of departments including Information and Communication Services, Corporate Communications and Occupational Health and Wellbeing. This scheme helps to promote the PSNI to a younger generation and perhaps those who have not consider working in policing. PSNI won the Placement Employer Award in the Public Sector category at the University of Ulster’s Impact Excellence awards in May 2018. The success of the work placement is set to continue with 32 new students due to be part of the third generation of placement students for 2018-19.

During 2018-19 there were a number of initiatives to increase female representation in specialist roles. For example, for the Tactical Support Group (TSG) recruitment process there was a direct appeal to female officers to apply. In addition, short videos featuring TSG officers were created to explain what it is like being a TSG officer, what they love about it and to dispel the myths such as ‘TSG is all about public order’. There were also several TSG Physical Competency Assessment familiarisation sessions to provide training plans and other necessary support to ensure anyone who wants to apply is adequately prepared.

The National Black Police Association (NBPA) Conference was held in Northern Ireland for the first time in October 2018. The NBPA, supported by PSNI's Ethnic Minority Police Association, developed a comprehensive programme and secured the attendance of a number of internationally renowned speakers.

During 2018-19 research, funded by the RUC George Cross Foundation, was carried out into how to increase female representation in specialist tactical and firearms roles. The purpose of the research identified the issues involved in recruiting females into specialist tactical and firearms roles and identified potential interventions that could be put in place to address these issues. It is hoped that addressing these issues will result in more diverse teams within these specialist units.

1.2 PSNI engages with communities to improve understanding of the impact of policing decisions and involve communities wherever possible in those decisions.

1.2.1 Embed and demonstrate Policing with the Community ethos and behaviours throughout the service specifically:

- **Demonstrate locality based police-community decision making through co-design that evidences the benefit of community input to the delivery of policing.**
- **Evidence the ongoing impact and benefits realised as a result of the delivery of this project, both internally and externally.**

The Policing with the Community Manual was launched in May 2019 by the Chief Constable and the Chair of the Policing Board. The manual is the culmination of almost three years work by the Policing with the Community team and acts as a blueprint for how we deliver our Policing with the Community service to the public of Northern Ireland. The following section outlines the key achievements of the project in 2018-19.

Calls for Service

THRIVE is now applied to all calls received in Contact Management to identify Threat, Harm, Risk, Investigation, Vulnerability and Engagement. It ensures that the right information is asked for from the caller, assesses the rationale for making a decision on how to deal with a call and in turn ensures that the right information is passed on to an officer on the ground.

Professional Development

PSNI worked with the Open University to develop 'Collaborative Problem Solving For Community Safety' course. The training was designed to support both officers and staff in all roles to enhance their skills, knowledge and confidence around collaborative problem solving. Once the course has been completed participants will be able to:

- Implement a variety of skills and techniques aimed at improving collaborative working and decision-making with community members and partners;
- Understand the role of all stakeholders in delivering effective solutions to local community safety problems.

The course is mandatory for all new Student Officers and Police Staff who are joining our Police Service. This means that new colleagues will already have a really solid grounding in problem solving skills and the key Policing with the Community principles before they join with us. Over 1,400 people have completed the course and a further 600 are currently enrolled.

New modules are being developed which will look to help build Leadership and Communications skills.

Quality Assurance Process for Behaviours

The quality assurance process for the PWC behaviours is now embedded in the Individual Performance Review (IPR) system of officers and staff.

Support Hubs

The concept of a multi-agency Support Hub is to provide early intervention and support for individuals and families in crisis. There are currently five Support Hubs fully operational: Derry City & Strabane, Antrim & Newtownabbey, Mid & East Antrim, Causeway Coast & Glens and Fermanagh & Omagh. A further three districts (Mid Ulster, Ards & North Down and Newry, Mourne & Down) are at an advanced stage of setting up a Support Hub.

Further information on the Support Hubs is provided for Measure 2.1.1.

Community Empowerment

PSNI continues to work with partners to develop Community Empowerment, a key element of which is Participatory Budgeting. The concept of Participatory Budgeting (PB) is to create a democratic process in which community members decide how to spend part of a public budget. It gives people, real power over money.

In March 2019 a Participatory Budgeting event was run as part of the Imagine Festival, Belfast delivering donations up to a maximum of £500 for various community projects to support community life. There was also an opportunity for wild card applications for people attending on the day. This resulted in a further two pitches, one of which was successful - a project for schools in Garvagh working in partnership and supporting the local forest that was awarded £250.

Training for individuals to become Participatory Budgeting champions was run in May 2018 to enable them to organise and run Participatory Budgeting events.

Corporate Performance Management Framework

A Corporate Performance Management Framework (CPMF) has been developed which aligns to the Program for Government and takes account of the principles of Outcomes Based Accountability (OBA). The CPMF has aligned performance management to the key accountability boards within the organisation and with the NIPB. It ensures that leaders at all levels of the organisation have an understanding on how well we are doing against our strategic priorities, the Policing Plan strategic outcomes and broader performance.

Effective performance management is crucial to the achievement of the organisation's vision and embedding the Policing with the Community ethos. The CPMF is designed to improve accountability and facilitate collaborative decision making by aligning PSNI's internal and external priorities.

OVERARCHING THEME 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.

2.1.1 Improve service to the most vulnerable across PSNI policing districts through the implementation of Support Hubs in collaboration with PCSPs and other partners.

The concept of a multi-agency Support Hub is to provide early intervention and support for individuals and families in crisis. There are currently five Support Hubs fully operational: Derry City & Strabane, Antrim & Newtownabbey, Mid & East Antrim, Causeway Coast & Glens and Fermanagh & Omagh. A further three districts (Mid Ulster, Ards & North Down and Newry, Mourne & Down) are at an advanced stage of setting up a Support Hub.

PSNI are progressing arrangements with partner agencies to strategically explore the further roll out of Support Hubs. There is no lead agency for the Hubs therefore further development is a collaborative process between the PSNI, National Health Service, Education Authority, Local Councils, Northern Ireland Ambulance Service, Youth Justice Agency, Northern Ireland Probation Board and the Northern Ireland Housing Executive.

PSNI has developed a readiness guide on how to set up a Support Hub to facilitate the roll out across Northern Ireland.

The Support Hubs are about a collaborative working approach to helping the most vulnerable in our society. They demonstrate PSNI and partner commitment to supporting and empowering citizens, building stronger and sustainable communities as a result.

Each partner in a Support Hub is responsible for selecting potential candidates for the cohort. PSNI use a method to score potential nominations taking into account how recent the interactions have been, the frequency and gravity of incidents along with professional judgement. Written consent is obtained from the vulnerable person to be referred to the Support Hub and then their information is securely shared with partners. The partners share what is known from their organisation at a meeting and there is a shared decision whether to accept the nomination onto the cohort. The table overleaf details number and cases dealt with by each Support Hub since they were established.

Support Hubs demonstrate how statutory partners working together can change lives for the better. The following section highlights some examples of how the Support Hubs have improved the lives of vulnerable people.

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019**

| | Derry City & Strabane | Antrim & Newtownabbey | Mid & East Antrim | Causeway Coast & Glens | Fermanagh & Omagh |
|--|----------------------------------|----------------------------------|------------------------------|-----------------------------------|------------------------------|
| Number of Meetings | 30 | 23 | 15 | 14 | 2 |
| Number of Referrals | 104 | 72 | 41 | 38 | 10 |
| Number of Actions (PSNI) | 482 | 170 | 219 | 51 | 7 |
| Number of Actions (Partners) | 945 | 183 | 244 | 50 | 24 |
| Number of persons signposted with no need to refer | 218 | 57 | 112 | 33 | 6 |

One example is of a young man living alone in a housing executive flat, suffering from mental health issues, alcohol and drug misuse. He had a close family circle, but younger men were taking advantage of him by using his property as a place to deal drugs. The Support Hub was able to help by securing him an appointment with health professionals, substance support services, as well as securing appropriate accommodation. He is now thriving as part of a volunteer group. This shows Support Hubs help deliver the right support at the right time.

A 74 year old widower in poor physical condition was living alone in very dilapidated house. He was living in one room in large house with no heating and a rodent problem. PSNI entered the house and found the man unable to walk. There was no family support so the Support Hub put a full care package in place. PSNI has maintained contact with carers. The man is now engaging with a Social Worker and carers and has experienced a vast improvement in his health and wellbeing and lifestyle.

A single 59 year old male was living alone in a property in a very poor state. His property was accessed during a Housing Executive visit and the male was found to be in very poor state mentally and physically. A referral was made to Mental Health services by the Support Hub. The male has now been placed in private residential care and is doing well, with contact made with his estranged family.

The Housing Executive identified a young male living with his mother, who had been reported for Anti-Social Behaviour and truancy and had involvement with Youth Justice Agency. The male was on the brink of entering the Criminal Justice System. The Support Hub identified a package of measures to support the young male and his mother. The Housing Executive worked with his mother to address tenancy issues and the minor was placed in foster care for a period. He has since returned to the family home and the situation has settled significantly.

2.1.2 Improve the service to vulnerable groups in collaboration with partners in relation to:

- **Hate Crime**

The overall number of reported hate crimes increased by 11% in 2018-19 compared to 2017-18; there were increases in Racist, Sectarian, Homophobic and Disability hate crimes. The number of Racist hate incidents and crimes is higher than Sectarian incidents and crimes for the second year running. There was however a decrease in the number of Sectarian hate incidents reported.

| | Total Incidents Recorded | | | Total Offences Recorded | | | Outcome Rate (%) | | |
|-----------------------|--------------------------|---------|--------|-------------------------|---------|--------|------------------|---------|----------------|
| | 2017-18 | 2018-19 | Change | 2017-18 | 2018-19 | Change | 2017-18 | 2018-19 | % point Change |
| Racist | 1,025 | 1,124 | 99 | 609 | 702 | 93 | 14.9% | 16.5% | -3.3% |
| Sectarian | 879 | 865 | -14 | 576 | 622 | 46 | 12.0% | 10.1% | -1.0% |
| Homophobic | 267 | 281 | 14 | 163 | 201 | 38 | 22.1% | 19.4% | 0.5% |
| Faith-Religion | 90 | 56 | -34 | 41 | 23 | -18 | 7.3% | 8.7% | 1.4% |
| Disability | 101 | 100 | -1 | 48 | 53 | 5 | 4.2% | 7.5% | -7.5% |
| Transphobic | 38 | 33 | -5 | 17 | 12 | -5 | 23.5% | 8.3% | -1.5% |

The following table shows the levels of repeat victimisation. Around 10% of hate occurrence victims are repeat victims.

| | Rate of Repeat Victimisation | |
|-----------------------|------------------------------|---------|
| | 2017-18 | 2018-19 |
| Racist | 12.2% | 9.2% |
| Homophobic | 9.5% | 10.6% |
| Faith-Religion | 13.3% | 15.8% |
| Disability | 9.7% | 11.9% |
| Transphobic | 38.1% | 9.5% |

There were fewer repeat victims in 2018-19 than 2017-18 (-19 victims). A number of people (69, 3.6% of all victims) were victims of hate crime in both financial years.

In 2018-19 PSNI actively engaged with partners and charities to raise awareness that any form of hate crime is unacceptable. The aim of these campaigns is two-fold. Firstly to support victims of hate crime and encourage them to seek support and/or report the incident to the police. Secondly to send a message to the wider community that hate crime will not be tolerated so acts as a deterrent to potential offenders.

In September 2018, the Community Relations Forum (CRF), in partnership with Antrim & Newtownabbey Police and Antrim & Newtownabbey Borough Council, launched a new hate crime initiative. The initiative is aimed at providing practical help and guidance for those affected by incidents of hate crime. CRF ask that officers, when attending a hate incident, provide a leaflet to the injured party or parties along with a contact card for CRF. This gives the person the opportunity to read the leaflet once police leave and to ask for any extra help or assistance they feel would be beneficial.

CRF are more ‘hands on’ than other advocacy groups in that they will visit and speak with the injured party if they wish. For example, if a window was shattered, they would help to clean up the broken glass that was caused during the incident. They will also be available to offer practical advice and signpost to additional organisations or community groups that can help the person. This is a fantastic initiative for which PSNI have pledged to provide full support.

As part of National Hate Crime Awareness week PSNI held an open event at The Guildhall in Derry/Londonderry on Wednesday 17th October. The event was to promote our #NoPlaceForHate campaign as well as the various organisations that can provide support to victims of hate crime. The event was about getting to the heart of those barriers to reporting. If we don’t know then we can’t help. A really useful panel discussion was held during the event, and the audience was asked to complete a short survey. This information is being used to shape and inform the service we provide going forward.

Racist Hate Crime and Incidents

The Ethnic Minority Police Association (EMPA) held a Race Hate Crime Awareness Day at the Wellington Park Hotel. The purpose of the day was to re-introduce the community groups to the EMPA and assist the PSNI in building relationships and confidence with the Black and Minority Ethnic (BME) community and ‘hard to reach communities’. The engagement day was also an attempt to break down any perceived barriers and increase confidence of these communities while making contact with PSNI and in particular in relation to how hate crime and incidents are reported.

Equality Commission representatives gave a presentation in respect of equality issues and the attitudes and perspectives towards BME communities from the Northern Ireland population as a whole. The Equality Commission discussed with delegates equality legislation relating to hate crime and discrimination including the potential to use harassment legislation when considering prosecutions in respect of hate incidents in the absence of or in conjunction with a specific crime.

Homophobic and Transphobic Hate Crime and Incidents

Neighbourhood Officers, supported by our LGBT+ Network, recently hosted ‘Coffee with a Cop’ events in Belfast, Newry and the Foyle area on IDAHOBIT (International Day Against Homophobia, Biphobia and Transphobia) on Thursday 17th May. The aim of these events is to enable members of the LGBT+ community to engage with police officers in a neutral environment and to feel more confident in reporting hate crime.

On Saturday 4th August officers and staff took part in the Belfast Pride Festival, alongside colleagues from Cumbria and Merseyside Police, as well as from An Garda Síochána. Assistant Chief Constable Barbara Gray said: “Pride is an important series of events for those who identify as being LGBT and it provided us with an opportunity to highlight that hate crime, in whatever form, is wrong and it’s important to report it. We aim to promote confidence in policing and we want to encourage anyone who is a victim of hate crime to come forward and report it to us. We want victims to feel confident that when they contact police their concerns will be taken seriously and responded to appropriately. Our participation in the event was an opportunity to demonstrate our commitment to inclusion and show support for

colleagues, particularly those in the LGBT network. It was also a great opportunity to demonstrate the pride we have in serving our diverse communities.”

There was also a stand in the Pride village providing information about hate crime, crime prevention advice and recruitment and a number of ‘Policing with Pride’ liveried vehicles carrying a ‘Hate Crime is Unacceptable – To Stop It, Report It’ message were being used throughout the whole Belfast Pride Festival.

As part of PSNI’s involvement in the annual Pride Festival PSNI hosted a Hate Crime Discussion at the Ulster University, Belfast on Tuesday 31st July. Chief Superintendent Emma Bond said: “Hate crime should not be tolerated and victims should be encouraged and feel confident that when they contact police that their concerns will be taken seriously and responded to appropriately.” The event, which was facilitated by PSNI’s advocate from the Rainbow Project, provided an opportunity to find out more about how we investigate and support victims through the criminal justice process. It also provided the public with the opportunity to ask questions of our panel which was made up of officers and staff from various roles and departments.

North Area commenced a number of trans awareness sessions which coincided with Hate Crime Awareness Week. TransgenderNI delivered 60 minute sessions which were attended by officers from Mid & East Antrim and Antrim & Newtownabbey districts. Officers had the opportunity to ask questions, increasing their awareness regarding the challenging issues often experienced by this minority group.

Faith-Religion Hate Crime and Incidents

PSNI was pleased to be invited to attend this year’s Eid al-Fitr celebrations held on Friday 15th June 2018. There was a great deal of interest shown by the community in the practicalities of day to day policing. There was also an opportunity for concerns to be raised in respect of hate crime towards the Muslim community in Northern Ireland.

There was a lot of enthusiasm from many of the young people in a potential career within the PSNI. One of the leaders of Belfast Islamic Centre commented on how much the police here in Northern Ireland were ‘very much with the community’ which he said was not always the case in some other parts of the world. Parents were equally keen on their children considering the police as a career option and did not perceive any barriers to them joining as most of them had been ‘brought up here in Northern Ireland’.

On Monday 10th December 2018 the Bangladeshi/Islamic Community in Newtownards hosted a Taste and Talk evening at Queens Hall as outreach and to thank the wider community in Ards and North Down for their support following the Klu Klux Klan incident at the Prayer House. The event was held with the assistance of Ards and North Down Borough council and was attended by the Lord Mayor and representatives from the local churches and community groups including Elim Church, The Link, Storehouse, Thriving Church, YMCA and had representatives from the local PCSP, with Policing Board members Brice Dickson and Paul Nolan also in attendance.

The community were pleased to welcome the Chief Constable who emphasised that it is events such as these show the PSNI's commitment towards the building of a more inclusive and cohesive society where fairness and respect for all individuals, regardless of their differences, is at the heart of policing.

Sergeant R Williams, Chair of PSNI Ethnic Minority Police Association (EMPA), said "we were pleased to be invited to the event to continue to show our support. We also took the opportunity to highlight the importance of achieving a police service reflective of the community that we serve, so encouraged those there to consider a career in policing."

Disability Hate Crimes and Incidents

Wednesday 21st November saw the launch of the new 'Hate Crime is wrong' mural opposite Grosvenor Road Police Station. The mural was part-financed by the PSNI and involved Leonard Cheshire Can Do Project, NOW Project and Leonard Cheshire Disability Hate Crime. Leonard Cheshire have been working with the NOW Project in Belfast to raise awareness of disability hate crime, to increase confidence in reporting and to encourage young disabled adults to support peers who have been victims of disability hate crime. Having the confidence to recognise, report and deal with disability hate crime is a very important life skill.

• **Crimes against Older People**

| Age Band | 2016-17 | 2017-18 | 2018-19 | 2018-19 - 2017-18 | |
|----------|---------|---------|---------|-------------------|----------|
| | | | | Change | % Change |
| 60-69 | 3,930 | 3,932 | 3,826 | -106 | -2.7% |
| 70-79 | 1,984 | 1,975 | 1,966 | -9 | -0.5% |
| 80-89 | 809 | 820 | 785 | -35 | -4.3% |
| 90+ | 175 | 132 | 146 | 14 | 10.6% |

Crimes against older people are decreasing. With the exception of the 90+ age band, there were fewer crimes against older people in 2018-19 than 2017-18. There was a slight increase (14) in the number of crimes against victims aged 90 years and older in 2018-19 compared to 2017-18 but this is still lower than the 2016-17 level. The lower numbers of crimes is positive however the impact of being a victim of crime as an older person can have a disproportionate impact so the PSNI will continue to engage with statutory partners and charities to support older people who are victims of crime.

An Older Persons Vulnerability Bulletin is produced regularly which highlights key trends, emerging issues and future risks. This information is used to facilitate a meeting involving personnel from across the Service in order to tackle crimes against older people.

In December 2018 a year-long pilot scheme was launched which will see St. John Ambulance volunteers provide immediate support to older people who have been victims of crime. The scheme launched in the Ards & North Down Borough Council and Lisburn & Castlereagh Council areas. The service provides immediate practical and emotional support to older people who become victims of a crime and is designed to reduce the impact of the crime. St. John Ambulance volunteers, working in pairs, will attend within 90 minutes of being mobilised by police. After a crime has taken place, PSNI officers will contact, with the older person's consent, St John Ambulance

volunteers who will arrive to support the victim. This could involve making a cup of tea for the older person and reassuring them until relatives or friends arrive, helping them to tidy up or spending time with them to give them emotional support. We are working closely with St John Ambulance to support the scheme in both council areas. PSNI, along with DOJ colleagues attended the Age Sector Platform Northern Ireland Pensioner's Parliament in October 2018. PSNI provided crime prevention advice and distributed "No Cold Calling" stickers as part of the No Cold Calling initiative collaboration between PSNI and Trading Standards. The event also provided an opportunity to highlight the Quick Check 101 scheme and the Nominated Neighbour Scheme. The Nominated Neighbour Scheme involves householders nominating a person who will deal with callers to their home. If a caller arrives when a person is alone in the house, they can be shown a card instructing them to contact the Nominated Neighbour, who will then try and check the caller's identity avoiding the need for the householder to open their front door.

World Elder Abuse Awareness Day was marked on 15th June 2018 and provided an opportunity for PSNI to highlight this issue and ensure that officers know how to identify potential victims.

- **Sexual offences**

The number of sexual offences has increased in 2018-19 compared to 2017-18. The increase is attributed to the increase in rape crimes.

| | | 2016-17 | 2017-18 | 2018-19 | 2018-19 - 2017-18 | |
|---------------------|------------------------|--------------|--------------|--------------|-------------------|-----------------------|
| | | | | | Change | % Change |
| Offences | Other sexual offences | 2,326 | 2,469 | 2,448 | -21 | -0.9% |
| | Rape | 821 | 965 | 1,099 | 134 | 13.9% |
| | Sexual offences | 3,147 | 3,434 | 3,547 | 113 | 3.3% |
| Outcomes | Other sexual offences | 341 | 347 | 428 | 81 | 23.3% |
| | Rape | 71 | 59 | 93 | 34 | 57.6% |
| | Sexual offences | 412 | 406 | 521 | 115 | 28.3% |
| Outcome Rate | Other sexual offences | 14.7% | 14.1% | 17.5% | - | 3.4% <i>opt</i> |
| | Rape | 8.6% | 6.1% | 8.5% | - | 2.3% <i>opt</i> |
| | Sexual offences | 13.1% | 11.8% | 14.7% | - | 2.9%<i>opt</i> |

The outcome rate for sexual offences has increased in 2018-19 compared to 2017-18. Public Protection Branch (PPB) continue to support a number of research projects, in collaboration with Queens University and a number of other partners, specifically for victims who have a learning disability. Additionally PPB have provided training for a pilot program aimed at victims who require immediate support and/or are unsure whether they wish to engage in the criminal justice process, the overarching aim being that they will feel supported and empowered to embark on their criminal justice journey. Research into understanding why victims disengage from the criminal justice process is also being undertaken, particularly into the impact of rape myths and victim experience.

The Independent Sexual Violence Advocates (ISVA) provided by Victim Support are based in Derry & Strabane and Belfast Districts. One of the main aims of the ISVA is to support the victim's ongoing engagement in the criminal justice and investigative process.

The Rape Crisis Centre is a newly founded service incorporating a number of organisations (Women's Aid, Nexus, VSNI and MAP) aimed at providing a service to victims of sexual violence. PPB provided joint training in collaboration with a number of partners, in September 2018 between Rape Crime Unit personnel and Nexus staff. The pilot program is now underway in the Belfast area and will be the subject of ongoing review in terms of scope and remit. There remains ongoing liaison to establish an effective means of referral into this valuable service.

Wednesday 10th October saw the launch of No Grey Zone. No Grey Zone is a partnership campaign between the PSNI, Nexus, the Rowan Sexual Assault Referral Centre, Public Prosecution Service, Women's Aid, Northern Ireland Policing Board, Victim Support and Students' Unions both at Queen's and Ulster University, to raise awareness of sexual consent, to educate our society about sexual consent and to empower people to be confident about sexual consent – to ask the right questions, listen and know what is acceptable and what is not. While the message around sexual consent is applicable to everyone, it is primarily targeted at the 16 – 28 year old age group so that we can build a generation who are confident about consent.

- **Mental health**

On average the PSNI log between 45-60 calls per day on the Command and Control system with a sub-closing code of “mental health”. These would be calls ranging from simple contact advice by telephone, to attending missing person reports and serious self-harm issues. On average three people are formally detained by PSNI on a daily basis by virtue of the Mental Health Order. This does not take into account any voluntary presentations or those sent from PSNI custody. It is estimated that 85% of individuals brought into police custody have a mental health related issue.

PSNI has developed a Mental Health Action Plan which sets out clear, achievable and measurable actions in order to improve the service delivered to vulnerable people. The Action Plan has four themes: Policy, Procedure and Guidance, General Impact of Mental Health, Mental Ill Health in Custody and Research and Evaluation. Some of the actions progressed in 2018-19 are outlined below.

The Mental Health Street Triage pilot, funded by the Public Health Agency (PHA), commenced in July 2018 demonstrates a highly pro-active collaborative approach in addressing calls for service for those experiencing mental health or emotional crisis. This new and innovative approach is a first for PSNI and sees two PSNI officers, a Northern Ireland Ambulance Service (NIAS) paramedic and a South Eastern Health & Social Care Trust (SEHSCT) mental health professional on shift together each Friday and Saturday night from 7pm until 7am. The team offers telephone advice to colleagues at scenes or physically attends to make mental health triage assessments. To date the team (known as MATT) have successfully deescalated over forty incidents that would have previously seen individuals taken to hospital emergency departments by police.

Other collaborative work with charitable organisations has been continuing relating to mental health. Much of this work has concentrated on helping officers identify people with mental health issues and providing them with the skills to deal with that person appropriately.

For example, PSNI recently endorsed and attended the Northern Ireland launch of the “Headway Brain Injury ID Card”. Some of the symptoms associated with brain injury can be mistaken for drunkenness or aggression. The card is designed to help police officers and staff more easily identify brain injury survivors and ensure that they receive an appropriate response. Benefits of the card include:

- Easy identification of brain injury survivors through personalised photo ID card linked to a central database;
- Access to a unique 24-hour criminal legal helpline to specialist solicitors trained in understanding brain injury;
- Details about where to find brain injury support and information from Headway.

The project was launched following a successful pilot scheme involving brain injury survivors from Northern Ireland.

Custody Detention Officers attended a two day Applied Suicide Intervention Skills Training (ASIST) programme in September 2018 as part of World Suicide Prevention event. The "Living Works" programme was delivered as part of the overall custody detention officers course and addressed core issues relating to suicidal behaviour and how best to conduct an intervention with a vulnerable person at risk of suicide. The ASIST programme is regularly rolled out across the service and has been running internationally now for over two decades.

Officers have also been provided with 'Concerned About Suicide' Aide Memoires to help them deal with people who may be suicidal. The A5 leaflet has advice for police officers as well as contact details of groups who specialise in caring for people who are facing such a crisis.

PSNI partnered with the South Eastern Health and Social Care Trust and Public Health Agency to bring a “virtual dementia” to four locations across the PSNI estate. Around 100 police officers and staff had the opportunity to experience what it feels like to have dementia.

2.1.3 Improve the service to repeat victims

| Year | Callers | Calls | All Calls | % Repeat |
|-------------|----------------|--------------|------------------|-----------------|
| 2014-15 | 7,529 | 101,317 | 503,647 | 20.1% |
| 2015-16 | 9,115 | 121,726 | 493,780 | 24.7% |
| 2016-17 | 11,100 | 149,545 | 524,335 | 28.5% |
| 2017-18 | 12,751 | 158,273 | 566,565 | 27.9% |
| 2018-19 | 13,149 | 162,173 | 567,892 | 28.6% |

The table above shows the number of callers who have contacted PSNI more than five times in the financial year. The table indicates that both the numbers of repeat callers and calls are increasing. These numbers are an estimate as they are based on the caller providing the same telephone number, address or name on each call.

Repeat callers are reviewed monthly by Districts and appropriate responses are identified which may include referral to the Support Hub, signposting to another agency or a problem solving approach by local officers.

Processes are in place to identify repeat victims of some specific crime types, such as domestic abuse, and are detailed in the relevant section of this report.

2.1.4 Demonstrate an effective contribution in addressing anti-social behaviour particularly in areas of high deprivation and hot spot areas in collaboration with PCSPs and relevant others within the community.

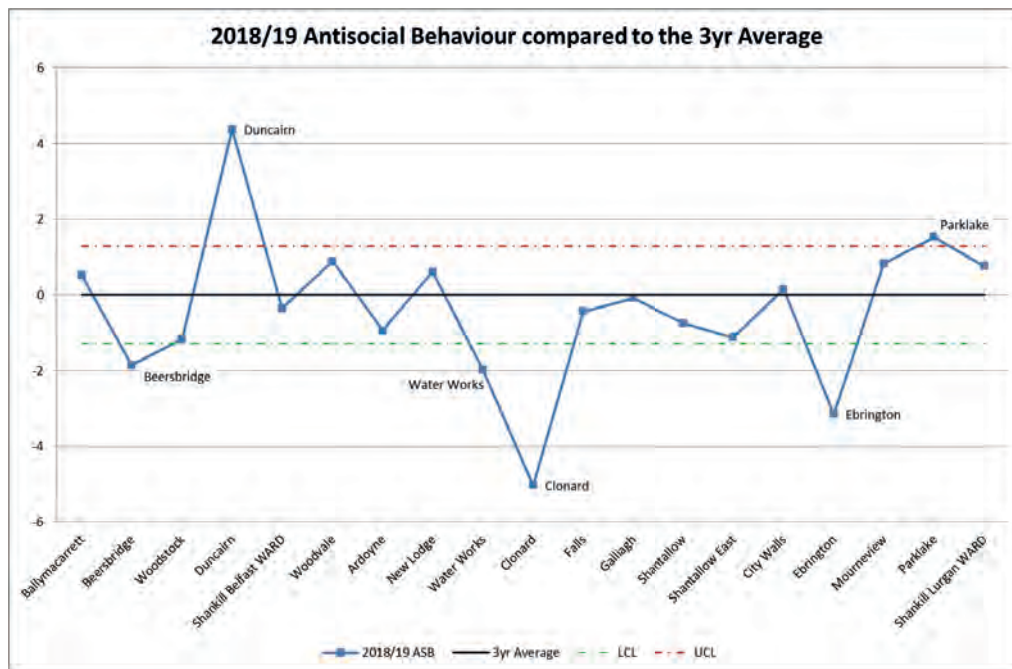
There was a reduction in the number of antisocial behaviour incidents reported to PSNI in 2018-19 compared to 2017-18 (-4,704 incidents, -7.7%).

The table below shows the number of incidents recorded in each of the priority wards compared to the previous year.

| District | LPC | Ward | 2017-18 | 2018-19 | Change | % Change |
|------------------------------------|----------------|------------------|---------|---------|--------|----------|
| Belfast City | Strandtown | Ballymacarrett | 330 | 385 | 55 | 16.7% |
| | | Beersbridge | 583 | 424 | -159 | -27.3% |
| | | Woodstock | 350 | 340 | -10 | -2.9% |
| | Tennent Street | Duncairn | 1112 | 1299 | 187 | 16.8% |
| | | Shankill Belfast | 402 | 327 | -75 | -18.7% |
| | | Woodvale | 308 | 302 | -6 | -1.9% |
| | | Ardoyne | 198 | 176 | -22 | -11.1% |
| | | New Lodge | 403 | 396 | -7 | -1.7% |
| | | Water Works | 762 | 621 | -141 | -18.5% |
| | Woodbourne | Clonard | 336 | 289 | -47 | -14% |
| Falls | | 591 | 644 | 53 | 9% | |
| Derry City & Strabane | Strand Road | Galliagh | 205 | 179 | -26 | -12.7% |
| | | Shantallow | 76 | 52 | -24 | -31.6% |
| | | Shantallow East | 56 | 55 | -1 | -1.8% |
| | | City Walls | 828 | 800 | -28 | -3.4% |
| | | Ebrington | 293 | 233 | -60 | -20.5% |
| Armagh City, Banbridge & Craigavon | Lurgan | Mourneview | 200 | 220 | 20 | 10% |
| | | Parklake | 311 | 324 | 13 | 4.2% |
| | | Shankill Lurgan | 522 | 492 | -30 | -5.7% |

The number of ASB incidents recorded in most Wards was within normal levels based on the three year average. Duncairn and Parklake both recorded increases which exceeded normal limits, (16.8% and 4.2% respectively). This is highlighted in the following graph.

These increases were recorded despite ongoing work between local officers, partners and communities. Regular updates to the NIPB detail local initiatives within each of the wards and levels of anti-social behaviour will be monitored on an ongoing basis to understand the impact of this approach. This report will highlight the ongoing work in Wards which have recorded increases.



Duncairn

In the Duncairn Ward officers and the Dean Clarke Foundation have been working with young people from the Tigers Bay area. Engagements included our summer intervention and our winter football program. The idea was for local police officers to build relationships informing youths of the consequences of negative behaviour and outcomes of being involved in such behaviour. Local police are conscious that they must have community support and assistance to help solve local problems.

Local police also run a second ASB project through Alexandra Presbyterian Church, funded by the PCSP. This project is focussed on the young people from the Shore Road and Mountcollyer area. Local officers do this through a number of summer interventions which included football coaching delivered by local qualified PSNI officers, and trips to W5 and RADAR.

A joint PSNI and community project is a pensioners' lunch club with the purpose of protecting and helping the most vulnerable in our society from the effects of ASB. This is funded by the PSNI, PCSP and Dean Clarke Foundation. The pensioners club has been used to as a platform to better inform vulnerable people about a range of issues. This included talks by health professional on topics such as mental health, dementia, and Northern Ireland Fire & Rescue Services (NIFRS) giving talks on home safety. NIFRS have also visited people's homes to conduct home safety inspections. Local police officers have delivered home and personal security advice. This has all been delivered in order to help people feel safer in their homes, reduce the fear of crime and have greater confidence in the police service.

Local police continue with work on one of their biggest projects with Northern Ireland Railways (NIR) and Groundwork redesign team to completely redesign the Yorkgate train station area. The media reported this project as one of the most successful projects of its kind in the Belfast area. There has been a significant reduction in ASB reports and community and NIR feedback show greater feelings of safety and contentment in the area.

Parklake

Parklake Ward contains one side of William Street's night time economy, the town centre, and Lurgan Park. Most of the ASB is centred on the night time economy, therefore a Licensee Forum has been formed and is attended by all Lurgan Licensees.

Local police continue to engage with the North Lurgan Inter –Agency Partnership and North Lurgan Stakeholders Group. Police patrols are being focused on agreed areas where ASB is problematic and police report reduced ASB in the residential areas of the ward.

The area of Lurgan Park and Lake falls within Parklake Ward. The Neighbourhood Team liaise regularly with the Park Attendants particularly at closing times to ensure that there are no crime-safety issues.

One particular area, North Street Car Park was identified as problematic. This site was adjacent to a number of derelict buildings with overgrown land areas. This had become an area for fly-tipping and young people were gathering here at night due to the lack of street lights. We liaised with the PCSP and Environmental Services who forced the landowner to clear this site which has alleviated the problem.

2.1.5 Demonstrate an effective contribution to protecting young people by implementing initiatives and interventions to improve outcomes in collaboration with partners in relation to:

- **Child sexual abuse and exploitation (CSAE)**

During 2018-19 there were 87 children flagged as at high risk of sexual exploitation with between 37 and 50 children flagged as at high risk in any one calendar month. The majority of the children flagged as at high risk are female and over half live in the community.

There has been a year on year increase in reported child sexual abuse, of which CSAE is one aspect. Children and young people often do not recognise that they are being sexually exploited. There is frequently a reliance on other professionals working with them to be aware of the signs and know what to do when they have concerns. There is also a reliance on police officers and staff in their interactions with these young people to identify exploitation, in particular during missing episodes.

Around 2% of all sexual offences are committed against children at high risk of CSAE. The outcome rate for Sexual Offences against CSAE victims is lower than the overall Sexual offences outcome rate (6.3% compared to 14.7% in 2018-19). However this is often as a result of the young person not identifying they have been a victim of crime and therefore they are unwilling to engage in the criminal justice process.

During 2017-18, 62 children flagged as at risk of CSAE were reported missing and accounted for 1,159 missing person reports. Missing reports for children flagged as at risk of CSAE were lower in 2018-19 with 54 children reported missing a total of 823 times.

PSNI officers recently visited and observed South Yorkshire and Greater Manchester Police's operations resulting from Rochdale and Rotherham cases. These forces demonstrated successful partnership working and it is planned to reflect on this and also how victims/offenders were identified, as PSNI reviews its current CSAE working practices.

There is a Quarterly CSAE meeting between senior leads in Public Protection Branch and HSCTs. A range of matters are discussed including the ongoing review of interface meetings and the review of operating procedures, capturing of information, young people of concern who cross Trust Boundaries and community engagement. The Safeguarding Board for Northern Ireland CSAE Sub-Group, chaired by PSNI, took place in September 2018 involving a range of agencies. Matters under discussion included a forthcoming De-briefing to Learn session on CSAE; and links between pupil absences and CSAE.

- **Children who go Missing**

The number of missing children reports has been decreasing year on year since 2015-16. During 2018-19 there were 5,502 reports of missing children, of which around two thirds were in relation to 'looked after children'. Approximately 1,500 children were reported missing in 2018-19. Repeat missing children account for over 70% of all reports, this figure increases to 90% for 'looked after children'.

In relation to 'looked after children' the number of children going missing in 2018-19 is the same as 2017-18 however the number of times they have gone missing has reduced by around 20%. These reductions are not being realised in England and Wales and PSNI has been asked to share learning and best practice.

Support Hubs have done significant work with vulnerable repeat missing persons to assist in reducing their vulnerability and missing episodes. This has been shown to be successful as the multi-agency team are able to look at the multiple factors that are leading to the person going missing.

The Missing Person Support Office (MPSO) in Belfast has been involved in engagement and diversionary work with the staff and residents at children's residential units in the area. This has not only improved relationships and mutual understanding between staff and police, but has also assisted in reducing the number of times young people go missing from the homes.

Peripatetic teams across each Health Trust are presently being implemented; they will be accessible by every residential children's home and will have provision for additional staff, youth leadership and mental health support with a focus on early intervention and diversion. The work carried out by the peripatetic teams is expected to reduce missing reports in relation to 'looked after children'.

2.1.6 Reduce harm caused by Domestic Abuse.

Recorded levels of domestic abuse continue to increase. The number of incidents and crimes are at the highest levels since the start of the data series in 2004-05. Domestic abuse crimes represented 16% of all police recorded crime, increasing from 14.8% 2017-18.

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Despite this increase it is still possible the domestic abuse is under-reported. PSNI continues to work to encourage those experiencing abuse, or their family and friends, to report it and get help.

| Crime Type | Recorded Crimes | | | Outcome Rates (%) | | |
|--------------------------------------|-----------------|-------------|---------------------|-------------------|-------------|----------------|
| | 2017-18 | 2018-19 | 2018-19 - 2017-18 | 2017-18 | 2018-19 | % point change |
| Violence against the person offences | 10,513 | 11821 | 1,308, (12.4%) | 24.5 | 23.7 | -0.8 |
| <i>Violence with injury</i> | <i>4,041</i> | <i>4455</i> | <i>414, (10.2%)</i> | <i>31.3</i> | <i>29.7</i> | <i>-1.7</i> |
| <i>Violence without injury</i> | <i>5,421</i> | <i>5700</i> | <i>279, (5.1%)</i> | <i>19.4</i> | <i>19</i> | <i>-0.4</i> |
| <i>Harassment</i> | <i>1,051</i> | <i>1666</i> | <i>615, (58.5%)</i> | <i>24.7</i> | <i>24</i> | <i>-0.7</i> |
| Sexual offences | 675 | 792 | 117, (17.3%) | 10.4 | 10.7 | 0.4 |
| Theft (including burglary) | 860 | 938 | 78, (9.1%) | 42.9 | 40.3 | -2.6 |
| Criminal damage | 1,512 | 1728 | 216, (14.3%) | 35.1 | 32.2 | -2.9 |
| Breach of non-molestation order | 709 | 612 | -97, (-13.7%) | 63.3 | 64.7 | 1.4 |
| All other offences | 261 | 291 | 30, (11.5%) | 32.6 | 34.7 | 2.1 |
| Total crime | 14,530 | 16182 | 1,652, (11.4%) | 28.1 | 26.7 | -1.4 |
| Incidents | 29,913 | 31,682 | 1,769, (5.9%) | | | |

During 2018-19, 22.1% of victims were repeat victims. The majority of these repeat victims (60.5%) were linked to two occurrences during the period. A number of victims (172) are linked to seven or more occurrences (0.8% of all domestic abuse victims).

A domestic abuse repeat victimisation report is produced monthly and circulated to the Districts so that necessary action can be taken to protect victims. This report includes associated perpetrator detail for victims with the highest rate of repeat victimisation (seven or more recorded occurrences in the preceding 12 month period).

The Domestic Abuse Service Instruction has been updated during 2018 to reflect various recommendations from Criminal Justice Inspectorate and the Police Ombudsman. The Service Instruction is focused with priority checklist of actions to guide officers when responding to domestic incidents which reflects the national College of Policing's Authorised Professional Practice.

In partnership with Women's Aid and South Eastern Trust domestic violence awareness training was delivered for student officers. Women's Aid praised those who had attended, saying: "They were keen to learn, explore and unpack the dynamics of domestic violence and the situations that women find themselves in. They showed great empathy with the victims and were keen to discuss any issues and frustrations that they had faced when attending calls." This is an example of a number of courses delivered by Women's Aid and PSNI both internally and externally.

PSNI continue to embrace new technologies and strategies to prevent and detect crime. Body Worn Video (BWV) evidence has been particularly useful in domestic violence cases where victims can be reluctant to pursue a case. The Public Prosecution Service

(PPS) have stated that in at least two domestic violence cases BWV evidence was responsible for securing the conviction of repeat offenders.

The introduction of the Domestic Violence and Abuse Disclosure Scheme (DVADS) in March 2018 is helping to prevent domestic abuse. The Scheme, operated by PSNI in conjunction with statutory and voluntary partners, allows a potential victim to receive information on their partner's history of abusive behaviour in terms of the risk they pose, enabling them to make an informed choice about their relationship. An application can also be made by a third party who knows them and has concerns.

Over 326 applications have been made to DVADS in Northern Ireland since its introduction in March 2018 resulting in 40 people being advised about their partner's abusive past. The DOJ are also encouraged by the proactive steps being taken by police and partner organisations in making their own enquiries through the scheme.

The Independent Advisory Group continues to advise and work collaboratively in the area of Domestic and Sexual Abuse. PSNI are also supporting the Probation Board in the recent commencement of their Domestic Violence adjudicated and non-adjudicated perpetrator programmes in an attempt to reduce repeat offending. The implementation of the perpetrator programme is another example of agencies working together to try new means of preventing suspects reoffend thus preventing Domestic Abuse.

A recent study from Ulster University and Queen's University Belfast has shown that the appointment of Domestic Abuse Support Workers (DASWs) has improved partnership working between PSNI and Women's Aid and consequently provides enhanced support for victims. DASWs develop an effective co-ordinated interagency response with the PSNI to tackle domestic abuse, whilst also ensuring that victims have improved access to services and support in the local area. They increase the level of support for victims in the aftermath of an incident through greater engagement between police officers and a variety of support services. A Research Fellow at the School of Nursing and Midwifery, Queen's University Belfast, commented: "The implementation of the DASW role demonstrates the continued efforts and commitment of both the PSNI and Women's Aid in responding and supporting victims of domestic violence in NI."

2.2 People are safe on the roads.

2.2.1 Demonstrate a contribution to reduce:

- The number of people killed in road collisions.
- The number of people seriously injured in road collisions.
- The number of children (aged 0-15) killed or seriously injured in road collisions.
- The number of young people (aged 16-24) killed or seriously injured in road collisions.

The number of people, including children and young people, killed or seriously injured in road collisions has increased by 18 people in 2018-19 compared to 2017-18.

| | 2017-18 | 2018-19 | Change | % Change |
|--|---------|---------|--------|----------|
| Number of People Killed | 61 | 61 | 0 | - |
| Number of People Seriously Injured | 750 | 765 | 15 | 12% |
| Number of Children Killed or Seriously Injured | 61 | 68 | 7 | 11.5% |
| Number of Young People Killed or Seriously Injured | 176 | 172 | -4 | -2.3% |

PSNI, in collaboration with partner agencies, continue to regularly deliver road safety awareness events and promote road safety messages via all mediums. Key events in 2018-19 include:

- In January 2019 PSNI held their first Road Safe Roadshow in Hydebank Wood College and Women's Prison. This was the first time the Road Safe Roadshow has been held in a custodial environment, and it was very well received by both students and staff.
- The work of PSNI's Road Policing Unit was recognised with two awards at the NI Road Safety Awards in November 2018.
- The Kids' Court initiative expanded into all areas of Northern Ireland attracting widespread media coverage along with the improved school relationships in all parts of the community. It is a simple but effective idea where the PSNI roads safety officers will liaise with particular schools about running Kids' Courts. On the day the police attend schools and anyone they detect – as long as they are not travelling inordinately fast - will have the option there and then of appearing in front of the children, or taking the fine and penalty points. So far the courts just relate to speeding offences. After each appearance in front of their juvenile workshops the offending drivers then watch graphic road safety videos featuring children.
- Recognising that inappropriate speed is the single biggest factor in fatal road collisions across Europe, police across Mid Ulster took part in the TISPOL (The European Traffic Police Network) 24 hour speed enforcement marathon on Wednesday 18th April.

OVERARCHING THEME 3: REDUCTION IN OFFENDING

3.1 Identify and intervene with priority offenders.

3.1.1 Demonstrate an effective contribution to the integrated management of priority offenders in collaboration with partner agencies, in order to reduce offending.

The Reducing Offending in Partnership (ROP) was set up 10 years ago with the aim of identifying prolific repeat offenders and working with them in order to reduce their offences. Sixty Statutory and non-statutory organisations are part of ROP. Around 300 offenders are managed through ROP at any one time.

There are three strands of ROU; Prevent & Deter, Catch & Control and Rehabilitate & Resettle. Each section of ROU focuses on a different level of offenders and ROU work alongside partners such as the Youth Justice Agency (YJA) and probation officers in order to tackle repeat offenders.

Prevent & Deter pays close attention to juveniles when they start offending. Youth Diversion Officers meet with the YJA monthly where discussions highlight young offenders causing concern, who are then put on the Prevent & Deter list. The offender is then designated a Neighbourhood Policing Team (NPT) Officer who regularly checks in on them. In order to be on Prevent & Deter parents or guardians of the offender need to consent.

In cases where an individual's level of offending exceeds the threshold for Prevent & Deter they are referred to Catch & Control. Offenders are identified by PSNI, Prison Service, Probation Board or YJA. Catch & Control is usually for those who are aged 16 and older. An assigned officer deals with the repeat offender, keeping track of offending patterns and keeping them under high scrutiny to combat any crimes that they may commit.

Rehabilitate & Resettle (R&R) officers take a more holistic approach to repeat offenders. They are assigned to those who need help and support due to any kind of vulnerability. Officers can visit them in work, at home or in prison; they can even take them to doctors' appointments, job interviews and signpost them to supportive organisations if they have addiction or mental health issues. ROU works with the offender to determine what is causing them to reoffend and behave in the manner they do.

ROU was set up because ultimately we want to prevent offending before it happens. Working closely with prolific repeat offenders is a proven way of decreasing their rate of reoffending, not only that but we are also changing people's lives for the better. ROU Prevent and Deter Officers have been working with young people involved in antisocial behaviour in the ASB priority wards (see Measure 2.1.4).

The following gives just one example of the success that ROP can achieve:

James was referred to ROU in 2012 at the age of 14. He already had a significant offending history (including assault, robbery and burglary offences). James home life was unstable and his mother reported issue having issues with him from a young age; there were early problems with drugs and offending. Social Services became involved

with James and he ended up in foster care which quickly broke down. The placement ended when James threatened his foster parents and he ended up in residential placements.

James was diagnosed with Schizophrenia and he was referred to and managed by the Forensic Mental Health Team and was involved with Social Services throughout his childhood and teenage years. PSNI ROU (Reducing Offending Unit), the Forensic Mental Health Team and Social Services all worked together to support James. His offending gradually decreased when he was treated for Schizophrenia until he was no longer offending. Another factor which may have added to James' stability was that in June 2016, he obtained supported accommodation with Praxis, where he still resides today. He was deselected in April 2018 due to a dramatic decrease in offending behaviour.

3.2 Tackle serious and organised crime.

3.2.1 *Demonstrate an effective contribution to the implementation of initiatives and interventions in collaboration with partners to reduce the harm caused by:*

- **Organised Crime Groups (OCGs)**
- **Drugs**

| Action Against Organised Crime Groups | | | | |
|---------------------------------------|---------|---------|--------|----------|
| | 2017-18 | 2018-19 | Change | % Change |
| OCGs Frustrated | 35 | 19 | -16 | -45.7% |
| OCGs Disrupted | 49 | 36 | -13 | -26.5% |
| OCGs Dismantled | 15 | 17 | 2 | 13.3% |

PSNI are monitoring over 80 OCGs in Northern Ireland. The PSNI Organised Crime Unit (OCU) continues to operate as a partner in the Organised Crime Task Force (OCTF), Joint Agency Task Force (JATF) and the Paramilitary Crime Task Force (PCTF).

In June and September 2018, the An Garda Síochána (AGS) and PSNI met colleagues from the Lithuanian Police in Belfast and Dublin respectively to discuss a pan European Organised Crime Group operating on the island of Ireland.

The JATF continues to provide opportunities for and promote real time collaboration between AGS and the PSNI in their combined efforts to frustrate, disrupt and dismantle the activity of OCGs involved in the supply of illicit drugs. Collaboration between the Garda National Drugs and Organised Crime Bureau (GNDOCB) and PSNI's OCU continues with almost daily contact between the two with real time intelligence sharing, co-ordination of investigative support and joint investigations domestically and internationally. As well as restricting the supply of illicit drugs this work has been critical to preventing the acts of violence and intimidation that characterise the struggle between competing OCGs.

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| | 2016-17 | 2017-18 | 2018-19 | 2018-19 – 2017-18 | |
|--|---------|---------|---------|-------------------|----------|
| | | | | Change | % Change |
| Drug seizures | 5,546 | 6,872 | 7,490 | 618 | 9.0% |
| Incidents classified as cannabis farms | 39 | 22 | 19 | -3 | -13.6% |
| Drug-related arrests | 2,702 | 3,121 | 3,306 | 185 | 5.9% |

The OCTF Drugs Sub Group meets quarterly and incorporates representatives from the Coroner’s Office, DoJ, Public Health Authority (PHA), Northern Ireland Prison Service (NIPS), Department of Health, Border Force, National Crime Agency (NCA) and PSNI to ensure a fully co-ordinated response to the issues of drug and alcohol misuse.

The RAPID (Remove All Prescription and Illegal Drugs) initiative in partnership with Drugs and Alcohol Coordination Teams (DACT) is helping to remove prescription and illegal drugs from our streets by providing drug disposal bins. RAPID has three aims:

- Removal of prescription, illegal and new psychoactive substances.
- Provision of information and support to individuals, families, local businesses and community organisations to raise awareness of the effects and risks of using-misusing illegal and-or prescription drugs.
- Bringing together community and statutory agencies, local businesses and the general public under the RAPID initiative to work towards making their local community a safer place to live.

During 2018-19 the scheme has continued to extend. Belfast City Council now has 15 drugs disposal bins. In February 2019, over 12,000 tablets of prescription medication along with a small number of bags of suspected illegal drugs were recovered after emptying the three west Belfast Rapid Drugs Bins recently.

Three RAPID drugs disposal bins have been installed in the Tesco stores in Cookstown, Dungannon and Magherafelt.

Police in Armagh, Banbridge and Craigavon, in partnership with the local PCSP and Crimestoppers, launched a new multi-media campaign to tackle street level drug dealing. The initiative incorporated outdoor advertising to raise awareness of the resources available for members of the public to report crime and community concerns.

Operation Silent Guardian was launched service wide at an event in May 2018. Silent Guardian was set up to be an education and reassurance campaign, providing communities with the valuable information that is needed by police to take positive action on drugs within their communities. An easy to understand leaflet has been made which provides information which is useful to police when investigating these reports. The campaign is supported by the DOJ, Crimestoppers and PCSPs.

- **Cyber dependent, enabled and facilitated crime**

Under reporting of Cyber Crime remains an issue in Northern Ireland, with national trends suggesting that the reach and impact is much greater than that which is currently reported. The introduction of the General Data Protection Regulations in May 2018 has not resulted in any notable upturn in reporting.

As part of the Protect campaigns supported by the Cyber Crime Centre (CCC), 44 presentations have been delivered to a cross section of the Northern Ireland community including schools, business, retail consortiums and professional bodies. These presentations form a keystone in relationship building with new target audiences often identified. This has led to a growing demand for support and advice from Business Groups, statutory bodies and local Small & Medium Enterprises (SME's). The Protect campaigns through attendance at high footfall public events, presentations, personal contact and delivery of social media messaging, have increased exposure to Cyber Crime preventative advice resulting in greater public awareness.

The response to Cyber Crime during this period has revolved around the establishment of a dedicated Prevent Officer role to oversee the roll out of the National Cyber Prevent campaign and draft a Cyber Prevent strategy suitable for PSNI. This involves working in partnership with the DoJ, Youth Justice Agency, Department for the Economy, Department of Education and the National Cyber Crime Unit. The voluntary bodies include the Scouts Association, Guide Association Girls Brigade, Code Club, Tech Education Network, Coder Dojos and Northern Ireland Raspberry Jam.

'Area Cyber Liaison Officers' have been appointed to act as the central point of contact for the communication and coordination for cyber related matters and events within their respective areas, it is envisaged this will assist to identify the needs of Districts and increase the ability of the PSNI to assist the local business community in protecting themselves from the impact of cybercrime.

PSNI support the Get Safe Online project to promote additional events, Cyber Crime awareness and messaging. For example, the CCC is promoting this year's Cyber Centurions campaign which has previously been well represented in Northern Ireland with 28 schools taking part last year from across the province with a variety of backgrounds.

The CCC is collaboratively involved in working with the National Computer Crime Unit, the National Cyber Security Centre and international partners in the investigation of both Cyber Dependent and Cyber Enabled crime types. Investigations led by the CCC cross a wide demographic of victims and offenders, with many investigations involving international aspects.

- **Human exploitation and trafficking**

The PSNI's Modern Slavery and Human Trafficking Unit (MSHTU) was established in 2015 to provide a dedicated proactive approach to tackling this complex crime and we also provide an on call facility, 24 hours a day, 7 days a week to support frontline police and other agencies and the statutory organisations we work with in Northern Ireland to detect, disrupt and frustrate the OCGs involved in human exploitation. During the 2018-19 financial year, MSHTU conducted 74 safeguarding visits-non-warrant operations and 15 searches.

The MSHTU identified 59 potential victims of modern slavery and human trafficking in Northern Ireland who were referred to the National Referral Mechanism (NRM). This was a significant increase on the previous year's figure of 36 NRM referrals.

A total of 22 referrals to the NRM were for potential victims of sexual exploitation, with the remaining rescued from labour exploitation (24), criminal exploitation (9), and four types of exploitation remain unknown.

The MSHTU has designed its own screening assessment to safeguard victims through early recognition and subsequent intervention. If deemed to be a potential victim of human trafficking (PVoT) the PSNI will refer the person to the Single Competent Authority (SCA) in the Home Office, to help them decide whether a person referred under the NRM is a victim of modern slavery.

During the 2018-19 financial year, 148 screening assessments were conducted in respect of suspected cases of human trafficking or modern slavery. This reflects the targeted intelligence led approach that has been adopted.

The “Working Arrangements for the Welfare and Protection of Adult Victims and Potential Victims of Human Trafficking and Modern Slavery” guidance was published in November 2018 jointly by the Department of Justice, PSNI and the Health and Social Care Board, and has been developed in discussion with the Department of Health.

A Home Office Criminal Financial Investigator (CFI) Officer is now embedded in MSHTU from June 2018 on an initial six months pilot. The officer shared best practice, identified opportunities to share intelligence, added value to investigations and contributed to internal and external training.

Tackle paramilitarism.

3.3.1 Demonstrate an effective contribution to the implementation of the Executive Action Plan and to the Joint Agency Task Force (JATF).

3.3.2 Demonstrate an effective contribution to the elimination of paramilitarism in Northern Ireland in collaboration with partner agencies, local communities and PCSPs through co-design of programmes and interventions.

The Paramilitary Crime Task Force, which comprises PSNI, NCA and HMRC, emerged from the Executive Action Plan for Tackling Paramilitarism.

| PCTF Activity | | | | |
|-----------------------------|---------|----------|----------|----------|
| | 2017-18 | 2018-19 | Change | % Change |
| Searches | 193 | 140 | -53 | -27.5% |
| Arrests | 47 | 82 | 35 | 74.5% |
| Charged/Reported | 44 | 59 | 15 | 34.1% |
| Drugs Seized | £58,000 | £267,030 | £209,030 | 360.4% |
| Cash restrained | £50,000 | £210,250 | £160,250 | 320.5% |
| Vehicles seized | 4 | 31 | 27 | 675% |
| Checks on licenced premises | 26 | 3 | -23 | -88.5% |

Although the number of searches decreased in 2018-19 compared to 2017-18 (193 searches), they more successful in terms of the number of arrests, charges, value of drugs and cash seized.

The Strategic Oversight Group and the Operations Coordination Group (OCG) are responsible for driving the business of the Cross Border Joint Agency Task Force (JATF) forward. The Strategic Oversight Group which oversees the work of the OCG and is involved in the strategic decision making of the JATF continues to meet regularly.

The Coordination Tasking Unit in Ballyconnell Co. Cavan and the PSNI Coordinating & Tasking Centre in Banbridge continue to work closely to conduct joint operations and anti-crime patrols on both sides of the border. This has impacted on the number of burglaries and the activities of cross border criminals.

PSNI, in partnership with NCA, HMRC, Irish Revenue Commissioners, NIFRS, Border Force, AGS, Security Industry Authority (SIA), PPS, completed a number of successful operations during 2018-19.

PSNI took part in a major two day training exercise in October 2018, along with a number of police services from across Europe, to develop and test their response to multiple and simultaneous terrorist attacks at different locations. The PSNI training exercise was one of a number which ran simultaneously across Europe, covering air, land and sea as part of the ATLAS Common Challenge 2018.

The PSNI is supporting a new hard-hitting campaign about the brutal reality of so-called paramilitary style attacks. The “Ending The Harm” campaign was launched in October 2018 as part of the Tackling Paramilitarism Programme and is aimed at highlighting the devastating impact of paramilitary style attacks on victims, their families, local communities and wider society. It tells the story of a paramilitary style shooting from the points of view of the four people involved: the victim, his mother, the paramilitary group member and a witness.

| Type of Incident | 2016-17 | 2017-18 | 2018-19 | 2018-19 – 2017-18 | |
|-----------------------------------|-----------|-----------|-----------|-------------------|---------------|
| | | | | Change | % Change |
| Loyalist Assaults | 52 | 50 | 45 | -5 | -10% |
| Loyalist Shootings | 3 | 1 | 2 | 1 | 100% |
| Republican Assaults | 10 | 15 | 14 | -1 | -6.7% |
| Republican Shootings | 23 | 21 | 17 | -4 | -19% |
| Paramilitary Style Attacks | 88 | 87 | 78 | -9 | -10.3% |

The table shows that the number of Paramilitary style assaults reduced in 2018-19 compared to 2017-18. Although the outcome rate is very low (only one attack was detected in 2018-19). This campaign is designed to prevent these types of attacks and also encourage communities in supporting the police in detecting the offenders.

The campaign material, which has been designed in conjunction with the PSNI and other key stakeholders, also includes radio adverts and a poster of a badly beaten man to reflect the fact that paramilitary style attacks also include serious assaults. The call to action is to visit a bespoke campaign website, www.endingtheharm.com to get the full story. The website also has a number of sections including some real-life stories and information on where people can go for help and support.

The Ending the Harm Campaign is part of the Tackling Paramilitarism Programme which is a series of 38 commitments from the Northern Ireland Executive aimed at tackling paramilitarism, criminality and organised crime. It involves Government Departments, law enforcement agencies, local councils and community and voluntary sectors working together. The focus is on robust law enforcement, implementing long term prevention measures, addressing social issues that affect communities and building confidence in the justice system.

OVERARCHING THEME 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.

4.1.1 Demonstrate an effective contribution towards the improvement of collaborative working PSNI and the PPS to improve efficiency and effectiveness.

4.1.2 Demonstrate an effective contribution delivering more positive outcomes for victims in collaboration with wider criminal justice agencies, including evidencing progress made with legacy cases.

The Working Together project (WTP) concentrates on cases prosecuted in the Magistrates' Court. The project team spent a significant period agreeing evidential standards and file build specifications and it was agreed to test the effectiveness of these and to test new ways of working a large scale Pilot in Belfast Region which should run for a period of approximately 12 months. One of the new ways of working was for Police Decision Makers (PDMs) to assess files before they were submitted to PPS. They would, for the first time, assess the anticipated outcome of a case – Guilty Anticipated Plea/Not Guilty Anticipated Plea (GAP/NGAP) and the file would be built accordingly.

Benefits of the Working Together Project include improvements in quality of files, increases in agreement between PSNI recommendations and PPS decisions, reduction in times taken to submit files to PPS and PPS decision making and a reduction in the number of court appearances per case. These benefits along with encouraging feedback by the Presiding District Judge and other stakeholders indicate that the project could have the potential to deliver further improvements to summary justice.

The WTP has also identified how the benefits could be extended, not just to a service wide roll out, but into other types of cases and aligned with committal reform to lead to truly transformative change in how police and prosecutors work together.

PSNI attended a special event held by the Department of Justice (DoJ) at Newforge in June 2018. Around 100 delegates from PSNI and PPS heard from representatives across the wider justice family. District Judge Fiona Bagnell highlighted the key role that police can play at an early stage, while Anthony Harbinson from DoJ reminded everyone of the significant benefits to victims and witnesses that faster justice and the Indictable Cases Process brings. Some of the notable successes so far have been an attempted murder case which was sentenced in less than nine months and a couple of large drug seizures which were sentenced in six months. All of these cases would normally have taken at least twice as long. One of the investigating officers commented that he believed that the increased support from the PPS Prosecutor under the ICP had directly led to achieving a successful prosecution.

As a result of the Indictable Case Process mechanisms are now available to speed up processes for certain indictable offences. Forensic submissions can be prioritised and there has been recent work to ensure that it is easier for PSNI to identify and prioritise submissions. This has improved efficiency by reducing the communication required between PSNI and PPS about each case.

The Public Prosecution Service (PPS) have launched a helpful guide to their evidential standards for preparing an indictable file. These files are often scrutinised more intensely in Courts and may be more complex and require detailed information to be included. This is intended to improve file quality and speed up the criminal justice process.

OVERARCHING THEME 5: MORE EFFICIENT AND EFFECTIVE POLICING

5.1 An efficient and effective police service

5.1.1 A comprehensive assessment and understanding of both current and future demand for services, matching resources to meet the needs of the public and protective frontline services.

Current, future and hidden demand continues to be monitored on an ongoing basis through the strategic and tactical assessment processes. A Strategic Assessment was carried out in September to review and assess threat, risk, harm and vulnerability in Northern Ireland. The MoRiLE (Management of Risk in Law Enforcement) prioritisation tool was utilised to assess capability and capacity as well as harm and risk. The HMICFRS demand framework was again used to help this process, nine categories (responding to the public, prevention & deterrence, investigation, protecting vulnerable people, monitoring dangerous and repeat offenders, disrupting organised crime, responding to major incidents, Northern Ireland Related Terrorism and Legacy) were considered.

Progress against the strategic priorities from the Strategic Assessment are monitored at monthly tactical meetings, these meetings take into account changing trends (demand) and can direct resources to meeting identified risk and therefore meet the needs of the public.

The work described above is used to inform decision making at all levels and to agree resourcing levels against the agreed priorities. The needs of the community are met through effective prioritisation based on informed analysis. The strategic assessment and monthly tactical assessment were used to inform the strategic and tactical tasking and coordinating group meetings (TCGs), the purpose of these meeting is to direction action and resources (people and finance) against the priorities as well as any emerging issues that may impact on keeping people safe. The tasking and coordination processes (TCG) both tactical and strategic are also key to assessing and understanding demand (current, future and hidden) on an ongoing basis.

Demand profiling is incorporated into a variety of analytical and performance products, most particularly the strategic and tactical assessments but also in products that look at issues in more depth such as problem profiles.

PSNI publish a range of statistical reports across various categories and types of recorded crime and ASB. These reports illustrate changing demand and patterns of crime and ASB.

During last year a number of business cases were developed for governance boards to look at the link between demand and resourcing and taking into account specialist roles and geography as appropriate. Examples of this are the reviews of Crime Operations Department and District Policing Command.

5.1.2 *A sustainable plan for its future workforce that is aligned with its overall demand and budget. The plan should include future resource allocations and the mix of skills required by the workforce.*

Human Resources Branch prepare scenario plans on a regular basis, in close liaison with Finance Branch, to assist in determining affordable staffing levels and optimum staffing mix against forecast leaver levels and to determine police and staff recruitment and promotion plans. The identification of an optimum staffing mix to remain within available budget for 2018-19 resulted in funding agreed for this year of an additional 102 officers for EU Exit (to meet the challenges EU Exit may bring to policing in the coming months and years). As a result the regular officer numbers are rising towards a target of 6702; and an increase in staff to 2533.

PSNI carry out a comprehensive assessment of demand to inform the most efficient use of personnel and other resources. The newly established Service Change Board (SCB) chaired by the Deputy Chief Constable is in place to agree achievable outcomes from priority based decision making and determine the most effective staffing mix. The development of an affordable Human Resource Distribution Plan to distribute regular officers and staff is one of the main goals of this process.

The revised Human Resource Distribution Plan developed through this process should deliver a more efficient staffing mix and help mitigate against any reduction in service as a result of any reduction in officer numbers.

5.1.3 *Development of clear and realistic plans for achieving the likely savings required beyond 2017-18.*

Since April 2018 PSNI actively engaged with the DoJ to consider the emerging pressures facing PSNI over the next two years which has been shared with the NIPB. However, no formal scenario planning has been commissioned by the DoJ or the DoF. Despite this, in anticipation of a formal scenario exercise at some point, PSNI commenced work to further understand the apportionment of costs between fixed, operationally essential and variable costs. This identifies potential areas for savings which will have the least impact on front line service delivery.

In addition the proposals outlined in the Corporate Plan will help PSNI transform and develop new innovative ways of delivering services to our community that reduce the demands on our staff and officers whilst delivering more effective, collaborative outcomes for our community.

Also a high level exercise was completed to further understand the pressures facing PSNI in 2019-20. This highlighted a number of pressures, in particular pay inflation and price inflation. PSNI engaged with DoJ, NIO and wider government regarding other significant pressures for 2019-20 which include EU Exit, Legacy related costs and the estimated costs of any increase to Employer Pension Contribution.

PSNI received a budget allocation for 2019-20 from DOJ in March 2019. The allocation results in a 1.6% (£11m) increase. The resource plan for 2019-20 which outlines PSNI's proposals to deliver a balanced budget was released to the NIPB in March 2019.

5.1.4 Implement a Wellbeing Strategy that focuses on the wellbeing and personal resilience of officers and staff. This will include raising awareness internally, following best practice and focusing on innovative and effective initiatives to support staff.

The Employee Engagement and Wellbeing Group devised an action plan which sets out a significant number of projects to be delivered on in the next two years. PSNI has signed up to the National Blue Light framework, which reflects a commitment to best practice.

In 2018-19, PSNI appointed a Wellbeing Co-Ordinator who is responsible for the development, implementation and management of wellbeing interventions/tools and co-ordinate campaigns linked to the National Blue Light Framework.

In January Occupational, Health and Wellbeing (OHW) launched the 'Watch Your Wellbeing' initiative. Watch Your Wellbeing which concentrates on topical physical health related issues including obesity, lack of activity and back pain. A wealth of information and advice is available on the OHW Wellbeing Hub relating to each area of concern. OHW have planned a series of events, programmes and classes to help with weight management, increase active daily living, promote exercise and back care.

Local Wellbeing teams have been established across the service and are running various initiatives including:

- C4 Engagement and Wellbeing, in partnership with Occupational Health & Wellbeing (OHW) and Sodexo, organised a 10 week programme that motivated officers and staff to lose weight in the run up to Christmas.
- The Wellbeing Team in Sprucefield were delighted to welcome Jane McClenaghan to conduct a class on nutrition. Author of many successful cookbooks plus a regular contributor on local radio, Jane took 12 members of Operational Support Dept. through a culinary masterclass.
- A Bike Borrow Scheme has been established in Brooklyn. Both police officers and police staff can borrow and use an OHW bike, along with associated safety equipment, in order to increase health, fitness and wellbeing, or for recreational use or commuting from one place to another.
- Wellbeing rooms have been created in a number of stations. Many jobs within the PSNI can be stressful so these spaces are for anyone who wants to have some quiet time to reflect. It can be used for many other reasons too, such as a quiet space for return to work interviews or debriefing with colleagues following a traumatic event.

The Post Incident Peer Support team have been raising awareness of what is available to Police Officers and Police Staff members following involvement in a work related traumatic incident. The PSNI currently have a small team of Peer Support Officers (PSO), who have been trained to understand and recognise reactions to trauma, which can provide structured group or individual debriefs for their colleagues, in the aftermath of these events.

Lancashire Chief Constable Andy Rhodes is the UK National Police Chiefs' Council Lead for Wellbeing and Organisational Development visited PSNI and presented to a

number of officers and staff and representatives from partner agencies such as NIFRS and HSCT. His talk, 'We asked for workers and they sent us humans' talked about the importance of developing psychological wellbeing within organisations to help and support each other.

5.1.5 Evidence an increase in the number in the number of officers and staff available for full duties by implementing a strategy to reduce sickness and restricted duties.

Reflective of the fact the PSNI is experiencing a particular issue with long-term sickness absence (29 Days plus) a number of proposals were agreed through the Service Governance Boards, including: revised Attendance Monitoring Triggers, moving from a Bradford Score mechanism to a process that triggers when a person has 28 days or 3 occurrences of absence in a 12-month rolling period. The first stage Bradford Score was set at 90 (which means that an individual could potentially have been absent for 89 days – in one occurrence – before a system breach occurred). Attendance Management Criteria are being introduced in respect of eligibility for selection and promotion competitions. Changes have been made to the decision-making process in respect of extensions of pay applications (police officers), which are now decided on at ACC level, with appeals considered by the DCC.

The monthly Attendance Management Group has been reconstituted, and is chaired by the Director of Finance and Support Services and Human Resources and attended by departmental representatives at Chief Superintendent level, with each departmental representative providing updates on action taken within their respective areas to monitor and manage levels of sickness.

In August 2018 the Managing Sickness and Duty Adjustments project commenced, tasked with reviewing and improving policy and procedure in respect sickness and duty restrictions. Consequently, in September 2018 a Managing Sickness and Duty Adjustments questionnaire was issued to Branch and Departmental Heads requesting quantitative and qualitative data regarding sickness and duty adjustments, the numbers, processes and impact.

Additionally, to help inform any proposed changes to policy and procedure, a number of focus groups were held during September and October 2018 with a range of first line supervisors, to seek to understand reasons why supervisors may be reluctant to manage certain types-durations of sickness absence and duty adjustments, and why there are low numbers of Written Improvement Notices issued by Line Managers, despite levels of sickness increasing monthly.

Additionally, bench-marking questionnaires have been issued to a selection of GB police services/forces. This data (as with the internal information gathering processes) will help ensure that revisions to policy and procedure are informed. In addition to the aforementioned actions, there continues to be ongoing 'day to day' analysis of sickness and duty adjustments, with ongoing engagement with line managers to respond to and address identified issues.

Police and Criminal Evidence (PACE) Order

Police and Criminal Evidence (PACE) Order statistics for Northern Ireland are collated and produced by statisticians seconded to the Police Service of Northern Ireland (PSNI) from the Northern Ireland and Statistics Research Agency (NISRA).

This section presents Police and Criminal Evidence Order (PACE) statistics for the Police Service of Northern Ireland for the period 1 April 2018 to 31 March 2019, as required by statute. Reported are statistics on

- i) the number of persons and vehicles stopped and searched under PACE by objective of search and the number of subsequent arrests.
- ii) the number of Article 6 (PACE) road checks authorised and the reason for these.
- iii) persons detained under PACE.

PACE detention statistics are based on a count of detainees' custody numbers in each custody suite and relate to the period of original detention only.

Article 5 – Persons and Vehicles Stopped and Searched

Number of persons and vehicles stopped and searched under the Police and Criminal Evidence (PACE) Order between 1 April 2018 and 31 March 2019

| | | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Total |
|-------------------------------------|----------------------|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-------|
| Stolen Property / Articles | Searches | 173 | 155 | 162 | 140 | 187 | 204 | 186 | 212 | 182 | 191 | 157 | 214 | 2,163 |
| | Arrests ¹ | 42 | 26 | 42 | 26 | 34 | 45 | 38 | 32 | 30 | 36 | 40 | 48 | 439 |
| Offensive Weapon / Blade or Point | Searches | 55 | 75 | 81 | 48 | 85 | 77 | 65 | 63 | 58 | 85 | 91 | 88 | 871 |
| | Arrests ¹ | 17 | 32 | 26 | 17 | 27 | 30 | 25 | 17 | 16 | 20 | 21 | 29 | 277 |
| Going Equipped /prohibited Articles | Searches | 73 | 79 | 51 | 82 | 68 | 75 | 119 | 100 | 94 | 75 | 80 | 100 | 996 |
| | Arrests ¹ | 9 | 14 | 6 | 9 | 15 | 12 | 18 | 18 | 22 | 13 | 11 | 11 | 158 |
| Fireworks | Searches | 3 | 1 | 2 | 1 | 11 | 49 | 234 | 37 | 8 | 0 | 0 | 1 | 347 |
| | Arrests ¹ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | Searches | 304 | 310 | 296 | 271 | 351 | 405 | 604 | 412 | 342 | 351 | 328 | 403 | 4,377 |
| | Arrests ¹ | 68 | 72 | 74 | 52 | 76 | 87 | 81 | 67 | 68 | 69 | 72 | 88 | 874 |

¹ Arrests as a result of search. Arrest may not be related to the initial reason for the stop and search.

Article 6 – Road Checks

There were 22 road checks authorised in 2018-19, all of which were for the purpose of ascertaining whether a vehicle was carrying a witness to an indictable offence.

PACE Detention Statistics

Arrests under PACE by gender and whether requests for friends / relatives or a solicitor were made, for each quarter during 2018-19

| | Arrests under PACE ¹ | | | Of which there was a request for | |
|--------------------------|---------------------------------|--------|--------|----------------------------------|-----------|
| | Total ² | Gender | | Friend / relative etc. | Solicitor |
| | | Male | Female | | |
| April 18 – June 18 | 5,910 | 4,899 | 1,011 | 1,687 | 3,770 |
| July 18 – September 18 | 5,706 | 4,773 | 931 | 1,527 | 3,511 |
| October 18 – December 18 | 5,564 | 4,653 | 910 | 1,581 | 3,533 |
| January 19 – March 19 | 5,442 | 4,528 | 913 | 1,567 | 3,562 |
| Total | 22,622 | 18,853 | 3,765 | 6,362 | 14,376 |

¹ Arrest figures are based on a count of detainees' custody numbers and relate to the period of original detention only.

² 4 transgender persons are included in 'Total'.

Extended Detention: During 2018-19 there were 39 persons who were detained in police custody for more than 24 hours and released without charge.

Magistrate's Warrants: There were 28 applications to Magistrates Courts for warrants of further detention in 2018-19, in relation to 22 individuals. Four of these applications were for 24 hours or less, 5 were for between 25 and 35 hours and the other 19 were for a period of 36 hours. Of the 28 applications to Magistrates Courts for warrants of further detention, 6 of these were for a second warrant of further detention. Of the 22 persons subject to a warrant of further detention, 9 spent less than 24 hours under its authority, while 7 spent between 24 hours and 36 hours and the remaining 6 people were detained over 36 hours under the authority of these warrants. A total of 17 persons were subsequently charged.

Intimate Searches: There were no intimate searches recorded during 2018-19.

X-rays & ultrasound scans: During 2018-19 6 x-rays and one CT scan were carried out (all negative results).

The total cost of policing

The total non ring fenced Resource Departmental Expenditure Limit (DEL) budget allocation (excluding costs of the Police Pension Scheme and Annually Managed Expenditure (AME) impairments) available for 2018-19 was £695.8m. The non ring fenced DEL expenditure against this budget during the financial year was £695.6m, resulting in a reported underspend of £0.2m. This is less than 0.1% of total non ring fenced Resource DEL budget. Ring fenced charges for depreciation and impairments were £37.6m for the year.

The total AME 2018-19 budget allocation (including Pension Scheme, AME impairments, Release and Movements in Provisions) was £827.4m, the AME expenditure against this budget during the year was £592.5m. The large underspend relates to changes in GAD estimates for a pensions past service cost.

This gives a total resource spend of £1,325.7. The costs of Pensions are reported separately through the PSNI Pension Scheme Accounts and do not form part of the Statement of Comprehensive Expenditure in these Financial Statements.

The Capital spend for the year net of capital income was £44.0m against a budget of £44.1m. Details of Non-Current Asset movements are detailed in the notes to the financial statements.

Payment of suppliers

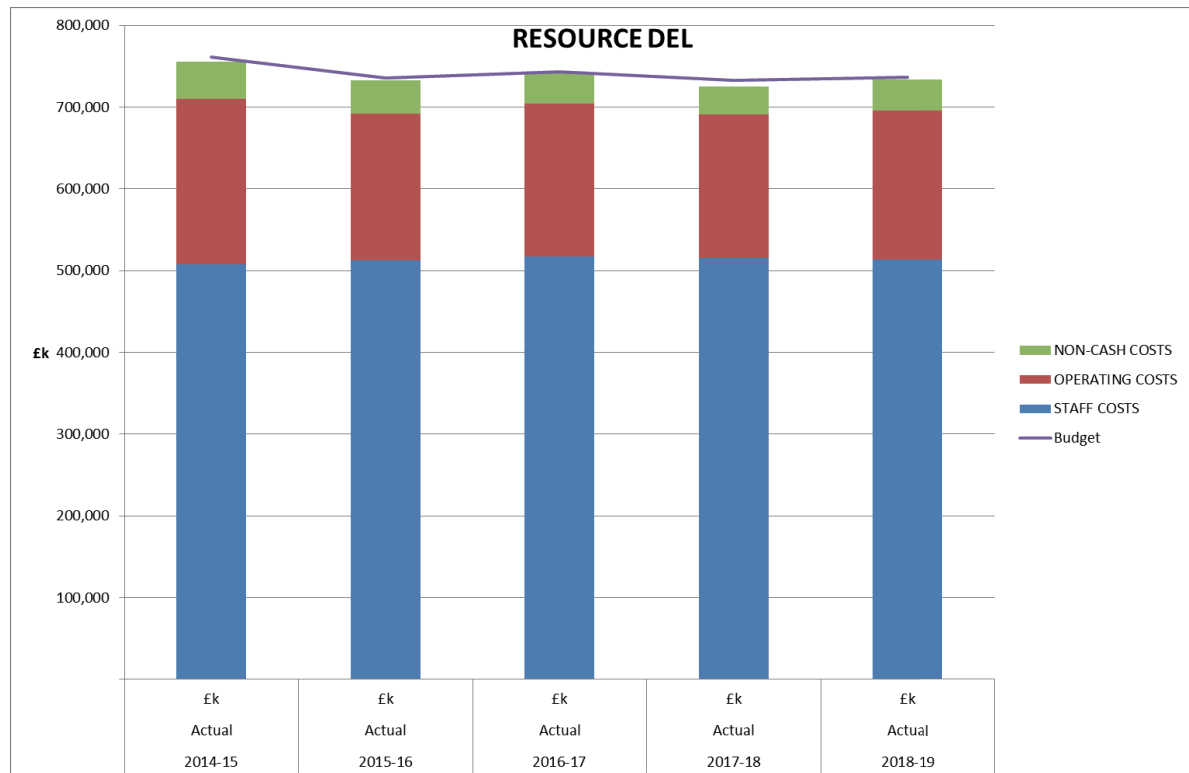
The PSNI's policy is to pay bills from all suppliers within 10 working days following receipt of a properly rendered invoice or in accordance with contractual conditions, whichever is the earlier.

During the 2018-19 financial year, average overall performance showed 93.5% (91.5% 2017-18) of all invoices were paid within 10 days. In the 2018-19 financial year 98.8% of invoices were paid within the government prompt payment target of 30 days (98.7% 2017-18).

Long Term Expenditure Trends

The chart below show details of PSNI budget and expenditure patterns across the period 2014-15 to 2018-19;

Chart 1: Resource Del Budget v Expenditure 2013-14 to 2017-18



Budgets for the 2014-15 year were set as part of the four year Budget 2011-15 period. Since then, PSNI have been allocated one year budget settlements which limits the opportunities available for effective financial planning.

During 2014-15 and 2015-16, in-year budget cuts (£42m 2014-15, £26.2m 2015-16) were imposed on the Service, often late in the financial year which were difficult to implement in a Service as dynamic as Policing. However, more recently the budget allocation has been more stable.

For 2018-19 a net 1.5% reduction (£9.8m) on the PSNI opening 2017-18 budget was applied. Further budget allocations were also made during the financial year which enabled PSNI to meet in year pressures and finish the year with a breakeven position.

2019-20 Financial year

PSNI has received a budget from DOJ for the 2019-20 financial year on the basis of a flat budget plus £11m. This allocation should enable the PSNI to largely maintain existing service levels. However, the reality of the allocation constrains the Service, particularly in relation to:

- The ability to invest in critical areas where demand is increasing, more complex in nature and often less visible;
- The ability to meet a number of anticipated pressures, particularly in relation to Legacy;
- Limiting the ability of the Service to be proactive, impacting community and business confidence; and
- Providing no resilience in a period of uncertainty.

Environmental matters

Sustainability

The Police Service of Northern Ireland is committed to ‘Keeping People Safe’ whilst delivering continuous environmental improvement. The [Sustainability Strategy](#) helps the organisation play a responsible role in the community by reducing environmental impacts and costs as we deliver a world class policing service.

The PSNI Sustainability Delivery Group (SDG) jointly chaired by the Director of Finance and Support Services and ACC Operational Support works to identify and manage environmental issues in a way that supports our business objectives and reduces our environmental impacts and financial pressures.

Every organisation has an impact on its environment and the PSNI Environmental Policy sets out our commitments. The PSNI will be compliant with environmental legislation as a minimum level of performance but also monitors the principles and responsibilities of sustainable development and environmental management and aims to incorporate them into day-to-day business activities.

The PSNI recognises that its operations have an environmental impact and is committed to minimising any negative impacts and developing any positive impacts.

The most significant environmental aspects for the PSNI include the:

- Consumption of fuels and energy and their associated CO₂ emissions;
- Consumption of product and raw materials;
- Consumption of water;
- Generation and management of a variety of waste streams.

Over the year, the total energy consumption of the Estate has decreased by 6.9% and an increase in energy efficiency (kWh/m²) by 6%. Carbon Dioxide levels are down by 19%, due to an increase proportion of natural gas and renewables in the UK grid mix thus reducing the CO₂ conversion factor. Water has shown an increase due to leakage and meter replacements throughout the year.

**POLICE SERVICE OF NORTHERN IRELAND
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Overview of PSNI environmental performance against target:

| | 2018-2019 | 2017-2018 | % Change | Govt target |
|---|-------------------------|-------------------------|--|--|
| Total Utility Energy Consumption | 81.74 GWh | 87.77 GWh | Down 6.9% on last year | n/a |
| Energy Efficiency per square metre | 264 kWh/m ² | 281 kWh/m ² | Down 6% on last year. Down 27% on 99/00 base year. | 15% Reduction by 2020. Achieved 2010 |
| Carbon Dioxide Emissions | 21,147 tCO ₂ | 25,999 tCO ₂ | Down 19% on last year. Down 42% on 99/00 base year | 30% reduction on 99/00 levels by 2020, Achieved 2019. |
| Renewable Energy procured | 0% | 0% | Electricity procured without any green due to additional premium on green electricity. | Min of 20% renewable by 2015. 40% by 2020. |
| Water Consumption | 94,740 m ² | 92,711 m ² | Water consumption increased by 2.2% due to a number of leaks and meter repairs. | 25% reduction on 2004 levels by 2020. Achieved. |

Partners

The Police Service of Northern Ireland is a member of the Department of Justice Sustainability Group and works with a range of governmental and non-governmental partners to enhance our sustainability and improve our initiatives including the Belfast City Council and Belfast Harbour.

Social and community issues

The tradition of generous charitable giving by officers and staff of the Police Service has continued, with £203k donated through Public Sector Payroll Giving in 2018-19.

Human Rights

The Human Rights Act is fundamental in how we police. Key articles include Article 2, in which we have a duty to take reasonable steps to protect an individual's life and Article 8 in which we have a duty to take appropriate steps to ensure respect for private and family life. The Police Act also includes accountability mechanisms including the NIPB which has a statutory duty to monitor our performance in compliance with the Human Rights Act 1998.

Anti Corruption

PSNI has a dedicated Anti Corruption Unit. The purpose of this unit is to support the PSNI's commitment to honesty and integrity and to prevent dishonest, unethical and unprofessional behaviour by ensuring that the police officers and staff who serve our community on a daily basis reflect these values of honesty and integrity. PSNI also has an Anti-Fraud and Whistle Blowing Policy to support the reporting and investigation of any instances of fraud, bribery or departures from the PSNI code. A Professional Standards Governance Board also provides oversight in this area.



Simon Byrne
Chief Constable
Police Service of Northern Ireland
26 July 2019

ACCOUNTABILITY REPORT

CHIEF CONSTABLE'S REPORT

The purpose of the Chief Constables Report is to explain the composition and organisation of the PSNI and how these arrangements have supported the achievement of its objectives during 2018-19.

Members of the Service Executive Board (SEB)

Members of the Senior Executive Board that served throughout the 2018-19 year were as follows:

Chief Constable
George Hamilton¹

Deputy Chief Constable
Drew Harris²

T/Deputy Chief Constable
Stephen Martin²

Assistant Chief Constable District Policing
Mark Hamilton³

Assistant Chief Constable Operational Support
Alan Todd³

T/Assistant Chief Constable Crime Operations
Barbara Gray³

T/Assistant Chief Constable Legacy and Legal
George Clarke⁴

T/Assistant Chief Constable Innovation and Standards
Tim Mairs⁴

T/Director of Finance & Support Services and Human Resources
Mark McNaughten

Head of Corporate Communications
Liz Young⁵

Non-Executive Members
Stephen Hodkinson
Fiona Keenan
Gerald Crossan
Ian Jordan

Further details are provided in the Remuneration and Staff Report section on page 73.

1. The Chief Constable retired from service on 30 June 2019.
2. Deputy Chief Constable Drew Harris retired from service on the 5 August 2018, Mr Stephen Martin was appointed Temporary Deputy Chief Constable from 11 August 2018.
3. The following changes to Chief Officer portfolios took place; ACC Mark Hamilton moved from Legacy & Justice Department to District Policing Command, ACC Alan Todd moved from District Policing Command to Operational Support Department, T/ACC Barbara Gray moved from Operational Support Department to Crime Operations Department.
4. In addition to these portfolio changes, the Legacy & Justice Department was split into two departments: Legacy & Legal, and a new department with responsibility for innovation, change and organisational development. Mr George Clarke was appointed T/ACC of Legacy and Legal and Mr Tim Mairs T/ACC for Innovation and Standards.
5. Mrs Liz Young resigned from the service on 30 June 2018.

Corporate Governance

Corporate Governance within PSNI operated through a formal structure of Corporate Governance Committees and delivery groups. The PSNI currently has five key Governance Committees:

- Service Executive Board
- Service Change Board
- Service Performance Board
- Audit and Risk Assurance Committee
- Culture, Ethics and Diversity Board

The Service Executive Board (SEB) sets the tone and direction of the organisation. SEB, chaired by the Chief Constable is the final decision making forum for the organisation.

In January 2019 the Governance Structure was rationalised with the ServiceFirst Board (SFB), the Performance and Assurance Service Executive Team (PASET) and Priority Resourcing Programme Board (PBR) being amalgamated into two committees, the Service Performance Board (SPB) and the Service Change Board (SCB).

The purpose of the Performance Board is to ensure the Deputy Chief Constable has ongoing confidence in the organisational delivery against the Policing Plan and around key performance priorities including; risk management, responsibilities around inspections and Internal Audit reviews, governance, and performance across a range of areas including crime, finance and HR. The Change Board seeks to challenge organisational culture to create a more agile and sustainable organisation.

The role of the Audit and Risk Assurance Committee is to advise the Chief Constable on the adequacy of internal control arrangements including risk management, information assurance and governance. This committee consists of four Non-Executive Members, one as Chair, with members of the SEB, Internal and External Audit, the Policing Board and the Department of Justice in regular attendance.

The Culture Ethics and Diversity Boards (CEDB) core purpose is to actively promote the highest standards of ethics and diversity. Through critical challenge and evaluations it supports an organisational culture which aims to make all officers and staff feel valued and supported.

Company directorships

Members of SEB held no company directorships or other significant interests which conflict with their management responsibilities.

Non-current assets

Details of the movement in non-current assets are set out in notes 5 and 6 to the Accounts. There are no significant differences between the market values and book values of land and buildings to be disclosed. Details of the PSNI Estate Strategy can be found at <https://www.nipolicingboard.org.uk/estate-strategy>

Research and development

PSNI has no activities in the defined field of research and development.

Charitable donations

PSNI made two charitable donations during the year. PSNI paid £10,000 to the National Arboretum and £2,130 to the National Police Memorial Day. In addition, PSNI donated 2 motorcycles to the Blood Bikes group in Northern Ireland and a minibus to the Be Change group.

Personal data related incidents

PSNI self-referred sixteen incidents for consideration to the Information Commissioner's Office ('ICO'). This is a significant increase to the two notifiable incidents in last year's statement but is most likely to be reflective of increased awareness of the requirement to notify within prescribed timeframes introduced since May 2018 and the reissue of IS Standard 1.05 – Information Incident Identification and Reporting. PSNI has put in place incident notification and management processes in line with changes in that legislation. PSNI has worked closely with the Information Commissioner's office throughout its implementation of new legislative obligations.

Pension liabilities

The pension liabilities of Police Officers are accounted for separately in the PSNI Police Pension Accounts. Pension benefits and liabilities for Police Staff are provided through the Principal Civil Service Pension Scheme (NI). See further details in the Remuneration and Staff Report on page 73.

Audit services

The Financial Statements for 2018-19 are audited by the Comptroller and Auditor General for Northern Ireland (C&AG), who heads the Northern Ireland Audit Office and is appointed by statute and reports to Northern Ireland Assembly. His certificate and report is produced at pages 91 to 93.

So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information. 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 the Financial Statements was £86,000 (2017-18 £81,500). This includes the audit fees in respect of the Main Police Account including the Police Fund and Police Property Fund £68,000 (£65,000 2017-18), and the Police Pension Scheme Accounts £18,000 (£16,500 2017-18).

The C&AG may also undertake other statutory activities that are not related to the audit of the body's Financial Statements such as Value for Money reports.

A VFM report was published on firearms licensing in Northern Ireland on 27 September 2018.

The Department of Justice will lay the accounts on behalf of the C&AG.

Chief Constable's Annual Report

A full certified copy of the Annual Report and Accounts will be available on the PSNI's website (www.psni.police.uk)

Police Pension Scheme Accounts

Financial Statements for the Police Pension Scheme Accounts are prepared separately and will also be available on the PSNI's website.

STATEMENT OF RESPONSIBILITIES OF THE CHIEF CONSTABLE

Under Part 2, Sections 12(1), 12(2) and 12(3) of the Police (Northern Ireland) Act 2000, as amended by the Police (Northern Ireland) Act 2003 and Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the Chief Constable of the PSNI is required to prepare a statement of accounts on behalf of the Northern Ireland Policing Board, in the form and on the basis directed by the Department of Justice. The annual financial statements are prepared on an accruals basis and must give a true and fair view of the net expenditure, changes in taxpayers' equity and cash flows for the financial year and the balances held at the year end.

In preparing the accounts, the Chief Constable of the PSNI is required to comply with the requirements of the Government Financial Reporting Manual in particular to:

- observe the Accounts Direction issued by Department of Justice, 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 disclosed and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis.

The Accounting Officer for the Department of Justice appointed the Chief Constable of the PSNI as Accounting Officer for the PSNI. The responsibilities of an Accounting Officer, including 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 assets of the PSNI, are set out in Managing Public Money (NI).

GOVERNANCE STATEMENT

Scope of responsibility

I have been appointed as the Accounting Officer for the PSNI, by the Accounting Officer of the DOJ to whom I am directly accountable. My responsibilities as PSNI Accounting Officer are contained in the Police (Northern Ireland) Act 2000, the DoF document Managing Public Money (NI), and the Management Statement and Financial Memorandum agreed with the DOJ.

As PSNI Accounting Officer I have responsibility for maintaining a sound system of internal control. The internal controls support the achievement of PSNI's policies, aims and objectives which are set by the NIPB, while also safeguarding the public funds and assets for which I am personally responsible as Accounting Officer. This responsibility is undertaken in accordance with the requirements of the DoF document Managing Public Money (NI).

The PSNI Governance Framework

The governance structure of PSNI reflects our unique statutory position, balancing the need for appropriate controls and oversight, while preserving the operational independence of the role of Chief Constable. This balance is recognised in the Police (Northern Ireland) Act 2000, and the Management Statement and Financial Memorandum issued by the DOJ.

It is essential that PSNI is seen to uphold the highest standards in its own operations and, for this purpose, I am held to account on a regular basis by the NIPB. The NIPB is a statutory non departmental public body consisting of ten locally elected political representatives and nine independent members, to whom I have statutory responsibilities. The Northern Ireland Policing Board plays a key role in the accountability framework for policing in Northern Ireland. The Policing Board was reconstituted in December 2018 and started meeting again in January 2019. The PSNI continued to work with the Board during the period when it was not constituted to ensure a level of accountability in a period of uncertainty.

I recognise that the governance structures for PSNI set out within the Police (Northern Ireland) Act 2000, incorporating the oversight functions of the NIPB and PSNI as two separate but linked organisations, are unique and not replicated for any other public sector body. Where the requirements of the Act and the Corporate Governance Code differ, PSNI will always seek to comply with the Act, which reflects the wishes of Parliament. I have assessed the PSNI governance arrangements against the Governance Code and found that NIPB and PSNI arrangements when taken together comply with the code to the extent that it is relevant and meaningful.

Northern Ireland Policing Board (NIPB)

The NIPB is a non-departmental public body and separate from PSNI. It produces its own annual report and accounts, including a governance statement. The NIPB has a statutory role in securing the maintenance of the Police in Northern Ireland, and shall secure that the Police, and the police support staff are efficient and effective. Their

governance structure in undertaking this role is contained in the NIPB governance statement, it can be found at: www.nipolicingboard.org.uk

The NIPB is required to meet at least eight times each year for the purposes of receiving and considering a report on policing from the Chief Constable. The NIPB also has a structure of committees that meet on a regular basis to consider specific areas of Policing and PSNI business areas. The NIPB has a statutory requirement to secure continuous improvement in the way the Chief Constable functions in regard to economy, efficiency and effectiveness, and to monitor the performance of the police, trends and patterns in relation to complaints against the police, trends and patterns in crimes, and recruitment to the police and police staff. Reporting against the annual Policing Plan continued throughout the period to ensure ongoing accountability.

This demonstrates the unique governance arrangements contained in the Police (Northern Ireland) Act 2000 that exist between PSNI and NIPB, and why the NIPB scrutinises the work of PSNI through its Board and Committee structure. There is a clear division of responsibility between the NIPB Chairperson and myself; the Chairperson is responsible for the leadership and effective working of the NIPB, and I am responsible as PSNI Accounting Officer for the implementation of PSNI strategy and making operational decisions relating to policing. The requirements in the Corporate Governance Code are provided for under these arrangements.

Leadership Team

I am supported by the Service Executive Team (SET), which is the PSNI Senior Management Team, consisting of a Deputy Chief Constable, Assistant Chief Constables, and senior police staff.

During the 2018/19 financial year there were a number of changes within SET.

- Chief Superintendent George Clarke was temporarily appointed to the rank of Assistant Chief Constable with responsibility for scoping work prior to the change in Chief Officer Portfolios with effect from 18 June 2018.
- Deputy Chief Constable Drew Harris retired with effect from 5 August 2018.
- Assistant Chief Constable Stephen Martin was temporarily appointed to the rank of Deputy Chief Constable with effect from 11 August 2018.

The following changes in Chief Officer Portfolios came into effect on 10 September 2018.

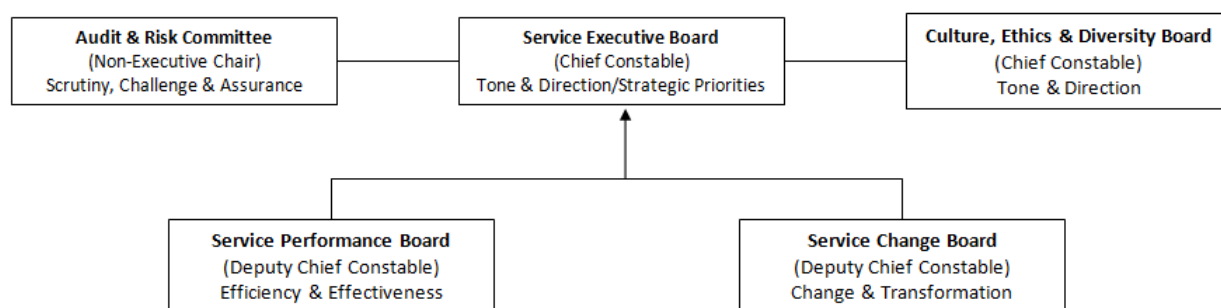
- Assistant Chief Constable Mark Hamilton transferred from Legacy and Justice Department to District Policing Command.
- Assistant Chief Constable Alan Todd Transferred from District Policing Command to Operational Support Department.
- Temporary Assistant Chief Constable Barbara Gray transferred from Operational Support Department to Crime Operations Department.
- Legacy and Justice Department was split into two, Legacy & Legal and Innovation & Standards Departments.
- Temporary Assistant Chief Constable George Clarke assumed responsibility for Legacy and Legal Department.

- Chief Superintendent Tim Mairs was temporarily appointed to the rank of Assistant Chief Constable with responsibility for Innovation and Standards Department.

Governance Structure

The leadership team meets formally each month as the Service Executive Board (SEB) to provide executive management and governance to the operations and delivery of the PSNI. The SEB consists of PSNI Senior Management Team plus the Non-Executive Chair of the Audit and Risk Assurance Committee (ARAC) supported by a Non-Executive Member on a rotation basis. In January 2019 the Governance Structure was rationalised with the ServiceFirst Board (SFB), the Performance and Assurance Service Executive Team (PASET) and Priority Resourcing Programme Board (PBR) being amalgamated into two committees the Service Performance Board (SPB) and the Service Change Board (SCB). The SPB and SCB are chaired by the Deputy Chief Constable.

THE Chart below is an outline of the revised PSNI Governance Schematic.



SEB undertook a self-effectiveness review in May 2019 looking at its performance over the financial year 2018-19, and is satisfied with the level and type of information it received during the period. The SEB provided strategic direction for PSNI over the period.

Attendance by the members during the year at SEB meetings is set out below:

| Members as at 31 March 2019 | Number of SEB meetings eligible to attend | Number of SEB meetings attended |
|-----------------------------|---|---------------------------------|
| George Hamilton | 13 | 12 |
| Drew Harris | 4 | 4 |
| Stephen Martin | 13 | 9 |
| Mark McNaughten | 13 | 11 |
| Mark Hamilton | 13 | 11 |

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| | | |
|---------------------------------|----|----|
| Alan Todd | 13 | 12 |
| Barbara Gray | 13 | 11 |
| George Clarke | 10 | 8 |
| Tim Mairs | 8 | 6 |
| Non – Executive members | | |
| Stephen Hodgkinson (ARAC Chair) | 13 | 7 |
| Gerry Crossan (ARAC Member) | 2 | 13 |
| Fiona Keenan (ARAC Member) | 7 | |
| Ian Jordan (ARAC Member) | 4 | |

Attendance at SEB is prioritised by members, however due to operational responsibilities there are occasions when it is not possible for all member to be present.

ARAC consists entirely of independent members, chaired by an independent Chairperson with three other independent members, and is compliant as far as possible with the National Audit Office’s Audit Committee Self-Assessment checklist, and the “HM Treasury Audit Committee Handbook”.

ARAC met five times during 2018-19, providing me with assurance on issues of internal control, governance and risk. The Committee is informed from a number of sources, one being the Head of Internal Audit who issues an independent opinion on the adequacy and effectiveness of PSNI’s system of internal control.

Based on the work completed by Internal Audit, with the exception of those assignments which have received a “limited” assurance rating, a Satisfactory level of assurance has been provided by Internal Audit in relation to governance risk management and control. Further detail on specific areas is provided in the “Significant Internal Control Issues” section of this report.

Appropriate action will be taken by PSNI to address issues where a “limited” assurance level has been issued by Internal Audit, and where issues of a Priority 1 and / or a Priority 2 nature (using the prioritisation matrix for Internal Audit recommendation as classified by the DoF) have been raised.

Risk and Control Framework

The SET and SEB assess how the achievement of our policies, aims and objectives might be affected by the risks we face, and the internal control framework is designed

to mitigate those risks. The framework has been in place across the 2018-19 year. 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, and it therefore provides reasonable rather than absolute assurance of effectiveness.

The internal control framework, which accords with DoF guidance seeks to reflect best practise, is an ongoing live process identifying and prioritising the risks to the achievement of organisational policies, aims and objectives. I have put in place arrangements to ensure that a proper evaluation of the balance of the cost of control and the risk encountered is part of the PSNI decision making process. The internal control systems ensure that PSNI's assets are utilised with regard to the overall value for money to public funds.

Within PSNI we manage our business with a view to the risks we face, using appropriate control systems. This process is embedded in how we undertake our responsibilities and includes clearly defined policies and processes, effective financial management and the identification and management of risks.

Risk is managed on an ongoing basis through the Service Performance Board, SEB and ARAC. The Corporate Risk Register is managed continually and all risks are reviewed to ensure that the ratings and content reflects the current situation. All the risks were reviewed in the reporting period and a number were rewritten. There are currently eight risks on the Corporate Risk Register, with each one managed by a member of the SEB.

To ensure that we continue to respond to our changing environment, PSNI's strategic objectives are translated to our operations through working towards meeting the Northern Ireland Policing Plan, and by clearly defined accountabilities over the delivery of outputs and outcomes.

We continue to refine management information and business reporting to provide SEB and the NIPB with appropriate and timely management information to allow them to identify and respond to emerging risks.

Risk Management

Risk management is high on the business agenda and we manage risks in a structured manner. Consideration and mitigation of risk is crucial to the effectiveness of the system of internal control. The system of internal control is designed to maintain risk at a manageable level, based on risk appetite agreed by the SET to provide an acceptable level of assurance. Risk appetite will vary according to the perceived importance of the risks and their timing.

Policies and instructions on PSNI service delivery and organisational management are developed, reviewed and communicated to staff through training and a variety of internal communications platforms. Adherence to service policies is expected of staff and process failures can lead to recommendations re content review, training and/or discipline.

All Chief Officers and Service Managers together with ARAC have provided leadership to the risk management process throughout the reporting period. In addition the Corporate Risk Manager provides guidance and support across the organisation to enable all staff to manage risk.

PSNI has a risk management service instruction which describes the various roles and responsibilities of relevant positions within PSNI. The monitoring and reporting of risk management arrangements are included in the service instruction. Whilst risk management is embedded into the organisation there is a potential issue with resilience resulting from the financial challenges. All Departments actively manage their individual risk registers, and all have a common theme and link through to the PSNI vision and purpose of keeping people safe.

The Corporate Risk Register is managed by the Corporate Risk Manager and captures significant risks facing the organisation. The Risk Register is reviewed on a monthly basis at SPB, with changes to the register approved by SEB and reported to each ARAC meeting. The effectiveness of the risk management process is reported twice a year to SEB and ARAC.

Stewardship reporting is a key assurance control for the accountability, ownership and management of risks throughout PSNI. All Senior Officers provide a statement of risk management assurance twice per year confirming they have reviewed the risks within their area of responsibility, and assessed the management of the risks identified. This is part of a hierarchy of stewardship reporting from Area Co-Ordinators and from ACC's/Director through to the Stewardship Statement I provide to the Department of Justice at six monthly intervals.

Processes to manage operational risks incorporate those risks identified through the operation of the strategic tasking and coordinating process. Strategies for each priority are aligned with the actions necessary to manage the identified risk.

ARAC, which consists of non-executive members, provides me with assurance that effective risk management, governance and control arrangements are in place. ARAC receives regular risk management updates, along with reports from internal and external audit. DOJ, NIPB and NIAO have standing invitations to attend the meetings of ARAC as observers, and also contribute to the business at the committee.

Areas of significant concern or risk

During the period PSNI has identified some areas of significant concern or risk that could impact on the delivery of policing. The following list has been updated with details of the most significant risks from the current Corporate Risk Register.

EU Exit: There is a risk that PSNI will not deliver the required operational response including failure to deal with cumulative events during the transition period and the long term transformational change process to enable the service to police the exit and post exit environments which will arise when the UK leaves the EU, resulting in inefficient and ineffective service delivery, negatively impacting on organisational reputation and community confidence in policing and limiting our ability to keep people safe.

Legacy Discovery and Disclosure: There is a risk that due to the volume and complexity of discovery and disclosure PSNI will fail to discharge its legal responsibilities in respect of the sharing of information with external stakeholders. This could result in significant reputational, financial and legal implications for the organisation and have a detrimental impact on service delivery due to the repeated reallocation of resources to deal with emerging legacy issues.

Records Management: PSNI records are a valuable resource which are required to be searchable and retrievable. They should be stored securely and managed to meet legislative requirements. Any weakness may lead to a loss in accessibility or a breach of legislative requirement and possible sanctions

Sickness Absence and Duty Adjustments: There is a risk that PSNI will have insufficient deployable police officers and police staff as a result of unsustainable absence rates and duty adjustments impacting on service delivery.

Mandatory Training: There is a risk that officers and staff do not receive in time, mandatory, effective and policy compliant training for their role and for maintenance of their occupational competency.

Terrorist Attack (Avert): There is a risk that if PSNI does not work effectively to avert terrorist attacks then a greater number of attacks will occur resulting in serious injuries or fatalities.

Terrorist Attack (Response): There is a risk that the PSNI will not be able to effectively respond to a terrorist attack in line with our legislative responsibilities and public expectations.

Future Funding (Beyond 19/20): There is a risk that future funding allocations will be insufficient to deliver the required level of policing services, impacting PSNI's ability to keep people safe.

Security Funding

As Chief Constable, I receive funding relating to national security and reserved matters, which comes from the Northern Ireland Executive and HM Treasury. I receive the funding through the normal grant mechanisms and I report back on the spend to the NIPB, DOJ, and DoF. I also provide detailed operational and financial reports to the Northern Ireland Office and Whitehall due to the nature of this funding. The SEB also receives monthly reports relating to this funding. Security funding is subject to the normal PSNI policies and procedures including external and internal auditing. In addition, PSNI and the Northern Ireland Office form part of a working group which has been established to monitor security funding on a day by day basis. PSNI continues to spend a significant element of its resources on security related matters which diverts limited resources away from day to day policing, creating a continuing need for security funding. Any reduction in funding has a potentially direct impact on national security issues.

Fresh Start Funding

A Fresh Start – the Stormont Agreement and Implementation Plan was published by the Executive and the UK and Irish Governments in November 2015 and set out proposals for addressing some of the most challenging and intractable issues impacting our community including commitments to tackle paramilitarism and organised crime. The Cross Departmental Programme Board, through DOJ was established to drive forward commitments made in the document. PSNI continued to be allocated Fresh Start Funding in 2018-19 to resource dedicated investigations.

Statement of Information Risk

Together with the staff of PSNI, I have privileged access to data and information to support the discharge of the policing function and ensure that the work undertaken by PSNI is factual, accurate and complete.

The Service adopts the principles of the Cabinet Office's Security Policy Framework and complies with National Police Chiefs Council policy and guidance on information assurance and the management of police information. Following submission of a Governance and Information Risk Return (GIRR) to the Home Office National Police Information Risk Management Team on 25 March 2019 we await a decision on approval for continued connectivity to the National Policing Community of Trust. The granting of this Certificate will provide evidence that PSNI's infrastructure, as presented in the GIRR submission, is appropriately risk managed and does not present an unacceptable risk to the police community. Approval enables us to securely connect to National Police Information Systems and the Public Service Network for Policing's Protected and Secured Networks. We continue to comply with the Government Security Classification Policy (GSC) for marking information assets.

During 2018-19 PSNI's two critical technical infrastructures – Barracuda Radio Network and Atlas Corporate Data Communications Network – were both successfully accredited following significant and comprehensive risk assessments. The Network Defence Security Group is now embedded, featuring key stakeholders and business representatives, to oversee PSNI's response to the increasing 'cyber' threat. The Group's remit seeks to take action to address the five key incident management steps of 'Identify – Prevent – Detect – Respond – Recover.'

At 31 March 2019, 78 PSNI operational information systems running on the corporate network infrastructure were accredited; a further two accreditations were in progress; and, 14 major ICT projects in development were being supported.

The Service Policy on Information Management is supported by Service Instructions on Information Security, including 31 technical security standards, and Records Management. The PSNI Risk Appetite Statement covering all our information assets was updated and continues to be actively reviewed. A dedicated team led by the PSNI Records Manager completed an assignment to create a thoroughly detailed Corporate Information Asset Register. The Service Instruction covering Management of Notebooks and Journals was updated and a significant review of the Service Record Review Retention and Disposal (RRD) Schedule is currently in progress including close liaison with the Public Records Office (NI) and National Policing Records Management bodies.

The Vision Statement in the current 'PSNI Information and Cyber Security Strategy 2019 and Beyond' seeks to create a culture that is embedded across the Service which enables the effective use of information to support our strategic policing aims. It supports our overarching intention of 'Keeping People Safe by Keeping Information Safe' in addressing five key strategic themes:

- Enhancing proportionate and affordable risk management activities
- Continuing to embed a culture of personal responsibility and accountability

- Supporting digital innovation and transformation of services – ‘Innovation Empathy’
- Ensuring safe and secure collaboration across an evolving cyber threat landscape; and
- Meeting National Policing obligations

Assistant Chief Constable Operational Support Department fulfils the role of PSNI Senior Information Risk Owner (SIRO) and is supported by dedicated Information Security and Records Management Units led by the PSNI Accreditor. Strategic Business Owners (Information Asset Owners) at Service Executive Board level, supported by a well-established network of Operational Business Owners (OBOs) at individual system level, oversee all of the information assets held by the Service.

A report on the activities of the Information Security and Records Management Units, including the accreditation status of all the Service’s corporate information systems, is presented to the Business User Delivery Group (BUDG) quarterly with incremental reports to the SIRO on a monthly basis. The SIRO has recently approved a paper proposing an enhanced Information Governance regime through the establishment of a new Information Governance Delivery Group (IGDG). Information risk briefings are submitted to SIRO on an ad-hoc basis while critical information risk issues are escalated to the Service Performance Board when necessary.

Personal Data Related Incidents

As PSNI Accounting Officer, I have responsibility for ensuring the security of personal data and to respond if there has been a breach or potential breach of the Data Protection Act.

PSNI self-referred sixteen incidents for consideration to the Information Commissioner’s Office (‘ICO’). This is a significant increase to the two notifiable incidents in last year’s statement but is likely to be reflective of increased awareness of the requirement to notify within prescribed timeframes introduced since May 2018 and the reissue of IS Standard 1.05 – Information Incident Identification and Reporting. PSNI has reviewed information incident reporting standards in line with the new GDPR and Data Protection Act 2018. PSNI has put in place incident notification and management processes in line with changes in that legislation. PSNI has worked closely with the Information Commissioner’s office throughout its implementation of new legislative obligations.

Review of Effectiveness

As PSNI Accounting Officer I have responsibility for reviewing the effectiveness of the system of internal control.

My review is informed by the work of the Service Executive Officers (Chief Officers) within the organisation who have responsibility for the development and maintenance

of the internal control framework, and the work undertaken by the Internal and External Auditors during the reporting period.

Significant Internal Control Issues

During the year two audits carried out by Internal Audit received a limited rating, Records Management and Accounts Payable.

Records Management

A limited assurance opinion has been issued in respect of Records Management. The objectives of this internal audit were designed to assure that a Records Management policy is established and that appropriate governance arrangements are in place to progress and manage the strategy. One Priority 1 and three Priority 2 findings were identified. Management were unable to provide Internal Audit with any evidence that their Records Management Strategy had been fully established and disseminated throughout the organisation. At the time of fieldwork there had been no definitive Tactical Plan produced to support the Strategy. It was also recommended that the Corporate Records Management Steering Group be formally established and meet bi-monthly to monitor progress against the Strategy.

Accounts Payable

Internal Audit performed a review of Accounts payable during 2018/19 and provided a limited opinion in relation to this system. A number of weaknesses were identified which need to be address:

- The financial operating system as it is currently configured does not automatically enforce segregation of duties for the completion of financial transactions.
- There were numerous instances where requests to add or amend suppliers was not documented on the appropriate form, did not demonstrate that appropriate approval had been obtained to add/amend details, and did not confirm that local staff/management had independently verified supplier amendments.

All Internal Audit findings have been placed on the PSNI's Overview system to be addressed and progressed towards discharge.

The Northern Ireland Audit Office has undertaken external audit work on the organisation in addition to its annual financial audit on PSNI's financial statements.

There is one report to consider:

Firearms licensing in Northern Ireland

This report was prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the Northern Ireland Assembly in accordance with Article 11 of the Order. It was published on 27 September 2018. In January 2017 the PSNI introduced a new online system for firearms licensing applications. This system operated alongside the existing paper-based system until 9 July 2018 when paper based applications were discontinued. The intention of introducing the online system was to contribute to more effective and efficient delivery of the firearms licensing service in Northern Ireland.

The report focused on four principal areas: processing applications for firearms certificates; the adequacy of performance reporting in Firearms and Explosives Branch (FEB); the dual systems that were in operation; and recovering the costs of the service. The report noted delays in processing applications, detailing three recommendations which were fully accepted.

No ministerial directions were received during the period.

There are a number of other sources from which I draw assurance on the system of internal control. These include the work of those independent external bodies which provide a challenge function to the work of PSNI including;

The Northern Ireland Policing Board
The Department of Justice
Northern Ireland Audit Office
Her Majesty's Treasury
The Criminal Justice Inspectorate of Northern Ireland
Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
Surveillance Commissioner
Human Rights Commission

Any issues of control weaknesses, identified from reviews carried out by these independent bodies in 2018-19, have been considered and action taken with progress on actions outstanding monitored through the "Overview" system.

The SEB continues to keep its internal control arrangements under review in response to internal and external developments. SEB is independently advised by ARAC which meets throughout the year, and reports through its annual report, and regular meetings between the independent Chair of ARAC and the Deputy Chief Constable.

Internal Audit submits regular reports on the management of key business risks, and the effectiveness of the system of internal control, making recommendations for improvement where appropriate. This is formally reported to ARAC at each meeting.

Those recommendations accepted by PSNI have been implemented, or are being implemented against agreed timetables, with those accepted recommendations past their initial planned end date reported to ARAC, and quarterly to SEB.

Accounting Officer's Statement of Assurance

I have considered the assurances provided by PSNI Senior Officers, ARAC, Internal Audit, External Audit and external scrutiny bodies.

As PSNI Accounting Officer, I am satisfied with the overall effectiveness of the system of internal control and am content that adequate plans exist to address any weaknesses and to ensure continuous improvement.

REMUNERATION AND STAFF REPORT

The Remuneration and Staff Report summarises the PSNI's policy on remuneration of Board Members, Non-Executive Members and staff; it also provides details of actual costs and contractual arrangements.

Remuneration policy

The remuneration of PSNI Chief Officers is set by the Northern Ireland Policing Board.

In reaching its recommendations, the Policing Board has considered the following:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments and other public bodies to meet the output targets for the delivery of services;
- the funds available to the organisation;
- the Government's inflation target; and
- the recommendation of the Senior Salaries Review Body and the Minister for Justice Recommendation on pay increases, and Chief Officer pay scales.

The Policing Board takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Service contracts

The Policing Board is responsible for the appointment and service contracts of Chief Officers.

Chief Constable & Deputy Chief Constable

Chief Constable Simon Byrne was appointed by the Policing Board on the 01 July 2019

Chief Constable George Hamilton was appointed by the Policing Board on the 30 June 2014. The Chief Constable retired from service on the 30 June 2019.

Deputy Chief Constable Drew Harris Retired from Service on the 5 August 2018.

Assistant Chief Constables

The appointment dates for Assistant Chief Constables appointed by the Board are as follows:

| | |
|----------------|---------------|
| Mark Hamilton | 5 August 2013 |
| Stephen Martin | 30 June 2014 |
| Alan Todd | 26 April 2016 |

Civilian Chief Officers

There are currently no substantively appointed Civilian Chief Officers in post.

Unless otherwise stated, Civilian Chief Officers hold appointments which are open ended or until they reach retirement age.

Provision for compensation on early termination, for anything other than misconduct, is subject to the advice of the Department of Justice.

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Salary and pension entitlement: (Audited Information)

Remuneration and pension information for the year ended 31 March 2019 is as follows:

| | Salary 2018-19 £000's | Benefit in Kind 2018-19 £000's | Bonus 2018-19 £000's | * Pension Benefits 2018-19 ² £000's | Single Total Figure of remuneration 2018-19 £000's |
|---|-----------------------------|---|----------------------------|--|--|
| Chief Constable George Hamilton | 225-230 | NIL | NIL | - | 225-230 |
| Deputy Chief Constable Drew Harris (Full Year Equivalent) | 75-80 (180-185) | NIL | NIL | - | 75-80 |
| T/Deputy Chief Constable Stephen Martin | 160-165 | NIL | NIL | 418 | 575-580 |
| Assistant Chief Constable District Policing Mark Hamilton | 125-130 | NIL | NIL | 77 | 205-210 |
| Assistant Chief Constable Operational Support Alan Todd | 125-130 | NIL | NIL | 40 | 165-170 |
| T/Assistant Chief Constable Crime Operations Barbara Gray | 120-125 | NIL | NIL | 102 | 225-230 |
| T/Assistant Chief Constable Legacy & Justice Tim Mairs (Full Year Equivalent) | 60-65 (110-115) | NIL | NIL | 46 | 105-110 |
| T/Assistant Chief Constable Legacy & Justice George Clarke (Full Year Equivalent) | 90-95 (115-120) | NIL | NIL | 166 | 255-260 |
| T/Director of Finance & Support Services and Human Resources Mark McNaughten | 120-125 | NIL | NIL | 78 | 195-200 |
| Head of Corporate Communications Liz Young (Full Year Equivalent) | 20-25 (75-80) | NIL | NIL | 15 | 35-40 |
| Non-Executive Member Gerald Crossan ³ | 10-15 | NIL | NIL | - | 10-15 |
| Non-Executive Member Fiona Keenan ³ | 10-15 | NIL | NIL | - | 10-15 |
| Non-Executive Member Ian Jordan ³ | 5-10 | NIL | NIL | - | 5-10 |
| Non-Executive Member Stephen Hodkinson ³ | 25-30 | NIL | NIL | - | 25-30 |

**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 decreases due to a transfer of pension rights*

1. Details of Senior Executive Board Members start and end dates are provided on page 56.
2. Members Pension Benefits are nil as they are not active scheme members.
3. As a non-executive member it is not appropriate to include a full time equivalent figure, as the member is paid a per diem rate for attending Board meetings

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Comparative Remuneration and pension information for the year ended 31 March 2018 is as follows:

| | Salary 2017-18 £000's | Benefit in Kind 2017-18 £00's | Bonus 2017-18 £000's | * Pension Benefits 2017-18 ² £000's | Single Total Figure of remuneration 2017-18 £000's |
|--|-----------------------------|--|----------------------------|--|--|
| Chief Constable George Hamilton | 220-225 | NIL | NIL | - | 220-225 |
| Deputy Chief Constable Drew Harris | 180-185 | NIL | NIL | - | 180-185 |
| Assistant Chief Constable Legacy & Justice Mark Hamilton | 125-130 | NIL | NIL | 11 | 135-140 |
| Assistant Chief Constable Crime Operations Stephen Martin | 125-130 | NIL | NIL | (40) | 85-90 |
| Assistant Chief Constable District Policing Alan Todd | 125-130 | NIL | NIL | 38 | 165-170 |
| T/Assistant Chief Constable Operational Support Barbara Gray | 115-120 | NIL | NIL | 153 | 265-270 |
| T/Assistant Chief Constable Legacy & Justice Stephen Cargin (Full Year Equivalent) | 5-10 (100-105) | NIL | NIL | 35 | 40-45 |
| T/ Director of Finance & Support Services and Human Resources Mark McNaughten | 110-115 | NIL | NIL | (245) | (125-130) |
| Head of Human Resources Jude Helliker (Full Year Equivalent) | 15-20 (70-75) | NIL | NIL | 8 | 20-25 |
| Head of Corporate Communications Liz Young | 75-80 | NIL | NIL | 19 | 95-100 |
| Non-Executive Member Dennis Licence ³ . | 5-10 | NIL | NIL | - | 5-10 |
| Non-Executive Member Stephen Hodgkinson ³ . | 20-25 | NIL | NIL | - | 20-25 |
| Non-Executive Member Fiona Keenan ³ | 5-10 | NIL | NIL | - | 5-10 |
| Non-Executive Member Gerald Crossan ³ | 5-10 | NIL | NIL | - | 5-10 |
| Non-Executive Member Ian Jordan ³ | 5-10 | NIL | NIL | - | 5-10 |

'Salary' includes gross salary; performance pay; untaken leave allowance, overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any ex gratia payments.

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.

Salary and pension entitlement: Pay Multiples (Audited information)

| 2018-19 | £000's | 2017-18 | £000's |
|---|----------------|---|----------------|
| Organisation Total | | Organisation Total | |
| Remuneration of Highest Paid all Employees | | Remuneration of Highest Paid all Employees | |
| Total Remuneration | 225-230 | Total Remuneration | 220-225 |
| Median Total Remuneration | 45.27 | Median Total Remuneration | 45.11 |
| Ratio | 5.03 | Ratio | 4.93 |
| | | | |
| Police | | Police | |
| Remuneration of Highest Paid Police Officer's | | Remuneration of Highest Paid Police Officer's | |
| Total Remuneration | 225-230 | Total Remuneration | 220-225 |
| Median Total Remuneration | 48.59 | Median Total Remuneration | 47.92 |
| Ratio | 4.68 | Ratio | 4.64 |
| | | | |
| Police Staff | | Police Staff | |
| Remuneration of Highest Paid Director's | | Remuneration of Highest Paid Director's | |
| Total Remuneration | 120-125 | Total Remuneration | 110-115 |
| Median Total Remuneration | 24.54 | Median Total Remuneration | 25.31 |
| Ratio | 4.99 | Ratio | 4.44 |

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

The banded remuneration of the highest paid Executives in the PSNI in the financial year 2018-19 was £225,000-£230,000 (2017-18 was £220,000-£225,000). This was 5.03 times (2017-18, 4.93) the median remuneration of the workforce, which was £45,270 (2017-18 £45,110).

No employees in 2018-19 or 2017-18 received remuneration in excess of the highest paid Executive. The Total remuneration includes gross salary; performance pay; untaken leave allowance, overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any ex gratia payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The ratio of the highest paid Executive has marginally changed since 2017-18, this is mainly due to a increase in the banding of the highest paid employee. As PSNI has two distinct pay structures, one for police and one for police staff, the median and pay multiples for each of these two pay structures has also been provided above.

Gender Pay Ratios

In line with the government's commitment to publish Gender pay ratios PSNI has set out below the gender pay medians and means for the 2018-19 year.

| | Male | Female |
|--------|-------|--------|
| | £000s | £000s |
| Median | 48.20 | 32.55 |
| Mean | 43.99 | 34.43 |

The Percentage of officers and staff per pay quartile is also shown below:

| Quartile £000s | Male | Female |
|-------------------|--------|--------|
| 0-58 | 84.41% | 96.11% |
| 58-115 | 15.51% | 3.86% |
| 115-173 | 0.07% | 0.03% |
| 173-230 | 0.00% | 0.02% |

Pension Benefits (Audited Information)

| Audited Information | Accrued pension as at 31 March 2019 £000's | Real increase in pension and related lump sum at 31 March 2019 ² £000's | CETV at 31 March 2019 £000's | CETV at 31 March 2018 ³ £000's | Real increase in CETV £000's |
|------------------------------|---|---|---------------------------------|--|---------------------------------|
| George Hamilton ¹ | 140-145 | 0 | 3,519 | 3,484 | 0 |
| Drew Harris ¹ | 110-115 | 0 | 2,777 | 2,755 | 0 |
| Stephen Martin ¹ | 95-100 | 20-22.5 | 2,473 | 1,892 | 538 |
| Mark Hamilton ¹ | 55-60 | 2.5-5 | 932 | 827 | 50 |
| Alan Todd ¹ | 65-70 | 2.5-5 | 1,528 | 1,457 | 49 |
| Barbara Gray ¹ | 65-70 | 5-7.5 | 1,729 | 1,569 | 130 |
| George Clarke ¹ | 50-55 | 7.5-10 | 784 | 621 | 121 |
| Tim Mairs ¹ | 25-30 | 2.5-5 | 336 | 287 | 22 |
| Mark McNaughten | 40-45 lump sum 95-100 | 2.5-5 lump sum 2.5-5 | 704 | 574 | 47 |
| Liz Young | 15-20 | 0-2.5 | 315 | 293 | 11 |

Note:

1. PSNI Police Officers have the option of electing for a lump sum paid on retirement (up to 25% of their total accrued pension benefits). The figures shown are the gross pension figures assuming no lump sum payment.
2. Members real increase are zero where they are no longer active scheme members
3. CETV values have been requested as the CETV accruals rates were amended in October 2018.

These pension benefits are provided through two pension schemes depending on the employment status of the individual.

PRINCIPAL CIVIL SERVICE PENSION SCHEME (NI)

Pension benefits for PSNI Police Staff are provided through the Northern Ireland Civil Service pension arrangements 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 2018 was 2.4% and HM Treasury has announced that public service pensions will be increased accordingly from April 2019.

Employee contribution rates for all members for the period covering 1 April 2019 – 31 March 2020 are as follows:

| Annualised Rate of Pensionable Earnings (Salary Bands) | 2019 contribution rate – All members |
|---|---|
| £0 - £23,500.99 | 4.6% |
| £23,501-£54,500.99 | 5.45% |
| £54,501-£150,000.99 | 7.35% |
| £150,001 and above | 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 Northern Ireland Civil Service pension schemes are unfunded multi-employer defined benefit schemes but PSNI is unable to identify its share of the underlying assets and liabilities. The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2012 scheme valuation was completed by GAD in February 2015. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2015 to 31 March 2019.

For 2018-19, employers' contributions of £13,661,456 were paid to the PCSPS (NI) (2017-18: £12,835,950) at one of three rates in the range 20.8% to 26.3% of pensionable pay, based on salary bands. Work was completed on the 2016 valuation, based on the position as at 31 March 2016. The outcome of this scheme valuation informed employer contribution rates for 2019-20. Employer contribution rates payable will range from 28.7% to 34.2% of pensionable pay, based on salary bands. This change is primarily due to the reduction in the SCAPE discount rate (as announced at Budget 2018) to 2.4% pa above CPI. The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employee contributions are payable at a rate in the range of 3% to 8.05% of pensionable earnings for Classic and 4.6% to 8.05% for Premium, Classic Plus and Nuvos dependent on pensionable pay. 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>.

There were no contributions due to the partnership pension providers at the reporting date. There were no contributions prepaid at that date.

Fifteen individuals retired early on ill health grounds during 2018-19, the total additional accrued pension liabilities in the year amounted to £39,418 (£29,605, 2017-18).

POLICE PENSION SCHEMES

Pension benefits for PSNI officers, including Full Time Reserves, are provided through the PSNI Police Pension Scheme, the New Police Pension Scheme (NPPS) and from April 2015 the 2015 Police Pension Scheme.

Police Pension Scheme (PPS)

This is a statutory scheme that provides benefits on an "Average Pensionable Pay (APP)" basis at age 55 regardless of rank. It is a defined benefits final salary scheme. All officers are entitled to work to age 60 and can apply for 5 yearly extensions after age 60.

For the year to 31 March 2019, employer's contributions of £14,620,666 have been paid at the rate of 25.1% of pensionable pay. For 2017-18, employers' contributions of £19,737,770 were paid to the PSNI PPS. In addition employers' contributions totalling £4,260,534 have been paid for the year to 31 March 2019 in respect of ill-health retirements (2017-18 £5,365,986). To qualify for an ordinary retirement pension, an officer has to complete 25 years service and attain 50 years of age. Benefits accrue at the rate of 1/60th of APP for each year of service up to 20 years, and 2/60th for each year thereafter, up to a maximum of 40/60th of APP. There is an option for a lump sum to be paid on retirement, if the officer elects to give up (commute) up to 25% of the pension. Actuarial tables are used to calculate the lump sum. Members pay contributions of either 14.25% or 15.05 of basic pay dependent on pensionable pay. Pensions increase in line with the Consumer Prices Index effective 1 April 2011 (previously Retail Prices Index). On death, pensions are payable to the surviving spouse or children, subject to provisions within the scheme.

On death in service that is not as a result of an injury on duty (IOD) the scheme pays a lump sum benefit of twice pensionable pay, and there are also pension benefits for the spouse and/or children of the deceased. On death as a result of IOD, or death within 12 months of retiring as a result of an injury, a lump sum benefit of 5 times pensionable pay is payable, subject to scheme conditions. Medical retirement is possible in the event of serious ill health. Officers with less than 2 years service receive a lump sum

benefit (gratuity), and those with more than 2 years service receive an ill-health pension, depending on the number of years of actual pensionable service.

This scheme is now closed to new recruits from the 6 April 2006.

New Police Pension Scheme (NPPS)

For the period to 31 March 2019, employer's contributions of £691,765 have been paid at the rate of 25.1% of pensionable pay. For 2017-18, employers' contributions of £824,500 were paid to the PSNI NPPS.

To qualify for an ordinary retirement pension, an officer must serve to age 55. Benefits accrue at the rate of 1/70th of APP for each year of service up to a maximum of 35/70th of APP.

In addition to the pension a defined lump sum of four times pension is payable. Members pay contributions of 11%, 12.05% or 12.75% of basic pay dependent on pensionable pay. Pensions increase in line with the Consumer Prices Index. On death, pensions are payable to the surviving spouse, civil partner, unmarried partner or children, subject to provisions within the scheme. On death in service, that is not as a result of an injury on duty (IOD), the scheme pays a lump sum benefit of three times pensionable pay, and there are also pension benefits for the spouse, civil partner, unmarried partner and/or children of the deceased.

On death as a result of IOD, or death within 12 months of retiring as a result of an injury, a lump sum benefit of 5 times pensionable pay is payable, subject to scheme conditions. There is a 2 tier medical retirement pension for officers with over 2 years service. If an officer is permanently disabled for the ordinary duties of a member of PSNI a standard ill health pension is awarded. If an officer is disabled from the ordinary duties of a member of PSNI and permanently disabled for any regular employment an enhanced top-up ill health pension could be awarded. This scheme is now closed to new recruits from the 1 April 2015.

The 2015 Police Pension Scheme (Northern Ireland)

From 1 April 2015 a new Career Average Revalued Earnings pension scheme was introduced. Existing members of the 1988 and 2006 schemes moved over or will move over at a future date to the 2015 if they do not have pension protection.

For the period to 31 March 2019, employer's contributions of £45,209,548 have been paid at the rate of 25.1% of pensionable pay. For 2017-18, employers' contributions of £40,335,465 were paid to the PSNI 2015 Pension Scheme. In addition employers' contributions totalling £897,084 have been paid for the year to 31 March 2019 in respect of ill-health retirements (2017-18 £862,572)

Benefits accrue at 1/55.3 of annual pensionable pay and receive annual uprating of Consumer Price Index (CPI) plus 1.25%. Benefits are payable in full from age 60 or on an actuarially reduced basis from age 55. A lump sum on retirement is not automatic but an officer can opt to commute up to a maximum of 25% of gross pension into a lump sum.

Members pay one of three contributions ranging from 12.44% to 13.78% of basic pay dependent on pensionable pay. On death, pensions are payable to the surviving spouse, civil partner, unmarried partner or children, subject to provisions within the scheme. On death in service, that is not as a result of an injury on duty (IOD), the scheme pays a lump sum benefit of three times pensionable pay, and there are also pension benefits for the spouse, civil partner, unmarried partner and/or children of the deceased.

On death as a result of IOD, or death within 12 months of retiring as a result of an injury, a lump sum benefit of 5 times pensionable pay is payable, subject to scheme conditions. There is a 2 tier medical retirement pension for officers with over 2 years service. If an officer is permanently disabled for the ordinary duties of a member of PSNI a standard ill health pension is awarded. If an officer is disabled from the ordinary duties of a member of PSNI and permanently disabled for any regular employment an enhanced top-up ill health pension could be awarded.

Pension Protection

Following the introduction of the 2015 Police Pension Scheme for police officers and the Alpha Pension Scheme for police support staff, protection of pension rights were given to some existing members of staff. For police officers and police support staff within 10 years of retirement they received full protection which meant they remained in their existing pension scheme. Some police officers and police support staff received tapered protection which means they move or moved to the respective new scheme at a date later than 1 April 2015. This tapered protection was dependent on age, service or a mixture of both. Any police officers or police support staff who did not have full or tapered protection moved to either the 2015 Police Pension Scheme or The Alpha Scheme from 1 April 2015.

EMPLOYER PENSION COSTS

Pension costs for employer contributions noted above are stated as the actual cash payments made in 2018-19 (total £79,341k including Ill health contributions).

Employer pension costs disclosed on page 85 of £79,060k are reported on an accrual basis.

SEVERANCE PAYMENTS

Severance Payments have been made from 1 January 2001 to officers leaving the PSNI under the Voluntary Severance or Full Time Reserve programmes for the PSNI. The Schemes were developed in line with the recommendations of the Independent Commission on Policing (Patten) and it was necessary to fulfil Government commitments, to permit officers to leave from the planned date of 1 January 2001. These schemes are now closed and no further payments will be made.

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 or Police 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 the 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.

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019

Compensation for loss of Office (Audited Information)

No payments for loss of office were made during 2018-19.

STAFF NUMBERS AND RELATED COSTS (AUDITED INFORMATION)

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

| | 2018-19 | 2018-19 | 2018-19 | *2017-18 |
|---|--|---------------------|-----------------------------------|-----------------------------------|
| | Permanently Employed Staff £000's | Others £000's | Staff Costs Total £000's | Staff Costs Total £000's |
| Wages & salaries | 394,519 | 6,291 | 400,810 | 396,706 |
| Social security costs | 44,627 | - | 44,627 | 45,581 |
| Pension Costs | 79,060 | - | 79,060 | 80,300 |
| Total Staff Costs | <u>518,206</u> | <u>6,291</u> | <u>524,497</u> | <u>522,587</u> |
| Less recoveries in respect of outward secondments | (630) | - | (630) | (637) |
| Total net costs | <u>517,576</u> | <u>6,291</u> | <u>523,867</u> | <u>521,950</u> |

*The split of staff costs has been amended to move pensions and social security costs that had previously been recorded as wages and salaries

Average numbers of people employed:

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

| | 2018-19 | 2018-19 | 2018-19 | 2017-18 |
|-------------------|---------------------|------------------|---------------------|---------------------|
| | Permanent Staff | Others | Total | Total |
| Directly Employed | 9,136 | - | 9,136 | 9,157 |
| Other | 9 | 78 | 87 | 71 |
| Total | <u>9,145</u> | <u>78</u> | <u>9,223</u> | <u>9,228</u> |

**Reporting of Compensation and Exit Packages for all Staff 2018-19
(Audited information)**

Details of all compensation and exit packages for Police Officers and Police Staff are outlined below:

| Exit Package Cost Band | Number of Compulsory Redundancies | Number of Other departures agreed | Total number of Exit Packages by cost band |
|--------------------------------------|-----------------------------------|-----------------------------------|--|
| < £10,000 | - | - | - |
| £10,000 - £25,000 | - | - | - |
| £25,000 - £50,000 | - | - | - |
| £50,000 - £100,000 | - | - | - |
| £100,000 - £150,000 | - | - | - |
| £150,000 - £200,000 | - | - | - |
| £200,000 - £250,000 | - | - | - |
| £250,000 - £300,000 | - | - | - |
| Total number of Exit Packages | - | - | - |
| Total Resource Cost (£) | - | - | - |

Assumptions:

Exit costs are accounted for in year of departure.

Where early retirement has been agreed, the additional costs are met by the PSNI.

Ill-health retirement costs are met by the pension scheme and not included in the above, these costs are set out on page 81.

**Reporting of Compensation and Exit Packages for all Staff 2017-18
(Audited information)**

Details of all compensation and exit packages for Police Officers and Police Staff are outlined below:

| Exit Package Cost Band | Number of Compulsory Redundancies | Number of Other departures agreed | Total number of Exit Packages by cost band |
|--------------------------------------|-----------------------------------|-----------------------------------|--|
| < £10,000 | - | - | - |
| £10,000 - £25,000 | - | 1 | 1 |
| £25,000 - £50,000 | - | 1 | 1 |
| £50,000 - £100,000 | - | 1 | 1 |
| £100,000 - £150,000 | - | - | - |
| £150,000 - £200,000 | - | - | - |
| £200,000 - £250,000 | - | - | - |
| £250,000 - £300,000 | - | - | - |
| Total number of Exit Packages | - | 3 | 3 |
| Total Resource Cost (£) | - | 111,377 | 111,377 |

Assumptions:

Exit costs are accounted for in year of departure.

Where early retirement has been agreed, the additional costs are met by the PSNI.

Ill-health retirement costs are met by the pension scheme and not included in the above, these costs are set out on page 81.

Employee involvement

PSNI maintains regular communications and contact with managers and staff through meetings, team briefings, internal blogs, intranet, seminars, circulars, information bulletins and staff newsletters. It also has well established arrangements for formal consultation with recognised Trade Union representatives on all significant developments and issues affecting staff.

Employee engagement is a key item for the PSNI and there is a dedicated working group set up to take forward work to help increase engagement and employee welfare.

Recruitment

PSNI consider that attracting, retaining, developing, supporting and rewarding the right people with the right behaviours, attitudes and skills is fundamental to;

- Keeping People Safe
- Evidencing our Policing With the Community culture
- Upholding human rights.

During the year a number of external and internal recruitment competitions have been launched to seek new student officers and admin staff, as well as offering promotion opportunities to existing officers and staff. These competitions will continue into 2019-20.

A breakdown of PSNI employees as at 31 March 2019 by Gender is shown below;

| | Gender Breakdown as at 31 March 2019 | |
|------------------------------|---|--------------|
| | Female | Male |
| Senior Executive Team | 1 | 7 |
| Senior Managers | 5 | 15 |
| PSNI Officers/Staff | 3,293 | 5,888 |
| Total | 3,299 | 5,910 |

Disabled persons

PSNI has a strong and clear commitment to equality, diversity and inclusion. It is our policy that all eligible persons shall have equal opportunity for employment and advancement in the PSNI on the basis of their ability, qualifications and aptitude for the work. PSNI took full cognisance of the Northern Ireland Civil Service Code of Practice on the employment of people with disabilities.

Health and safety

PSNI is committed to providing for staff an environment that is, as far as possible, safe and free from risk to health. Policing in Northern Ireland is both exceptional and unique. Therefore, what would be considered ‘critical’ in any other UK policing jurisdiction is both normal and ongoing business for the PSNI and the context against which all policing activity and relationships are delivered, including health and safety statutory compliance. This is reflected in the health and safety approach necessary when considering “suitable and sufficient” control measures and the associated safe systems of work in order to provide an affective frontline service delivery to the community whilst still complying with the statutory obligations on PSNI.

PSNI Health and Safety Branch support frontline Policing by ensuring that timely professional advice is provided and that both proactive and reactive health and safety policies and procedures are developed, implemented, monitored and reviewed ensuring bureaucracy is kept to the minimum.

Sickness absence data

The reported average number of working days lost due to sickness for 2018-19 are shown below. The figures show an overall increase in days lost for police officers, and police staff. PSNI continues to robustly manage sick absence and has targets for reduction in line with Government policy.

| | Average Working Days Lost 2018-19 | Average Working Days Lost 2017-18 |
|------------------------|--|--|
| Police Officers | 13.93 | 13.40 |
| Police Staff | 10.98 | 11.24 |

Off Payroll Engagements

PSNI had one 'off-payroll' engagement in place as at 1 April 2018. This engagement is still in place as at the 31 March 2019 and has been ongoing for more than 6 months at a cost of more than £245 per day. During 2018-19 no new ‘off-payroll’ engagements were made.

This off payroll engagement fell under the revised rules for ‘off payroll’ working.

Consultancy

PSNI incurred no expenditure on consultancy during 2018-19 (Nil 2017-18).

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

LOSSES AND SPECIAL PAYMENTS (AUDITED INFORMATION)

| Type of cases | Description | 2018-19 No of Cases | £000 | 2017-18 No of Cases | £000 |
|---|--------------|---------------------------|---------------------|---------------------------|---------------------|
| Losses | | 4 | 8 | 2 | 26 |
| Overpayments | | - | - | 3 | 3 |
| Stores | | 437 | 245 | 609 | 426 |
| Claims waived or Abandoned | | 79 | 14 | 20 | 6 |
| Special Payments | Compensation | 1,119 | 3,857 | 1,206 | 4,525 |
| Ex Gratia Payments | | - | - | - | - |
| Fruitless Payments & Constructive Losses | | <u>119</u> | <u>32</u> | <u>94</u> | <u>15</u> |
| Total | | <u>1,758</u> | <u>4,156</u> | <u>1,934</u> | <u>5,001</u> |

During 2018-19 Special Payments (compensation) were made in relation to 1,119 cases. The total amount paid in these cases was £3,857k.

REMOTE CONTINGENT LIABILITIES (AUDITED INFORMATION)

PSNI has no remote contingent liabilities to note.



Simon Byrne
Chief Constable
Police Service of Northern Ireland
26 July 2019

**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 Police Service of Northern Ireland, the Police Fund Account and the Police Property Fund Account for the year ended 31 March 2019 under the Police (Northern Ireland) Act 2000 as amended by the Police (Northern Ireland) Act 2003 and 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, including significant accounting policies. 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 affairs of the Police Service of Northern Ireland, the Police Fund Account and the Police Property Fund Account as at 31 March 2019 and of the expenditure and income 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 and 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 Police Service of Northern Ireland 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 Chief Constable as 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 the Department of Justice directions made under the Police (Northern Ireland) Act 2000 as amended by the Police (Northern Ireland) Act 2003 and 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 Chief Constable for the financial statements

As explained more fully in the Statement of Responsibilities of the Chief Constable, the Northern Ireland Policing Board and the Chief Constable as 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 audit, 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 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

My objectives are 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. 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

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
30 July 2019

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2019**

| | Note | 2018-19 £000 | 2017-18 £000 |
|--|------|------------------------|------------------------|
| Income: | | | |
| Revenue from contracts with customers | 3 | (3,082) | (3,319) |
| Other operating Income | 3 | <u>(8,231)</u> | <u>(7,348)</u> |
| Total operating Income | | <u>(11,313)</u> | <u>(10,667)</u> |
| Expenditure: | | | |
| Staff Costs | 4 | 523,867 | 521,950 |
| Depreciation, impairment charges and write offs | 4 | 37,865 | 39,881 |
| Provision Expense | 4 | 67,613 | 22,506 |
| Other Operating Expenses | 4 | <u>143,205</u> | <u>143,515</u> |
| Total operating expenditure | | <u>772,550</u> | <u>727,852</u> |
| Net operating expenditure for the Year | | <u>761,237</u> | <u>717,185</u> |
| Corporation Tax | | <u>87</u> | <u>53</u> |
| Net expenditure for the Year | | <u>761,324</u> | <u>717,238</u> |
| Other Comprehensive Net Expenditure | | | |
| Net Gain on Revaluation of Property, Plant & Equipment | 5 | (35,004) | (12,699) |
| Net Gain on Revaluation of Intangibles | 6 | (17) | (81) |
| Actuarial Gain | 12 | <u>(23,250)</u> | <u>(82,530)</u> |
| Comprehensive net expenditure for the year | | <u>703,053</u> | <u>621,928</u> |

The notes on pages 98 to 129 form part of this account

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

| | | 2019 | 2018 |
|--|------|-------------------------|-------------------------|
| | | £000 | £000 |
| | Note | | |
| Non-current assets: | | | |
| Property, plant & equipment | 5 | 659,283 | 616,223 |
| Intangible assets | 6 | <u>3,416</u> | <u>5,703</u> |
| Total non-current assets | | <u>662,699</u> | <u>621,926</u> |
| Current assets: | | | |
| Assets classified as held for sale | 7 | 4,130 | 3,790 |
| Inventories | 8 | 5,853 | 4,782 |
| Trade and other receivables | 9 | 29,449 | 28,185 |
| Cash and cash equivalents | 10 | <u>669</u> | <u>4,687</u> |
| Total current assets | | <u>40,101</u> | <u>41,444</u> |
| Total assets | | <u>702,800</u> | <u>663,370</u> |
| Current liabilities: | | | |
| Trade and other payables | 11 | (77,856) | (90,596) |
| Provisions | 12 | <u>(46,175)</u> | <u>(39,560)</u> |
| Total current liabilities | | <u>(124,031)</u> | <u>(130,156)</u> |
| Total assets less current liabilities | | <u>578,769</u> | <u>533,214</u> |
| Non-current liabilities: | | | |
| Provisions | 12 | <u>(505,073)</u> | <u>(507,259)</u> |
| Total non-current liabilities | | <u>(505,073)</u> | <u>(507,259)</u> |
| Total assets less total liabilities | | <u>73,696</u> | <u>25,955</u> |
| Taxpayers' equity and other reserves: | | | |
| Revaluation Reserve | | 233,078 | 198,368 |
| General Reserve | | <u>(159,382)</u> | <u>(172,413)</u> |
| Total Equity | | <u>73,696</u> | <u>25,955</u> |

The notes on pages 98 to 129 form part of this account

The financial statements on pages 94 to 129 were approved by the PSNI on 26 July 2019 and were signed on its behalf by:



Simon Byrne
Chief Constable
Police Service of Northern Ireland
26 July 2019

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

| | Note | 2018-19 £000 | 2017-18 £000 |
|--|------|------------------|------------------|
| Cash flows from operating activities: | | | |
| Net Expenditure | | (761,324) | (717,238) |
| Adjustments for non-cash transactions | 3,4 | 105,517 | 62,345 |
| (Increase) in trade and other receivables | 9 | (1,264) | (2,985) |
| (Decrease)/ Increase in trade and other payables | 11 | (12,995) | 6,202 |
| (Increase) in Inventories | 8 | (1,071) | (244) |
| Use of Provisions | 12 | (39,934) | (35,979) |
| Movement relating to Capital Payables | | <u>5,704</u> | <u>(5,509)</u> |
| Net cash outflow from operating activities | | (705,367) | (693,408) |
| Cash flows from investing activities: | | | |
| Purchase of property, plant & equipment | 5 | (50,934) | (23,185) |
| Purchase of intangible assets | 6 | (60) | (1,010) |
| Proceeds on Assets Held for resale | 7 | 1,192 | 800 |
| Proceeds of disposal of plant, property & equipment | | <u>104</u> | <u>208</u> |
| Net cash outflow from investing activities | | (49,698) | (23,187) |
| Cash flows from financing activities: | | | |
| Grant from Sponsoring department | | <u>750,794</u> | <u>724,404</u> |
| Net financing | | 750,794 | 724,404 |
| Net (decrease)/increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund | | | |
| | | (4,271) | 7,809 |
| Receipts due to the Consolidated Fund which are outside the scope of the PSNI's activities | | | |
| | | 503 | 2,900 |
| Payments of amounts due to the Consolidated Fund | | | |
| | | (250) | (8,964) |
| Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund | | | |
| | | (4,018) | 1,745 |
| Cash and cash equivalents at the beginning of the period | | | |
| | | 4,687 | 2,942 |
| Cash and cash equivalents at the end of period | | | |
| | | 669 | 4,687 |

The notes on pages 98 to 129 form part of this account

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

| | General Reserve £000 | Revaluation Reserve £000 | Taxpayer's Equity £000 |
|--|-------------------------------------|---|---------------------------------------|
| Balance at 31 March 2017 | <u>(263,931)</u> | <u>187,410</u> | <u>(76,521)</u> |
| Transfers between reserves | 1,822 | (1,822) | - |
| Actuarial Gain | 82,530 | - | 82,530 |
| Comprehensive net expenditure for the year | (717,238) | 12,780 | (704,458) |
| Grant from Sponsoring Entity | <u>724,404</u> | <u>-</u> | <u>724,404</u> |
| Balance at 31 March 2018 | <u>(172,413)</u> | <u>198,368</u> | <u>25,955</u> |
| Transfers between reserves | 311 | (311) | - |
| Actuarial Gain | 23,250 | - | 23,250 |
| Comprehensive net expenditure for the year | (761,324) | 35,021 | (726,303) |
| Grant from Sponsoring Entity | <u>750,794</u> | <u>-</u> | <u>750,794</u> |
| Balance at 31 March 2019 | <u>(159,382)</u> | <u>233,078</u> | <u>73,696</u> |

The notes on pages 98 to 129 form part of this account.

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 MARCH 2019

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the 2018-19 Government Financial Reporting Manual (FReM) issued by the DoF. 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 for the PSNI and giving a true and fair view has been selected. The particular policies adopted by the PSNI 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, intangible assets and inventories. The main accounting policies adopted by the PSNI are summarised below.

1.2 Income

The PSNI has applied IFRS 15 to show revenue generated from contracts with customers. Revenue is measured based on the consideration specified in a contract with the customer or the legislated cost of an item. The PSNI recognises revenue when it transfers control over a product or service to a customer. The definition of a contract is expanded to include legislation and regulations which enable an entity to receive cash.

Nature of Goods and Services

The following is a description of the principal activities – separated by reportable segments – from which the PSNI generates its revenue.

Other Frontline Policing

Income is earned in respect of Firearms licences, where income is recognised on basis of provision of firearms licence to hold, transfer, and amend a firearm. The costs of these items are set out in legislation.

Infrastructure Support Costs

Income earned from the Barracuda system is recognised when the service provides telecommunication services.

Income is earned from the provision of accident reports and associated items to third parties, and is recognised when the goods are provided.

Other Operating income is earned principally from Refunds & Contributions, Rental Income, and for the safety camera scheme. Income earned from the Home Office through the Assets Recovery Incentivisation Scheme (ARIS) and monies seized through the proceeds of crime act are also included.

PSNI also receives income from fixed penalties relating to speeding and red-light running detection activity. Following direction from HM Treasury the surplus of income over expenditure that has accrued in relation to these monies is shown as owing to the consolidated fund and disclosed separately within note 11 and note 19.

Income is stated on an Accruals basis, in accordance with FReM and is stated net of VAT. PSNI complies with the charging guidelines as laid down by the National Police Chiefs Council (NPCC).

1.3 Property, Plant and Equipment

Property, Plant and Equipment comprise Land, Buildings, IT and Communications, Plant and Equipment, Vehicles and Aircraft, and Assets in the Course of Construction.

Expenditure is capitalised on property, plant and equipment that exceeds £5,000 for an individual asset, or £1,000 for an asset forming part of a significant asset group. The majority of firearms are not capitalised as they fall outside these threshold limits.

On initial recognition assets are measured at cost including any costs required to bring them into working condition. Items classes as ‘Assets in the Course of Construction’ are recognised in the Statement of Financial Position, to the extent money has been or a liability has been recognised. In compliance with IAS 16 Property, Plant and Equipment, subsequent expenditure on an asset which does not meet the criteria of an enhancement or an improvement is treated as revenue. All Property, Plant and Equipment are reviewed annually for impairment and are carried at fair value. Fair value is usually determined from market-based evidence by appraisal undertaken by professional valuers. This appraisal is undertaken by Land & Property Services (LPS) on behalf of PSNI. LPS is an “External Valuer” as defined by the RICS Professional Valuation Standards. A complete valuation of the Police Estate was last completed in January 2015, a rolling valuation is undertaken each year to ensure that the full Estate will be valued every five years.

The basis of valuation applied is governed by the RICS Valuation standards. Due to the nature of the PSNI property portfolio the following basis of valuation are applied. Operational Specialised assets, such as Police Stations, are valued at Depreciated Replacement Cost (DRC). Operational Non-Specialised Assets, such as Offices, are valued at market value based on existing use.

In accordance with IFRS, PSNI has secured an independent and professional valuation from Land & Property Services. They summarised each Land and Buildings asset into its constituent parts or components and they outlined their respective remaining lives. From this information, the PSNI calculated component depreciation in accordance with the requirements of IFRS. In compliance with IFRS disclosure requirements, separate disclosure is attributed to Dwellings (under Land & Buildings).

Non property assets are valued at fair value, using indices supplied by the Office for National Statistics.

Upward revaluations are credited to the Revaluation Reserve and permanent reductions in the value of property, plant and equipment are charged to the Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense.

1.4 Depreciation

Property, plant and equipment are depreciated at cost or re-valued amount at fixed rates on a straight line basis over the estimated useful lives of the assets. Assets in the course of construction are not depreciated until the asset is brought into use and transferred to the relevant asset group. Depreciation rates are as follows:

| | |
|-----------------------|--------------------------------------|
| Buildings | up to 50 years |
| Plant and Equipment | 5 to 40 years |
| Vehicles | 4 to 10 years |
| IT and Communications | 3 to 10 years |
| Aircraft | 10 to 20 years |
| Intangible Assets | 3 years or life of purchased licence |

Buildings are depreciated using the componentisation method. Componentisation is the breakdown of buildings into the constituent parts. The constituent parts are then depreciated based on their individual value and estimated useful life. Land is not depreciated.

1.5 Intangible Assets

The PSNI has classified expenditure on software licences and general information software technology costing more than £5,000 as Intangible Assets. Software licences are included at cost and principally amortised over a 3 year period or the life of the licence purchased which is estimated to be their useful economic life. Intangibles are revalued annually using indices provided by the Office for National Statistics.

1.6 Non-Current Assets Held for Sale

The PSNI has classified non-current assets as Held for Sale where their carrying amount will be recovered through sale rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale and it should be expected to be completed or realised within one year from the date of classification.

Such assets classified as Held for Sale are measured at the lower of carrying amount and fair value, costs of sale for these assets have been provided for separately due to the specialised nature of the assets. These decommissioning costs are set out in note 12. Depreciation is not charged once an asset has been classified as Held for Sale, any downward revaluation or impairment of non-current assets Held for Sale is charged to the Statement of Comprehensive Expenditure.

1.7 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognised when, and only when the entity becomes party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when and only when the contractual rights to the cash flows from the asset expire, or the entity transfers the asset such that the transfer qualified for derecognition. A financial liability is derecognised when, and only when it is extinguished.

The PSNI annually assesses whether a financial asset or group of assets are impaired. Where there is independent evidence that an impairment loss below historical cost has occurred, the carrying amount is reduced with the loss being recognised in the Statement of Comprehensive Expenditure.

Financial instruments are initially recognised at fair value unless otherwise stated. Fair value is the amount at which an instrument could be exchanged in an arm's length transaction between informed and willing parties.

PSNI categorises the following balances to be financial instruments:

Trade and Other Receivables:

Financial Assets within trade and other receivables are initially recognised a fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective method less provisions for doubtful receivables. Provisions are made specifically where there is objective evidence of a dispute or inability to pay.

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.

Trade and Other Payables:

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method.

Risk Management:

The PSNI is not exposed to the same degree of financial risk faced by business entities. This is due to the organisation being essentially a non-trading entity and financed as a Non Departmental Public Body. It has no powers to borrow or invest in surplus funds and has limited year end flexibility. It is therefore exposed to little liquidity, currency or market risks. The PSNI does not hold any complex financial instruments and there is no impact on the financial risk of the organisation.

1.8 Pension Costs

Pension benefits are provided through the following defined benefit pension schemes. Police Staff are members of the Principal Civil Service Pension Scheme (NI), (PCSPS (NI)) which is an unfunded defined benefit scheme. The PCSPS (NI) produces its own resource accounts but PSNI 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 2016 and details of this valuation are available in the PCSPS (NI) Resource Accounts.

Police officers are members of the existing PSNI Police Pension Scheme or the New Police Pension Scheme, introduced from 6 April 2006. PSNI contributes a percentage of pensionable earnings towards its employees superannuation, at the Accruing Superannuation Liability Charge (ASLC) rates, determined by the Government Actuary's Department and advised by HM Treasury.

A separate account is prepared showing details of the PSNI Police Pension Schemes.

1.9 Value Added Tax

Income and expenditure is shown exclusive of Value Added Tax, which in most cases is recoverable from HM Revenue and Customs, in accordance with the Value Added Tax Act 1994. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

1.10 Corporation Tax

The PSNI has had to register for corporation tax effective from April 2015. Corporation tax is calculated on any profits generated from the sale of assets, or through the use or rental of surplus properties. PSNI has no trading income.

1.11 Inventory

Inventory is stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

1.12 Provisions

PSNI provide for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk adjusted cash flows have been discounted as set out in HM Treasury PES (2018) 12. The following provisions are included in the PSNI Statement of Financial Position.

1.13 Provision for Compensation Claims

A provision for compensation claims are charged against net expenditure when it is assessed that a liability is likely to arise, based on average amounts paid in respect of each category of claim.

1.14 Provision for Injury Awards

Injury awards are valued under International Accounting Standard (IAS) 19 Employee Benefits by GAD. As such the provision is made for the costs of providing injury awards to Police Officers based on the current number of injury awards and also on estimated life expectancy of these pensioners. The provision also contains an estimate of possible future awards for current members. The liability is measured on an actuarial basis by the Government Actuary's Department (GAD).

1.15 Provision for Decommissioning Costs on Assets Held for Resale

Provision is made for decommissioning costs of those assets identified as Assets Held for Resale (AHFS). The provision will be utilised when actual costs are incurred on disposal.

1.16 Miscellaneous Provisions

PSNI Uniform Contract:

As part of a managed service contract, PSNI has agreed to purchase any obsolete uniforms that are in possession of the contractor at the end of the contract. PSNI has estimated the amount of uniforms which may need to be purchased back, based on usage levels. The organisation has provided in full for this amount.

Early Retirement Costs:

PSNI has provided for the future obligations arising from staff being provided with Early Retirement under the Principal Civil Service Pension Scheme.

1.17 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, PSNI 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.

1.18 Leases

Finance Leases:

Leases of property, plant and equipment where PSNI holds substantially all the risks and rewards of ownership are classified as finance leases. PSNI did not hold any finance leases during 2018-19.

Operating Leases:

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals paid under operating leases are charged to the net expenditure account on a straight line basis over the term of the lease. In compliance with IAS 17 Leases, operating leases have been split between Land and Buildings and Other with all future commitments reported.

1.19 Employee Benefits and Staff Costs

In compliance with IAS 19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any untaken leave as at the reporting date. The cost of untaken leave has been determined from a sample of staff leave records. The PSNI has recognised, recorded and expensed all relevant staff costs as soon as it is obligated to honour them.

1.20 Critical Accounting Estimates and Key Judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the PSNI'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 estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts are discussed below.

Depreciation of property, plant and equipment and Amortisation of intangible assets:

Depreciation and amortisation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.4.

Impairment and Revaluation of property, plant and equipment:

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset. Revaluations of Property and PSNI Aircraft are based on the assessment of independent experts, while all other assets are revalued using details of indices as published by the Office for National Statistics.

Injury on duty awards - life expectancy:

Provision is made for the costs of providing injury awards to Police Officers based on the current number of injury awards and also on estimated life expectancy of these pensioners. The liability is measured on an actuarial basis by GAD. Injury awards are valued under International Accounting Standard (IAS) 19 Employee Benefits by GAD.

Provisions for litigation claims and miscarriages of justice:

The decision to provide for, and the amounts provided for, compensation claims and associated legal costs is based on legal advice using the best estimate of the outcome of each case (the likely compensation and legal costs payable) from an assessment of the latest information.

1.21 Segmental Report

Under the requirements of IFRS 8 Operating Segments, PSNI must disclose information to enable users of the financial statements to evaluate the nature and financial effects of the business in which it engages and the economic environment in which it operates. 'Total Assets' are only required to be disclosed in reporting segments where total assets for segments are regularly reported to the chief operating decision maker. As total assets for segments are not regularly reported to the chief operating decision maker PSNI has adopted this amendment. The amendment does not have a material impact on PSNI's financial statements. Full details of the reporting segments are contained within Note 2.

1.22 Police Fund

The Police Fund is a separate scheme administered by the PSNI in conjunction with the RUC Benevolent Fund. It was established by regulations under section 28 of the Police Act (NI) 1970 which consist of PSNI grants and fines imposed on police officers as a result of disciplinary action. This together with investment income is applied by PSNI for the welfare of police officers and their dependants.

As from 1 April 2005, the Police Fund has been treated as a Mutual Trust and is liable for corporation tax on interest and loan investment income. Due to the limited income received by the Fund, HMRC have marked the Fund as dormant from February 2014, this status is still applicable and no corporation tax is due in the 2018-19 year. Note 20 provides details of the performance of this fund for the 2018-19 financial year.

1.23 Police Property Fund

The Police Property Fund is a separate fund, administered by PSNI and established by regulations under section 2 of the Police (Property) Act 1987. It comprises unclaimed receipts arising from criminal investigations by the PSNI, which the Policing Board donate to charities. The Police Property Fund does not hold a separate bank account, but rather utilises the banking arrangements of the PSNI. Note 21 provides details of the performance of this fund for the 2018-19 financial year.

1.24 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2019

PSNI has reviewed the standards, interpretations and amendments to published standards that became effective during 2018-19 and which are relevant to its operations.

| Standard | Description of revision | Application date |
|---|---|------------------|
| IFRS 15-Revenue from contracts with customers | <p>1. The definition of a contract is expanded to include legislation and regulations which enable an entity to receive cash or another financial asset from another entity (other than income classified as a tax by the Office of National Statistics). The costs of preparing the legislation or regulations does not amount to assets under IFRS 15 (91-94).</p> <p>2. Where by statute or Treasury consent, an entity is permitted to retain the revenue from taxation, fines and penalties, this revenue shall be treated as arising from a contract and accounted for under IFRS 15 (15a).</p> <p>IFRS 15 requires further disclosure on the disaggregation of income.</p> | 1 January 2018 |
| <p>Impact</p> <p>Income has been split to reflect the material balances generated in respect of revenue from contracts with customers and other operating income. Previous years have been restated to show this split. There is no change to the recognition of income from IAS 18 to IFRS 15 for PSNI with items of income accounted for when services or goods were provided.</p> | | |

1.25 Third Party Assets

Third party assets are assets for which the PSNI acts as a custodian or trustee, but in which neither the PSNI nor Government more generally has a direct beneficial interest in them. Third party assets are not public assets, and hence are not recorded in the primary financial statements. In the interests of general disclosure and transparency, details of PSNI third party assets are provided in note 23. These are not recognised in the financial statements as the PSNI does not have a direct beneficial interest in them.

1.26 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 accounting periods beginning on or after 1 April 2019 or later periods, but which the PSNI has not adopted early. Other than as outlined below, the PSNI considers that these standards are not relevant to its operations.

| Standard | Description of revision | Application date | Comments |
|--|---|-------------------------------------|--|
| IFRS 16 - <i>Leases</i> (IAS 17 <i>Leases</i> replacement) (new) | <p>IFRS 16 has been developed by the IASB with the aim of improving the financial reporting of leasing activities in light of criticisms that the previous accounting model for leases failed to meet the needs of users of financial statements.</p> <p>IFRS 16 largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This is a significant change in lessee accounting.</p> | 1 January 2019 (not yet EU adopted) | The application of IFRS 16 is subject to further review by HM Treasury and the other Relevant Authorities before due process consultation. |

POLICE SERVICE OF NORTHERN IRELAND
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2. STATEMENT OF OPERATING COSTS BY SEGMENT FOR THE YEAR ENDED 31 MARCH 2019

| Operating Segments 2018-19: | District Policing | Other Frontline Policing | Infrastructure Support Costs | Other Costs | Total |
|--|------------------------------|-------------------------------------|---|-----------------------|-----------------------|
| | £000's | £000's | £000's | £000's | £000's |
| Gross expenditure | 257,929 | 222,550 | 186,552 | 105,606 | 772,637 |
| Income | <u>(734)</u> | <u>(5,573)</u> | <u>(5,006)</u> | <u>(-)</u> | <u>(11,313)</u> |
| Net Expenditure | <u>257,195</u> | <u>216,977</u> | <u>181,546</u> | <u>105,606</u> | <u>761,324</u> |

| Operating Segments 2017-18: | District Policing | Other Frontline Policing | Infrastructure Support Costs | Other Costs | Total |
|--|------------------------------|-------------------------------------|---|----------------------|-----------------------|
| | £000's | £000's | £000's | £000's | £000's |
| Gross expenditure | 255,532 | 219,062 | 192,711 | 60,596 | 727,905 |
| Income | <u>(767)</u> | <u>(4,902)</u> | <u>(4,998)</u> | <u>(-)</u> | <u>(10,667)</u> |
| Net Expenditure | <u>254,765</u> | <u>214,160</u> | <u>187,714</u> | <u>60,596</u> | <u>717,238</u> |

In compliance with IFRS8, a segmental report has been included. Segments are determined based on the internal reports used by management for decision making, and include the following;

District Policing:

This segment combines the directly attributable costs of North, South and Belfast Areas. It delivers a significant portion of operational policing services within Northern Ireland and is comprised of the geographically diverse eleven Districts.

Other Front-line Policing:

This represents the directly attributable costs for both Crime Operations and Operational Support departments. Crime Operations includes Reactive Crime, Serious Crime, Intelligence, Specialist Operations and Public Protection. Operational Support department provides a wide range of operational support to the PSNI in the delivery of front-line policing services including Statistics, Close Protection, Information Assurance and Records Management.

Infrastructure Support Costs:

This segment combines the costs of the main departments and branches which support District and other Front Line Policing services. They include Finance & Support Services, Human Resources, Legacy and Legal Services, Corporate Communications, Innovations and Standards and other outsourced services.

Other Costs:

This segment includes Non-Cash costs, including Depreciation and Permanent Diminution and Movement in Provisions (Net pension costs are excluded).

There have been no material changes from prior years in respect of how PSNI identifies its segments.

Any information in respect of fees and charges is provided for information purposes only. There are no transactions undertaken between reportable segments and PSNI places no reliance on income from any major customers.

3. INCOME

| | 2018-19 | 2017-18 |
|--|----------------------|----------------------|
| | £000 | £000 |
| Fees for firearms certificates & permits | 1,094 | 1,368 |
| Fees for accident reports | 362 | 346 |
| Communication Network Service Charge | <u>1,626</u> | <u>1,605</u> |
| Revenue from contracts with customers | <u>3,082</u> | <u>3,319</u> |
| Refunds & Contributions | 4,110 | 3,460 |
| NI Road Safety Partnership | 1,549 | 1,055 |
| Asset recovery/HQ Incentivisation scheme | 661 | 611 |
| EU Income | 302 | 164 |
| Partner ICT Services | 470 | 520 |
| Bad Debt | - | 23 |
| Other | <u>1,139</u> | <u>1,515</u> |
| Other Operating Income | <u>8,231</u> | <u>7,348</u> |
| Total Income | <u>11,313</u> | <u>10,667</u> |

Income has been split to reflect the material balances generated in respect of revenue from contracts with customers and other operating income. Previous years have been restated to show this split.

There is no change to the recognition of income from IAS 18 to IFRS 15 for PSNI with items of income accounted for when services or goods were provided.

**POLICE SERVICE OF NORTHERN IRELAND
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| 4. EXPENDITURE | 2018-19 | 2017-18 |
|--|-----------------------|-----------------------|
| | £000 | £000 |
| Wages and Salaries | 407,277 | 396,069 |
| Social Security Costs | 42,688 | 45,581 |
| Other Pension Costs | <u>73,902</u> | <u>80,300</u> |
| A breakdown of the above costs into permanent staff and others can be found in the Remuneration and Staff Report on page 85. | 523,867 | 521,950 |
| Other Expenditures | 31,305 | 30,483 |
| Contracted Out | 14,360 | 16,463 |
| Forensics services | 9,303 | 9,358 |
| Accommodation services | 35,754 | 36,177 |
| IT & communications | 32,192 | 31,713 |
| Transport | 12,539 | 11,769 |
| Travel, subsistence & relocation | 5,922 | 5,987 |
| Charges for operating leases: property | 1,594 | 1,395 |
| Charges for operating leases: photocopiers | 12 | 27 |
| Hospitality | 99 | 103 |
| Audit fees | 86 | 82 |
| Loss/(Profit) on Disposal of Non Current Assets | <u>39</u> | <u>(42)</u> |
| | 143,205 | 143,515 |
| Non cash items: | | |
| Capital Grant of Land | - | 1,800 |
| Depreciation & Amortisation | 34,503 | 34,356 |
| Impairment | 3,362 | 3,754 |
| Write Off | <u>-</u> | <u>(29)</u> |
| | 37,865 | 39,881 |
| Cost of Borrowing on provisions | 12,593 | 16,331 |
| Increase in Provision | 56,245 | 7,647 |
| Provision not utilised | <u>(1,225)</u> | <u>(1,472)</u> |
| | 67,613 | 22,506 |
| Total | <u>772,550</u> | <u>727,852</u> |

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5. PROPERTY, PLANT AND EQUIPMENT

| 2018-2019 | Land | Buildings | IT and Comms. | Plant and Equip | Vehicles and Aircraft | Assets in Course of Construction | Total |
|---|---------------|------------------|------------------------------|--------------------------------|--------------------------------------|---|------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost or Valuation: | | | | | | | |
| At 1 April 2018 | 55,936 | 622,445 | 138,286 | 14,103 | 128,671 | 43,382 | 1,002,823 |
| Additions | 685 | 79 | 588 | - | 1,275 | 42,601 | 45,228 |
| Disposals | - | - | - | - | (802) | - | (802) |
| Assets Held for Sale | (1,560) | - | - | - | - | - | (1,560) |
| Reclassifications | - | 229 | 7,555 | 53 | 12,214 | (19,918) | 133 |
| Revaluation | - | - | - | - | - | - | - |
| Indexation | 1,029 | 43,057 | (335) | 415 | 3,794 | - | 47,960 |
| Impairments to SoCNE | (25) | (217) | (852) | 3 | (1) | - | (1,092) |
| Write off from AICC to SoCNE | - | - | - | - | - | (363) | (363) |
| At 31 March 2019 | <u>56,065</u> | <u>665,593</u> | <u>145,242</u> | <u>14,574</u> | <u>145,151</u> | <u>65,702</u> | <u>1,092,327</u> |
| Depreciation: | | | | | | | |
| At 1 April 2018 | - | 210,213 | 103,787 | 10,496 | 62,104 | - | 386,600 |
| Charged in Year | - | 16,188 | 8,729 | 803 | 8,458 | - | 34,178 |
| Disposals | - | - | - | - | (686) | - | (686) |
| Assets Held for Sale | - | - | - | - | - | - | - |
| Revaluation | - | - | - | - | - | - | - |
| Indexation | - | 10,930 | (182) | 313 | 1,891 | - | 12,952 |
| Impairments to SoCNE | - | - | - | 4 | (4) | - | - |
| At 31 March 2019 | <u>-</u> | <u>237,331</u> | <u>112,334</u> | <u>11,616</u> | <u>71,763</u> | <u>-</u> | <u>433,044</u> |
| Carrying amount | | | | | | | |
| At 31 March 2019 | <u>56,065</u> | <u>428,262</u> | <u>32,908</u> | <u>2,958</u> | <u>73,388</u> | <u>65,702</u> | <u>659,283</u> |
| At 31 March 2018 | <u>55,936</u> | <u>412,232</u> | <u>34,499</u> | <u>3,607</u> | <u>66,567</u> | <u>43,382</u> | <u>616,223</u> |
| Asset Financing: | | | | | | | |
| Owned | <u>56,065</u> | <u>428,262</u> | <u>32,908</u> | <u>2,958</u> | <u>73,387</u> | <u>65,702</u> | <u>659,283</u> |
| Carrying Amount At 31 March 2019 | <u>56,065</u> | <u>428,262</u> | <u>32,908</u> | <u>2,958</u> | <u>73,387</u> | <u>65,702</u> | <u>659,283</u> |

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5. PROPERTY, PLANT AND EQUIPMENT

| 2017-2018 | Land | Buildings | IT and Comms. | Plant and Equip | Vehicles and Aircraft | Assets in Course of Construction | Total |
|---|---------------|----------------|---------------------|-----------------------|-----------------------------|--|------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost or Valuation: | | | | | | | |
| At 1 April 2017 | 58,009 | 618,760 | 120,870 | 15,347 | 120,020 | 36,003 | 969,009 |
| Additions | 425 | 972 | 2,652 | 49 | 672 | 23,924 | 28,694 |
| Disposals | (100) | - | (1,992) | (49) | (237) | - | (2,378) |
| Capital Grant of Land | (1,800) | - | - | - | - | - | (1,800) |
| Assets Held for Sale | (2,620) | - | - | - | - | - | (2,620) |
| Reclassifications | - | 1,233 | 12,377 | 553 | 3,656 | (17,744) | 75 |
| Revaluation adjustment* | - | - | 1,854 | (2,044) | (441) | 1,170 | 539 |
| Indexation | 1,792 | 5,373 | 1,810 | 247 | 4,964 | - | 14,186 |
| Impairments to SoCNE | 230 | (3,893) | 715 | - | 37 | - | (2,911) |
| Write off from AICC to SoCNE | - | - | - | - | - | 29 | 29 |
| At 31 March 2018 | <u>55,936</u> | <u>622,445</u> | <u>138,286</u> | <u>14,103</u> | <u>128,671</u> | <u>43,382</u> | <u>1,002,823</u> |
| Depreciation: | | | | | | | |
| At 1 April 2017 | - | 197,742 | 95,822 | 9,372 | 49,567 | - | 352,503 |
| Charged in Year | - | 15,278 | 8,261 | 898 | 9,153 | - | 33,590 |
| Disposals | - | - | (1,991) | (47) | (218) | - | (2,256) |
| Assets Held for Sale | - | - | - | - | - | - | - |
| Revaluation adjustment* | - | - | (350) | 96 | 1,096 | - | 842 |
| Indexation | - | (2,807) | 1,340 | 177 | 2,472 | - | 1,182 |
| Impairments to SoCNE | - | - | 705 | - | 34 | - | 739 |
| At 31 March 2018 | <u>-</u> | <u>210,213</u> | <u>103,787</u> | <u>10,496</u> | <u>62,104</u> | <u>-</u> | <u>386,600</u> |
| Carrying amount | | | | | | | |
| At 31 March 2018 | <u>55,936</u> | <u>412,232</u> | <u>34,499</u> | <u>3,607</u> | <u>66,567</u> | <u>43,382</u> | <u>616,223</u> |
| At 31 March 2017 | <u>58,009</u> | <u>421,018</u> | <u>25,048</u> | <u>5,975</u> | <u>70,453</u> | <u>36,003</u> | <u>616,506</u> |
| Asset Financing: | | | | | | | |
| Owned | <u>55,936</u> | <u>412,232</u> | <u>34,499</u> | <u>3,607</u> | <u>66,567</u> | <u>43,382</u> | <u>616,223</u> |
| Carrying Amount At 31 March 2018 | <u>55,936</u> | <u>412,232</u> | <u>34,499</u> | <u>3,607</u> | <u>66,567</u> | <u>43,382</u> | <u>616,223</u> |

*An adjustment was made to the fixed asset balances to correct an historic error and bring the cost and depreciation balances back in line with the PSNIs Fixed Asset Database. These items have been shown as a revaluation adjustment above, with the corresponding movements being taken through reserves.

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6. INTANGIBLE ASSETS:

| | £000 |
|--|----------------------|
| Cost or valuation: | |
| At 1 April 2018 | 16,221 |
| Additions | 60 |
| Disposals | - |
| Revaluation | - |
| Indexation | 35 |
| Impairments to SoCNE | (1,885) |
| Reclassifications | <u>(133)</u> |
| at 31 March 2019 | <u>14,298</u> |
| Amortisation: | |
| At 1 April 2018 | 10,518 |
| Charged in year | 324 |
| Disposals | - |
| Revaluation | - |
| Indexation | 17 |
| Impairments to SoCNE | 23 |
| Write Backs | <u>-</u> |
| at 31 March 2019 | <u>10,882</u> |
| Carrying amount as at 31 March 2019 | <u>3,416</u> |

| | £000 |
|--|----------------------|
| Cost or valuation: | |
| At 1 April 2017 | 15,939 |
| Additions | 1,010 |
| Disposals | (1,045) |
| Revaluation | (58) |
| Indexation | 450 |
| Impairments to SoCNE | - |
| Reclassifications | <u>(75)</u> |
| at 31 March 2018 | <u>16,221</u> |
| Amortisation: | |
| At 1 April 2017 | 10,485 |
| Charged in year | 734 |
| Disposals | (1,045) |
| Revaluation | - |
| Indexation | 312 |
| Impairments to SoCNE | - |
| Write Backs | <u>32</u> |
| at 31 March 2018 | <u>10,518</u> |
| Carrying Amount as at 31 March 2018 | <u>5,703</u> |

Software licences are included at cost and principally amortised over a 3 year period which is estimated to be their useful economic life.

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7. ASSETS CLASSIFIED AS HELD FOR SALE

IFRS 5 requires that non-current assets classified as held for sale must be disclosed separately from other assets in the Statement of Financial Position. The value of these assets are determined as set out in note 1.6.

| | Land & Buildings 2018-19 £000s | Land & Buildings 2017-18 £000s |
|-----------------------------------|---|---|
| Opening Balance 1 April | 3,790 | 2,120 |
| Transferred from land & buildings | 1,560 | 2,620 |
| Disposals | (1,220) | (845) |
| Impairment | - | (105) |
| Closing Balance 31 March | 4,130 | 3,790 |

Disposal proceeds of £1,192k were received in 2018-19 (£800k 2017-18) in respect of assets disposed. A loss of £28k (£45k loss 2017-18) was noted due to fluctuations in the current property market.

The breakdown of assets currently classified as held for sale are:

| Year Ended 31 March 2018 | £000s | | |
|---------------------------------|--------------|--------------|--------------|
| Craigavon | 720 | Maghera | 250 |
| Desertcreat | 2,000 | Portadown | 120 |
| Donegall Pass | 450 | Willowfield | 250 |
| Total | | Total | 3,790 |

| Year Ended 31 March 2019 | £000s | | |
|---------------------------------|--------------|--------------|--------------|
| Ballyclare | 460 | Moira | 850 |
| Cushendall | 70 | Portadown | 120 |
| Desertcreat | 2,000 | York Road | 180 |
| Donegall Pass | 450 | | |
| Total | | Total | 4,130 |

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| | 2018-19 | 2017-18 |
|---------------------------|---------------------|---------------------|
| | £000 | £000 |
| 8. INVENTORIES | | |
| General stores | 3,021 | 2,585 |
| Transport Services stores | 1,205 | 1,080 |
| Heating oil | 537 | 412 |
| Petrol and diesel | <u>1,090</u> | <u>705</u> |
| Total | <u>5,853</u> | <u>4,782</u> |

| | 2018-19 | 2017-18 |
|--|----------------------|----------------------|
| | £000 | £000 |
| 9. TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS: | | |
| Prepayments and accrued income | 6,692 | 7,110 |
| Trade receivables | 1,309 | 2,332 |
| Contributions due from the Pensions Scheme | 13,912 | 11,564 |
| HMRC VAT Receivable | 6,949 | 6,637 |
| Other receivables | <u>587</u> | <u>542</u> |
| Total | <u>29,449</u> | <u>28,185</u> |

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| 10. CASH AND CASH EQUIVALENTS | 2018-19 | 2017-18 |
|---|-------------------|---------------------|
| | £000 | £000 |
| Balance at 1 April | 4,687 | 2,942 |
| Net change in cash & cash equivalent balances | <u>(4,018)</u> | <u>1,745</u> |
| Balance at 31 March | <u>669</u> | <u>4,687</u> |

All cash held in commercial bank accounts.

| 11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES | 2018-19 | 2017-18 |
|---|----------------------|----------------------|
| | £000 | £000 |
| Trade payables | 4,900 | 13,138 |
| Trade accruals and Deferred Income | 36,216 | 40,267 |
| Taxation & social security | 11,171 | 12,691 |
| Employee Benefit Accrual | 9,304 | 9,121 |
| Monies owed to the PSNI Pension Scheme | 3,542 | 1,785 |
| Advance Severance Payments for Leavers | 110 | 83 |
| Payroll accrual | 9,890 | 11,218 |
| NI Consolidated Fund Extra Receipts | 503 | 250 |
| Other payables | <u>2,220</u> | <u>2,043</u> |
| Total | <u>77,856</u> | <u>90,596</u> |

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12a. PROVISIONS FOR LIABILITIES AND CHARGES:

| | Severance £000's | Compensation £000's | Injury Awards £000's | Decommissioning Costs £000's | Misc £000's | Total £000's |
|--|---------------------|------------------------|----------------------------|------------------------------------|----------------|-----------------|
| At 1 April 2018 | - | 19,674 | 526,309 | 610 | 226 | 546,819 |
| Provided in the year | = | 50,013 | 6,200 | 17 | 15 | 56,245 |
| Provision not required written back | - | (1,155) | - | (70) | - | (1,225) |
| Utilised in the Year | - | (5,744) | (33,905) | (134) | (151) | (39,934) |
| Actuarial Gain | - | - | (23,250) | - | - | (23,250) |
| Borrowing Costs | = | (460) | 13,060 | = | (7) | 12,593 |
| At 31 March 2019 | = | <u>62,328</u> | <u>488,414</u> | <u>423</u> | <u>83</u> | <u>551,248</u> |

| | Severance £000's | Compensation £000's | Injury Awards £000's | Decommissioning Costs £000's | Misc £000's | Total £000's |
|--|---------------------|------------------------|----------------------------|------------------------------------|----------------|-----------------|
| At 1 April 2017 | 3 | 24,206 | 617,582 | 754 | 277 | 642,822 |
| Provided in the year | 4 | 3,494 | 4,000 | 149 | - | 7,647 |
| Provision not required written back | - | (1,440) | - | - | (32) | (1,472) |
| Utilised in the Year | (7) | (5,982) | (29,683) | (293) | (14) | (35,979) |
| Actuarial gain | - | 0 | (82,530) | - | - | (82,530) |
| Cost of Borrowing | = | (604) | 16,940 | = | (5) | 16,331 |
| At 31 March 2018 | = | <u>19,674</u> | <u>526,309</u> | <u>610</u> | <u>226</u> | <u>546,819</u> |

The above provisions are profiled to show the estimated spend for future periods.

12b. ANALYSIS OF EXPECTED TIMING OF DISCOUNTED FLOWS:

| | Severance £000's | Compensation £000's | Injury Awards £000's | Decommissioning Costs £000's | Misc £000's | Total £000's |
|---|---------------------|------------------------|----------------------------|------------------------------------|----------------|-----------------|
| 2018-19 | | | | | | |
| Not Later than one year | - | 14,063 | 31,619 | 423 | 70 | 46,175 |
| Later than one year and not later than 5 years | - | 47,804 | 132,729 | - | 13 | 180,546 |
| Later than 5 years | - | 461 | 324,066 | - | - | 324,527 |
| At 31 March 2019 | = | <u>62,328</u> | <u>488,414</u> | <u>423</u> | <u>83</u> | <u>551,248</u> |

| | Severance £000's | Compensation £000's | Injury Awards £000's | Decommissioning Costs £000's | Misc £000's | Total £000's |
|---|---------------------|------------------------|----------------------------|------------------------------------|----------------|-----------------|
| 2017-18 | | | | | | |
| Not Later than one year | - | 9,410 | 29,400 | 610 | 140 | 39,560 |
| Later than one year and not later than 5 years | - | 9,788 | 128,697 | - | 86 | 138,571 |
| Later than 5 years | - | 476 | 368,212 | - | - | 368,688 |
| At 31 March 2018 | = | <u>19,674</u> | <u>526,309</u> | <u>610</u> | <u>226</u> | <u>546,819</u> |

Compensation Claims

The compensation claim provision is analysed under five categories: injury claims, damage claims, legal fees and hearing loss (Injury & Legal). The following table shows the breakdown of the provision between these categories.

| | Injury | Damage | Legal | Hearing Loss – Injury | Hearing Loss – Legal | Total |
|-------------------------------------|----------------------|-------------------|----------------------|--------------------------|-------------------------|----------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| At 1 April 2018 | 7,194 | 328 | 6,621 | 2,529 | 3,002 | 19,674 |
| Utilised in the Year | (1,515) | (22) | (2,220) | (941) | (1,046) | (5,744) |
| Provision not required written back | - | - | - | (476) | (679) | (1,155) |
| Cost of Borrowing | (165) | (8) | (153) | (61) | (73) | (460) |
| Provided in the year | <u>36,313</u> | <u>(65)</u> | <u>12,765</u> | <u>455</u> | <u>545</u> | <u>50,013</u> |
| At 31 March 2019 | <u>41,827</u> | <u>233</u> | <u>17,013</u> | <u>1,506</u> | <u>1,749</u> | <u>62,328</u> |

At 31 March 2019, there were 2,863 'live' injury or wrongful acts claims and 721 'live' damage to property claims. Associated legal fees are also provided for.

Provision has been made for the ongoing holiday pay legal case within Injury claims. A number of cases have been lodged against the PSNI in respect of contractual overtime forming part of the calculation for holiday pay under article 7 of the Working Time Directive. This follows the decision in the case of Bear Scotland Limited and Others. A judgement was provided by the Employment Tribunal on this matter in November 2018 that officers and staff were entitled to an element of overtime to be included in their holiday pay where this was part of their 'normal pay'. On 17 June 2019, the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. The PSNI is currently considering this judgement and will decide in the coming weeks the response to the judgement and whether to appeal.

Claims have varying life spans with claims involving personal injury mostly concluded within six years of receipt and claims for damage to property usually being concluded within one or two years of receipt. In deriving the above figures, assumptions have been made relating to the number of outstanding claims likely to attract compensation, the average claim value for the different claim types and likely timing of settlement. The data assumes that past trends will persist with only marginal fluctuations and any deviations from this pattern may have a material impact on actual claims settled. The provision for years 1-5 have been discounted and uplifted for inflation at the HM Treasury combined rates as set out in PES (2018)12.

Injury Awards

Relevant costs are recognised in the organisation's main financial statements. The pension liability relating to injury awards has been valued by the Government Actuary Department (GAD). The valuation was provided to PSNI by GAD for the 12 months to 31 March 2019, and the current Injury on Duty (IOD) provision reflects this position. Injury awards are valued under IAS 19 and as such include an element for active members. The split of the provision is shown below.

| | Value at 31 March 2019 £000's | Value at 31 March 2018 £000's |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Liability in respect of | | |
| Active Members | 31,260 | 35,280 |
| Pensions in payment (injury awards) | <u>457,154</u> | <u>491,029</u> |
| Total liability | 488,414 | 526,309 |

Liabilities for Injury awards are valued on an actuarial basis using the Projected Unit Credit Method. The assumptions proposed by the Government Actuary's Department and agreed with the PSNI in nominal terms are:

- A long term nominal discount rate of 2.90% pa
- A rate of long-term inflation and pensions increases of 2.60% pa

The PSNI's workforce is too small to provide sufficient data from which to draw statistically reliable conclusions for all of the assumptions which are to be made. As such demographic assumptions are derived from aggregate experience across all authorities with officers in the Police Pension Schemes supplemented as necessary by appropriate standard tables.

Expectation of life in years

| At 31 March | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------|------|------|------|------|
| Males (45 year old future pensioner at age 65) | 24.6 | 24.5 | 25.2 | 25.1 | 25.4 |
| Females (45 year old future pensioner at age 65) | 26.2 | 26.1 | 27.3 | 27.2 | 27.9 |

The breakdown of the actuarial movement is set out below.

| | Value 31 March 2019 £000 | at Value 31 March 2018 £000 |
|--|--------------------------------|--------------------------------------|
| History of Experience gains and losses | | |
| Experience Gains on the scheme liabilities | 8,120 | 82,040 |
| Percentage of the liability at the end of year | 1.7% | 15.6% |
| Total actuarial Gain | 23,250 | 82,530 |
| Percentage of the liability at the end of year | 4.76% | 15.7% |

Decommissioning Costs

Provision is made for the removal of security items and decommission of sites prior to their movement to assets held for sale.

Miscellaneous:

A number of Miscellaneous provisions are included relating to the purchase of excess stock from PSNI Managed Service uniforms supplier and Early Retirement Costs.

| | Uniform Stock | Early Retirement | Total |
|-------------------------------------|--------------------------|-----------------------------|------------------|
| | £000's | £000's | £000's |
| At 1 April 2018 | 121 | 105 | 226 |
| Utilised in the Year | (82) | (69) | (151) |
| Provision not required written back | - | - | - |
| Cost of Borrowing | (4) | (3) | (7) |
| Provided in the year | <u>14</u> | <u>1</u> | <u>15</u> |
| At 31 March 2019 | <u>49</u> | <u>34</u> | <u>83</u> |

13. CAPITAL COMMITMENTS

Contracted capital commitments at 31 March 2019 not otherwise included in these financial statements.

| | 2018-19 £000 | 2017-18 £000 |
|----------------------------|----------------------|----------------------|
| Property Plant & Equipment | 21,333 | 14,795 |
| Intangible Assets | <u>843</u> | <u>919</u> |
| Total | <u>22,176</u> | <u>15,714</u> |

14. COMMITMENTS UNDER LEASES

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

| | 2018-19 £000 | 2017-18 £000 |
|---|-------------------|-------------------|
| Land: | | |
| Not later than one year | 127 | 169 |
| Later than one year and not later than five | 218 | 265 |
| Later than five years | <u>216</u> | <u>274</u> |
| Total | <u>561</u> | <u>708</u> |
| Buildings: | | |
| Not later than one year | 212 | 212 |
| Later than one year and not later than five | 401 | 401 |
| Later than five years | <u>238</u> | <u>338</u> |
| Total | <u>851</u> | <u>951</u> |
| Printers: | | |
| Not later than one year | 17 | 8 |
| Later than one year and not later than five | <u>24</u> | <u>14</u> |
| Total | <u>41</u> | <u>22</u> |

15. COMMITMENTS UNDER PRIVATE FINANCING INITIATIVES (PFI) CONTRACTS

The PSNI has no commitments to report under PFI contracts for the financial year 2018-19.

16. OTHER FINANCIAL COMMITMENTS

The PSNI has no other material financial commitments to report for financial year 2018-19. The main financial commitments currently facing the organisation are summarised above.

17. FINANCIAL INSTRUMENTS

In accordance with IAS 39 Financial Instruments, the PSNI has no financial instruments to report during the twelve months to 31 March 2019. As the cash requirements of PSNI are met through Grant in Aid provided by 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 PSNI's expected purchase and usage requirements and the NDPB is therefore exposed to little credit, liquidity or market risk.

18. CONTINGENT LIABILITIES (disclosed under IAS 37)

The PSNI has the following contingent liabilities:

Hearing Loss Cases

The PSNI is named Defendant in a number of claims from current and ex-police officers and police staff for occupational hearing loss. Claims up to May 2019 are reflected in the compensation provision (note 12). Claims have also been received from members/ex-members of the Northern Ireland Prison Service who received firearms training from the RUC/PSNI. However, the number of claims likely to be received in the future is uncertain and cannot be reliably estimated. Each case will be considered on its own merits and any settlement based on the severity of hearing loss.

Holiday Pay

Provision has been made for the ongoing holiday pay legal case within Injury claims. A number of cases have been lodged against the PSNI in respect of contractual overtime forming part of the calculation for holiday pay under article 7 of the Working Time Directive. This follows the decision in the case of Bear Scotland Limited and Others. A judgement was provided by the Employment Tribunal on this matter in November 2018 that officers and staff were entitled to an element of overtime to be included in their holiday pay where this was part of their 'normal pay'. On 17 June 2019, the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. The PSNI has lodged an application to appeal the case.

As set out in the judgement, the final detail remains to be determined by the Industrial Tribunal who will be guided by the Court of Appeal's Judgement. As a consequence, there are still a number of areas that are required to be clarified to set out the level and series of any payments that officers and staff may be owed. A liability has been provided for in the 2018-19 accounts, however this estimate is based on one potential remedy and depending on the outcome of the appeal, the remedy calculation and its application to officer and staff groups will need to be revisited in the light of further direction from the courts.

19. Consolidated Fund Income

Consolidated Fund income shown in note 3 above does not include any amounts collected by the PSNI where it was acting as agent for the Consolidated Fund rather than as principal.

Within the PSNI trade and other payables there is an element that relates to funding held by PSNI relating to speeding and red-light running detection activity. These monies are managed by PSNI on behalf of the NI Road Safety Partnership (NIRSP) working group. This includes monies from fixed penalties and driver awareness courses. The surplus of this income over expenditure is due for payment to the NI Consolidated Fund as disclosed in note 1.2.

The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from these financial statements) are set out below.

| | 31 March 2018 £000 | Income received £000 | Amounts paid over to the NI Consolidated Fund £000 | 31 March 2019 £000 |
|--|--------------------------|----------------------------|--|--------------------------|
| Amounts held relating to Fine Income | - | - | - | - |
| Amounts held relating to Fee & Other income | <u>250</u> | <u>503</u> | <u>(250)</u> | <u>503</u> |
| Amounts held with regards NIRSP | 250 | 503 | (250) | 503 |
| Other income | - | - | - | - |
| Total | <u>250</u> | <u>503</u> | <u>(250)</u> | <u>503</u> |

**POLICE SERVICE OF NORTHERN IRELAND
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20. POLICE FUND

**STATEMENT OF COMPREHENSIVE NET INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

| | 2018-19 | 2017-18 |
|---------------------------------|----------------|---------------|
| | £000 | £000 |
| EXPENDITURE | | |
| Other Expenditure | 7.5 | 11.1 |
| INCOME | | |
| Income from Activities | (0.3) | (4.7) |
| Other Income | <u>(6.0)</u> | <u>(9.9)</u> |
| | <u>(6.3)</u> | <u>(14.6)</u> |
| NET EXPENDITURE/(INCOME) | <u>1.2</u> | <u>(3.5)</u> |

STATEMENT OF FINANCIAL POSITION 31 MARCH 2019

| | 2018-19 | 2017-18 |
|--------------------------------|----------------|--------------|
| | £000 | £000 |
| NON-CURRENT ASSETS | | |
| Financial Assets | 85.0 | 85.0 |
| CURRENT ASSETS | | |
| Trade and Other Receivables | 58.7 | 60.2 |
| Cash and Cash Equivalents | <u>38.0</u> | <u>37.7</u> |
| TOTAL CURRENT ASSETS | <u>96.7</u> | <u>97.9</u> |
| TOTAL ASSETS | <u>181.7</u> | <u>182.9</u> |
| CURRENT LIABILITIES | | |
| Trade and Other Payables | - | - |
| Current Liabilities | <u>-</u> | <u>-</u> |
| ASSETS LESS LIABILITIES | <u>181.7</u> | <u>182.9</u> |
| TAX PAYERS' EQUITY: | | |
| General Reserve | <u>181.7</u> | <u>182.9</u> |
| TOTAL | <u>181.7</u> | <u>182.9</u> |

**POLICE SERVICE OF NORTHERN IRELAND
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POLICE FUND (CONTINUED)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

| | 2018-19 | 2017-18 |
|---|----------------|-------------|
| | £000 | £000 |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Surplus after interest | (1.2) | 3.5 |
| Increase in Trade and Other Receivables | 1.5 | (3.4) |
| Decrease in Trade Payables | — | — |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | <u>0.3</u> | <u>0.1</u> |
| CASHFLOW FROM INVESTING ACTIVITIES | | |
| Proceeds on disposal of shares | — | — |
| NET CASH INFLOW FROM INVESTING ACTIVITIES | <u>—</u> | <u>—</u> |
| NET FINANCING | | |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>0.3</u> | <u>0.1</u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | <u>37.7</u> | <u>37.6</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | <u>38.0</u> | <u>37.7</u> |

POLICE SERVICE OF NORTHERN IRELAND
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POLICE FUND (CONTINUED)

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

| | General Reserve £000 | Revaluation Reserve £000 | Total Reserves £000 |
|---|-------------------------------------|---|------------------------------------|
| Balance at 31 March 2017 | <u>179.4</u> | <u>-</u> | <u>179.4</u> |
| Changes in Taxpayers' Equity for 2017-18 | | | |
| Net Operating Surplus | <u>3.5</u> | <u>-</u> | <u>3.5</u> |
| Balance at 31 March 2018 | <u>182.9</u> | <u>-</u> | <u>182.9</u> |
| Changes in Taxpayers' Equity for 2018-19 | | | |
| Net Operating Surplus | <u>(1.2)</u> | <u>-</u> | <u>(1.2)</u> |
| Balance at 31 March 2019 | <u>181.7</u> | <u>-</u> | <u>181.7</u> |

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019**

21. POLICE PROPERTY FUND

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2019**

| | 2018-19 | 2017-18 |
|------------------------|----------------|----------------|
| | £000 | £000 |
| EXPENDITURE | | |
| Other Expenditure | 5.2 | 6.3 |
| INCOME | | |
| Income From Activities | <u>(44.2)</u> | <u>(198.0)</u> |
| NET INCOME | <u>(39.0)</u> | <u>(191.7)</u> |

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

| | 2018-19 | 2017-18 |
|--------------------------------|----------------|----------------|
| | £000 | £000 |
| CURRENT ASSETS | | |
| Trade and Other Receivables | 436.6 | 397.6 |
| CURRENT LIABILITIES | | |
| Trade and Other Payables | <u>-</u> | <u>-</u> |
| ASSETS LESS LIABILITIES | <u>436.6</u> | <u>397.6</u> |
| TAXPAYERS' EQUITY: | | |
| General Reserve | <u>436.6</u> | <u>397.6</u> |

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2019**

POLICE PROPERTY FUND (CONTINUED)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

| | 2018-19 | 2017-18 |
|--|----------------|----------------|
| | £000 | £000 |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Surplus after interest | 39.0 | 191.7 |
| Increase in Trade and Other Receivables | (39.0) | (191.7) |
| Decrease in Trade Payables | — | — |
| NET CASH FLOW FROM OPERATING ACTIVITIES | <u>—</u> | <u>—</u> |
| NET FINANCING | | |
| NET INCREASE IN CASH AND CASH EQUIVALENTS IN THE PERIOD | | |
| | <u>—</u> | <u>—</u> |

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

| | Total Reserves |
|---|-----------------------|
| | £000 |
| Balance at 31 March 2017 | 205.9 |
| Changes in Taxpayers' Equity 2017-2018 | |
| Net Operating Surplus | <u>191.7</u> |
| Balance at 31 March 2018 | <u>397.6</u> |
| Changes in Taxpayers' Equity 2018-2019 | |
| Net Operating Surplus | <u>39.0</u> |
| Balance at 31 March 2019 | <u>436.6</u> |

22. RELATED-PARTY TRANSACTIONS

PSNI is a body of constables as set out in the Police Act, funded through the Policing Board which during the reporting period was a Non Departmental Public Body of the DOJ.

The DOJ is regarded as a related party. During the year PSNI had a number of material transactions with the DOJ and with other government departments and central government bodies. Most of these transactions have been with: the Forensic Science NI; the NI Prison Service (both Executive Agencies of the DOJ); the Land & Property Services (executive agency of the DoF) and the Central Procurement Directorate (DoF).

None of the senior staff of PSNI undertook any transactions during the year with PSNI.

23. THIRD-PARTY TRANSACTIONS

PSNI hold a number of bank accounts and sealed packages which contain evidence or proceeds of criminal activities. As these monies are not assets of the PSNI they are not included in these financial statements.

Following the outcome of investigations or court proceedings, the money is returned or paid to appropriate authorities.

Figures to be updated

| | 31 March 2018 | Gross Inflows | Gross Outflows | 31 March 2019 |
|--|--------------------------|--------------------------|---------------------------|--------------------------|
| | £000 | £000 | £000 | £000 |
| Bank Balances and Monetary Sealed Packages held. | <u>3,986</u> | <u>4,090</u> | <u>(2,343)</u> | <u>5,733</u> |

Third Party Assets includes £361k held in relation to EU funded programmes. PSNI also holds sealed packages that are unable to be counted for evidential reasons. These amounts are not included in the figures above.

24. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no events to report after the reporting period.

The Annual Report and Accounts were authorised by the Chief Constable to be issued on 30 July 2019.

