

Police Service of Northern Ireland

Annual Report and Accounts

for the year ended 31 March 2020



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on behalf of the Chief Constable

**POLICE SERVICE OF
NORTHERN IRELAND**

Annual Report and Accounts

For the year ended 31 March 2020



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

10 November 2020

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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

I am pleased to present the Annual report for 2020, coming after my first year as Chief Constable. I have been impressed with what I have seen as I have travelled across Northern Ireland on foot, by bike, car and rail in the last twelve months. I have listened to a wide range of stakeholders to gain a better understanding of the key issues for policing and have visited and got to know some of the places and communities in which we live and work.

A year ago I outlined what I saw then as key investment objectives for the Police Service of Northern Ireland, namely:

- increasing officer numbers with a priority placed on neighbourhood policing
- investing in innovation and technology (Digital PSNI)
- developing a more effective and efficient police estate that reflects 21st Century realities.

Policing continues to face a number of challenges including those around legacy, the severe terrorist threat, serious and organised crime, preparations ahead of EU Exit as well as investing in and transforming the Service, in the absence of the necessary funding. We have experienced budget cuts in the region of £200m in the past ten years. The budget allocation for 2020-21 falls significantly short of what is required. While a 3.4% increase is welcome, it is not sufficient to address the pressures and we face difficult decisions to balance the budget in the year ahead. We also look forward to greater clarity on those commitments made in the Northern Ireland Executive's New Decade, New Approach document.

Nobody could have anticipated the Coronavirus pandemic that has impacted all our lives, both professionally and personally. It has been a situation without precedent and it is the context in which policing will have to operate in the months ahead. However, we remain focussed upon the delivery of a visible, accessible and responsive policing service.



Simon Byrne

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 (NIPB) (in regard to amounts put at the disposal of the Chief Constable by NIPB) 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.

Each year the PSNI and the NIPB 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, the 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 the outcomes, indicators and measures detailed in the Policing Plan.

The NIPB, in conjunction with the PSNI, published the 2020-25 Policing Plan. The Policing Plan 2020-2025 outlines PSNI and NIPB's collective policing ambition for the next five years and sets out what we want for the people of Northern Ireland. The three outcomes for policing are:

- We have a safe community;
- We have confidence in policing;
- We have engaged and supportive communities.

The Annual Performance Plan 2020-21 sets out the indicators and measures which the Board will use to assess PSNI's progress towards achieving the outcomes. The Performance Plan will be reviewed on an annual basis to enable the Board and PSNI to respond to any new or emerging issues.

A copy of the Policing Plan 2020-25 can be viewed on the Policing Board's website:
<https://www.nipolicingboard.org.uk/policing-plan-2020-25-and-performance-plan-202021>

Vision

The PSNI's vision is to be a service that is visible, accessible, responsive and community focused. We will also demonstrate in our behaviours and interactions that we care, we listen and we act about what matters to the public, our partners and our staff.

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.

Purpose

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



Operating Environment

PSNI, like all public services are facing very significant challenges. Some of these challenges include reducing budgets, changing demands, reducing workforce and altering public expectations. PSNI will have to deal with all of these factors and develop our functions against the challenges we are facing in relation to the current crisis caused by COVID-19.

The ongoing disruption caused by the coronavirus pandemic has created significant economic uncertainty, and this uncertainty is expected to continue throughout 2020. During the early month of the 2020-21 year we were engaged with policing the Coronavirus - Emergency Powers Bill which came into force to protect the health of our communities as together we battle the Covid-19 global pandemic. We sought, as always, to continue our 'Policing with the Community' approach seeking to build support for our actions and only seeking to use enforcement as a last resort.

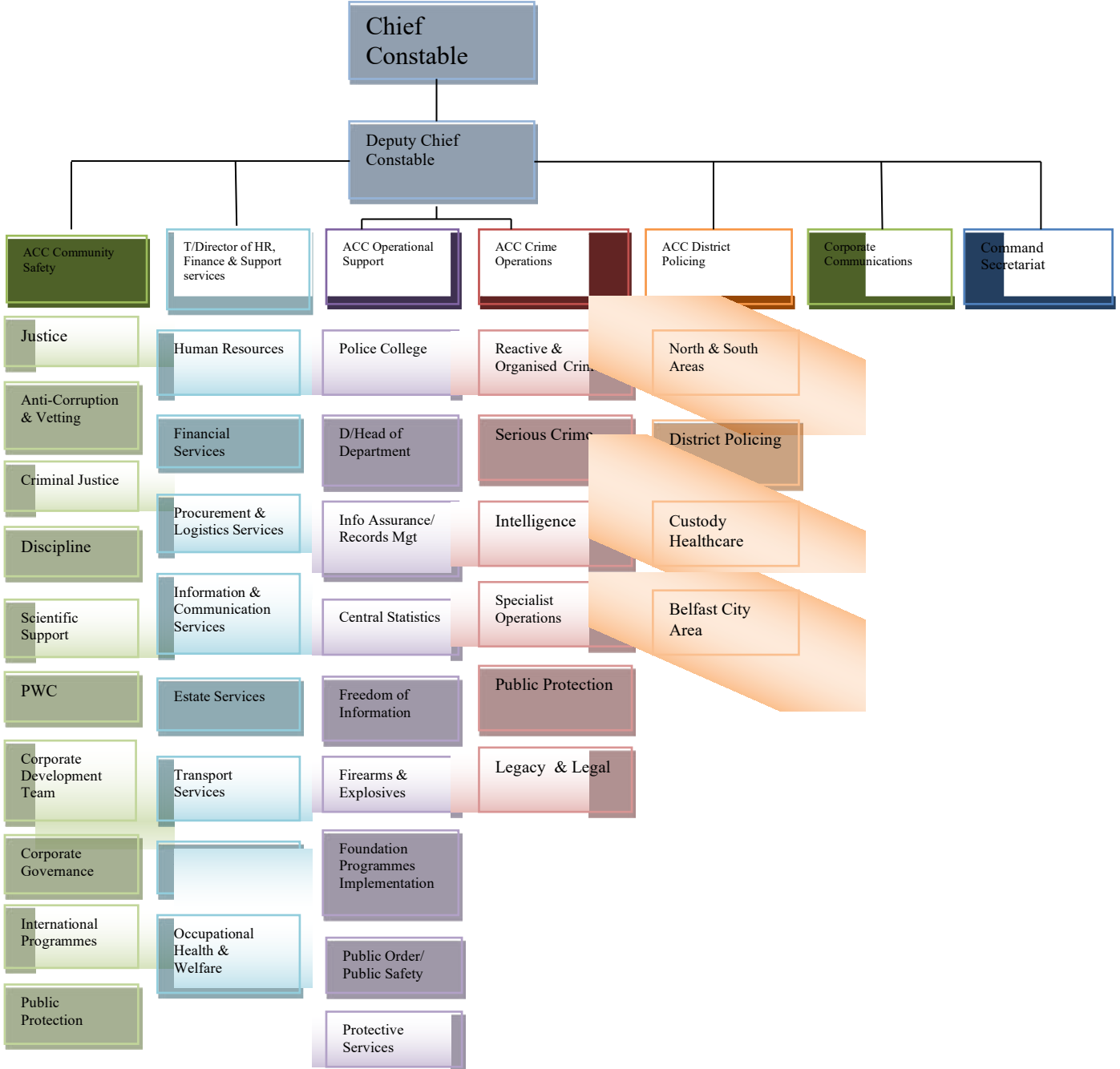
As the regulations have been relaxed our focus has moved from policing Covid 19 to delivering policing in a Covid 19 environment. The risks and challenges posed by the Covid-19 crisis to date will reduce by some degree over time but that they will, nonetheless, remain with us for the foreseeable future

The UK left the EU on the January 31 2020; the PSNI continues also to plan for the end of the current transitional period on the 31 December 2020. PSNI received additional funding in 2019-20 of £20.2m to prepare for the exit from the EU. This budget enabled 308 officers and staff to be funded from this allocation. The current budget allocation for 2020-21 includes £9.8m towards these costs. However additional funding is still required to meet costs of preparing for the EU exit.

The PSNI corporate plan 'Horizon 2025' sets out the drivers for change, together with the project work streams and enablers required to meet the strategic outcomes. Work is currently ongoing to develop plans to ensure that we can fulfil our objectives in conjunction with the ongoing Covid risks.

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 2020 is shown in the chart below.



Fund Accounts

This Annual Report and Accounts also provides 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 2019-20 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 2020, 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; Covid 19, 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 is a Non Departmental Public Body 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 2020 shows net current liabilities of £91.5m. 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 Department of Finance published a NI budget for 2020-21 on the 23 March 2020.

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 2019-20.

Performance Summary

Police recorded crime has shown an overall downwards trend over the last sixteen years. In the 2019-20 financial year 106,585 crimes were recorded in Northern Ireland, an increase of 5,731 (5.7%) when compared with the previous 12 months. The level of crime recorded in 2019/20 is 23% lower than the peak in 2002/03.

There has been a general downwards trend in the number of anti-social behaviour incidents recorded, with the levels in 2019-20 the lowest seen since the start of the series in 2006-07. In the 12 months from April 2019 there were 55,031 anti-social behaviour incidents in Northern Ireland, a decrease of 1,472 (2.6%) on the previous 12 months. Nine of the eleven policing districts showed lower levels of anti-social behaviour.

This increase in recorded crime can be explained, in part, by changes in Home Office Counting Rules for Harassment (including malicious communications). Recording of malicious communications started on 1st April 2017. A Home Office change introduced in April 2018 requires harassment to be recorded in addition to the most serious additional victim based offence. Both of these changes have contributed to increased levels recorded in the overall harassment classification. If harassment were excluded from the figures for the last two financial years, the increase in recorded crime in 2019-20 compared to 2018-19 would be 1%.

The figures also demonstrate the increasing proactive activity of policing. In 2019-20 there was an 11.2% increase in drug offences to 7,843 - the majority of which relates to drug possession offences. The outcome rate for drugs offences increased by 0.8 of a percentage point to 90.4% in the same period. This demonstrates the continued removal of drugs from our streets, reducing the harm to communities and bringing those responsible before the courts.

In 2019-20 overall theft (excluding burglary), burglary and vehicle offences recorded their lowest levels since the start of the data series in 1998-99. The number of robberies recorded in the same period is the second lowest level in the data series. For the first time in a number of years an increase was recorded in criminal damage; however it is still the third lowest level recorded in the data series. These figures demonstrate that traditional, visible crime is decreasing. Previously these crimes have accounted for the majority of crime reported.

While acquisitive and the more traditional volume crime types are forecasted to continue to decline, more harmful crimes are increasing and, in general, these require a more complex investigation involving specialist skills. This demonstrates the changing demands facing the police service. These crimes represent hidden demand as they are believed to be under-reported. 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. In 2019-20, there was an increase of 15.3% (2,476 offences) in domestically motivated crime compared to the previous 12 months. The number of recorded incidents of domestic abuse was 31,817 an increase of 0.4% compared to 2018-19 and the highest figure recorded since the start of the data series in 2004-05.

Although overall crime, across Northern Ireland, has increased given the operational challenges, increasing complexity of crime, financial pressures and budget reductions over the past five years progress is still being made.

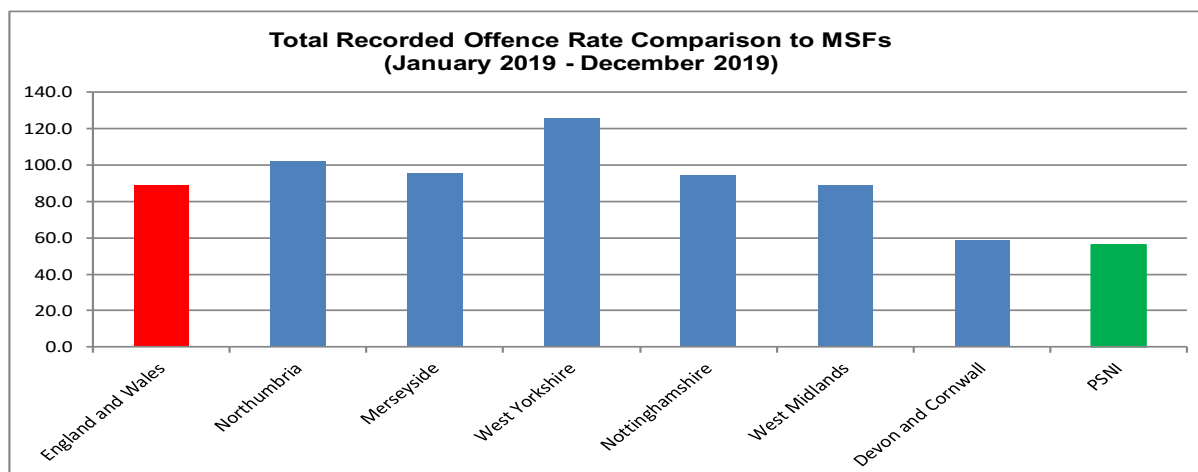
Most Similar Force Comparisons for 2019¹

In the national context, the crime rate of 56 crimes per 1,000 of the population in Northern Ireland is lower than all the forces in England and Wales. The comparison with our most similar forces (Devon & Cornwall, Greater Manchester Police, Merseyside, Northumbria, Nottinghamshire, West Midlands and West Yorkshire) is illustrated in the graph below. Northern Ireland continues to be one of the safest places to live.

Following the implementation of a new IT system in July 2019, Greater Manchester Police have been unable to supply data for the period July to December 2019 so their figures have been excluded from the following tables and graphs.

¹ The England & Wales statistics for 2019/20 will be published in July 2020.

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020**



In relation to specific crime types, the rates per 1,000 of the population in Northern Ireland are generally lower than those in England and Wales with a few exceptions.

	Total Recorded Offences	Violence Against the Person	Sexual Offences	Robbery	Theft Offences	Burglary	Vehicle Offences	Criminal Damage	Drug Offences	Possession of Weapons
<i>England & Wales</i>	89	29.5	2.7	1.5	32.9	6.5	7.8	9.4	3.0	0.8
Northumbria	102	32.2	3.1	0.5	32.5	5.3	5.7	14.5	2.2	0.8
Merseyside	95	33.5	2.4	1.0	28.0	6.4	6.4	10.8	7.8	0.9
West Yorkshire	126	47.0	3.7	1.5	40.1	9.9	9.5	13.0	3.2	1.0
Nottinghamshire	94	29.5	3.0	1.1	35.7	6.7	7.3	10.6	4.3	1.1
West Midlands	89	30.1	2.6	3.0	34.4	8.6	11.1	8.6	2.0	1.0
Devon & Cornwall	58	23.5	2.5	0.4	15.3	3.0	2.8	8.2	2.5	0.6
<i>PSNI</i>	56	21.4	1.8	0.3	12.6	3.3	1.8	9.8	4.1	0.6

This table above shows the rates for England and Wales and our MSFs (GMP excluded) for the main crime types. As can be seen with exception of drugs offences the Northern Ireland rates are lower than the England and Wales average. Again with the exception of drugs offences the Northern Ireland rates are lower than our MSF averages. Our closest comparator is Devon and Cornwall.

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	2018-19
provide an ordinary day-to-day service for all the people of NI	85.0	86.1	85.9	86.0	N-A
do a very or fairly good job in Northern Ireland as whole	75.0	74.2	77.1	73.8	N-A
treat Catholics and Protestants equally in Northern Ireland as a whole	81.5	81.3	82.6	82.9	N-A

Confidence in the local police					
	2014-15	2015-16	2016-17	2017-18	2018-19
Overall confidence in the local police	68.3	68.3	70.9	67.7	N-A

Data from the 2018-19 Northern Ireland Safe Community Survey in relation to confidence in policing is not available. The “Perceptions of policing and justice: Findings from 18-19 NI Safe Community Survey” report will not be published by the Department of Justice until September or October 2020².

Policing with the Community branch developed a new training package based on the College of Policing National Neighbourhood Policing guidelines³ to support the new officers assigned to Neighbourhood Policing Teams (NPT). The training has been evaluated by experienced NPT officers and will be delivered to all new NPT officers across Northern Ireland. This training is designed to ensure that NPT officers can engage in a two-way dialogue with local communities to develop a better understanding of their needs, risks and threats.

PSNI continue to use social media accounts to communicate with local communities about crime prevention advice, police initiatives and appeals for information. PSNI officers also use the ‘Next Door’ app to interact directly with residents of their policing areas this has proved invaluable to give and receive information relating to local issues and consider ways to tackle them in partnership with the community and other responsible agencies. The app differs from other social media platforms in that it allows messages to be posted directly to a specific ward or DEA geographical area,

² DOJ state that “due to the impact of COVID-19 on the availability of staff to undertake and quality assure the production of the publication it has been necessary to delay release until later in the year.”

³ <https://www.college.police.uk/What-we-do/Standards/Guidelines/Neighbourhood-Policing/Pages/neighbourhood-policing-guidelines.aspx>

meaning messaging can be tailored for a specific community or location. The app is designed to be similar to a Neighbourhood Watch Scheme and encourages neighbours to look out for each other and help each other where they can. The platform provides a versatile online engagement tool including a wide range of functionality: conduct polls, send out “Urgent Alerts” which sends a text message to residents, attach documents to posts to aid crime prevention advice and also allows private messages from residents.

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

In February 2016 the PSNI introduced a new text message (SMS) Victim Satisfaction survey to replace the old telephone survey. This allowed the sample size to be increased and victims can respond at their own convenience. Over 83,500 victims have been invited to participate in the survey since April 2016, with almost 9,000 completing the survey (a response rate of 10.7%).

Victim Satisfaction Survey Response Rate					
	2016-17	2017-18	2018-19	2019-20	Overall
No of Invites Sent	23868	21469	16581	21737	83655
No of Respondents	2958	2268	1690	2068	8984
Response Rate (%)	12.4	10.6	10.2	9.5	10.7

The response rate has declined over the four year period that the survey has been running. Further research identified that the response rate declines the longer the period of time between the crime report and the invitation to participate. In order to improve the response rate, the frequency of invitations to participate in the survey have been increased to twice monthly from April 2020.

The results of the survey have been consistent over the four year period, only one of the increases or decreases was statistically significant.

	% of Respondents Strongly Agreeing-Agreeing				
	2016-17	2017-18	2018-19	2019-20	Overall
Q1 Positive	76.5	75.4	78.9*	76.9	76.8
Q2 Positive	49.9	50.0	50.0	51.6	50.3
Q3 Positive	56.9	57.4	59.1	59.0	57.9
Q4 Positive	71.3	71.9	72.6	73.0	72.1

* The increase is significant at $p < .05$

The lowest levels of satisfaction are consistently with how well victims feel that they have been kept up to date with the progress of their case. Analysis of the data indicated that these victims had been contacted within ten days of reporting the crime therefore it appears that the content or the quality of the update is the issue. The current survey design asks respondents to provide a score on a scale of 1 (Strongly Disagree) to 5 (Strongly Agree) but does not allow for qualitative responses. From 2020-21 onwards the survey has been redesigned to allow respondents to provide a free text response if they indicate that they Strongly Disagree or Disagree with one of the questions. This richer qualitative data will allow for the underlying issues to be identified and addressed.

Victim Satisfaction remains a key area of concern for PSNI and as such is included as a measure in the 2020-25 Policing Plan.

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 officers completed the Transformative Leadership Programme (TLP) run by the Northern Ireland Council for Voluntary Action (NICVA). The TLP course forms part of Belfast City Council's wider Transform for Change programme which will incorporate area-based and Belfast-wide events, collaborative projects and best practice visits.

The programme is a 10-module leadership training course designed to build skills for leadership and collaboration in interface areas. The TLP gave officers the opportunity to work alongside a diverse range of people from across the community, voluntary, public and political sectors. The programme created an environment where participants were able to challenge each other to identify new ways of working together and to see local issues from different perspectives.

Local Neighbourhood in collaboration with the Ulster Farmer's Union and Crime Prevention Officers developed a Crime Prevention video bespoke to the Rural and Farming community. The series of videos were rolled out over a period of a week during National Rural Crime Awareness Week. The videos provide sound and practical advice on crime prevention and to a community who had expressed concerns around policing in more rural areas. Corporate Communications have now grasped this initiative and have shared with District Policing Command.

Rural crime and education of the rural community around crime were proving difficult. Thefts from farms were sporadic and difficult to address. Thefts of plant, trailers, quad bikes and tools were an evolving issue. Engagement with rural communities suggested a lack of confidence in policing and response to their issues. The aim of this form of media was to educate farmers around crime prevention by easy steps and preventative steps. The approach was becoming more reactive than proactive. This was acknowledged by the Ulster Farmer's Union who supported the filming and continued roll out of the advice.

Videos created and shared across social media and throughout District Policing Command. There is now greater reassurance around key messaging and advice being made available within the more rural communities. The initiative provides police and partners as a signposting to improve awareness of the typical crimes occurring and simple measures which may be taken to address these.

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.

Youth Volunteer Academy

PSNI continue to deliver the Youth Volunteer Academy in partnership with the Northern Ireland Ambulance Service (NIAS), Education Authority (EA) and now Northern Ireland Fire and Rescue Services (NIFRS). The programme consists of a 12-16 week course, aimed at increasing young people's confidence in emergency services, reduce anti-social Behaviour (ASB), prevent criminality, victimisation and exploitation, increase the legitimacy of the PSNI with young people and build young peoples' self-esteem.

A further five programmes took place in 2019-20, four of which are specifically in areas considered to be at high risk of Paramilitary influence and where confidence in police is low; Derry City and Strabane, West Belfast, Armagh Banbridge and Craigavon, and Mid and East Antrim. The fifth programme was chosen to be in Newry, Mourne and Down due to on-going issues of anti-social Behaviour in the local area and the intention of building positive relationships with the police.

To date 75 young people have been awarded an Open College Network level one in the “Roles and functions of public services and an awareness of Northern Ireland Ambulance Service skills in first aid” certificate. The Youth Volunteer Academy programme is effective in engaging “hard to reach” young people from all communities, introducing them to positive policing, and enhancing their confidence and self-esteem.

Supporting Youths Through Engagement in Schools

PSNI and Education Authority are collaborating on a programme called SYTES; Supporting Youth Through Engagement in School to promote lawfulness and prevent radicalisation of young people in our local communities by working with young people becoming at risk of exclusion from schools and within communities. The programme aims to strengthen relationships between police and young people, break down barriers and promote positive role models. The program has been approved by the Tackling Paramilitary Programme and we are developing the rollout plan with the Education Authority. Seven locations have been identified and schools in those areas have engaged with this programme (Waterside, Strabane, Larne, Craigavon, Maghera, Glengormley and North Belfast).

Children and Young People Strategy

PSNI have completed work on a Children and Young People Strategy, which is due for launch in 2020. The strategy makes clear our commitments for how we will support and protect children and young people. To do this we have identified five key themes: Engagement, Safety and Protection, Offending, Victim and Witnesses and Stop and Search. These themes will provide a framework for the essential aspects of the work we will complete in the coming years and set the standards of how with PSNI will interact with children and young people at all times. It is hoped that by clearly explaining our intentions and setting out our commitments we will increase young people’s confidence in the service we are providing.

PSNI in collaboration with the Education Authority Youth Services are setting up Youth Independent Advisory Groups in partnership with the Education Authority. This will therefore provide young people with the opportunity to have their voices heard on issues affecting them and have an input to local policing. The plans are to have one regional youth committee and 11 local committees therefore ensuring that as a service we are reaching a range of young people and can assist with issues at both local and regional levels. Collaborative planning meetings are currently taking place with the aim to have these functioning in early 2020.

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

As of the 31 March 2020, 31.8% of police officers were Roman Catholic, this a slight decrease compared to 2018-19. As of 31 March 2019, 29.8% of Police Officers were female. This is an increase of 0.3% points compared to 31 March 2019.

Female officers are still under-represented in Operational Support Department which incorporates the Tactical Support Groups (TSG) and Road Policing.

While Roman Catholics are still under-represented in the Service as a whole, the balance across Departments has improved. For example, on 31 March 2020, 52% of all Protestant Officers and 52% of all Roman Catholic Officers were attached to District Policing Command. The same is true for Crime Operations and Operational Support.

Percentage of Police Officers by Community Background					
		2016-17	2017-18	2018-19	2019-20
Service	Protestant	67.5%	67.1%	66.5%	66.9%
	Roman Catholic	31.6%	31.6%	32.2%	31.8%
	Undetermined	1.3%	1.3%	1.3%	1.3%
District Policing	Protestant	64.0%	64.6%	65.2%	66.6%
	Roman Catholic	34.9%	34.3%	33.7%	32.1%
	Undetermined	1.1%	1.1%	1.0%	1.3%
Crime Operations	Protestant	70.3%	69.9%	67.4%	66.5%
	Roman Catholic	28.1%	28.7%	31.1%	32.3%
	Undetermined	1.6%	1.4%	1.5%	1.2%
Operational Support	Protestant	69.4%	67.9%	66.8%	66.0%
	Roman Catholic	28.5%	30.2%	31.4%	32.9%
	Undetermined	2.1%	1.9%	1.8%	1.1%
Other Departments	Protestant	93.9%	75.7%	71.8%	71.5%
	Roman Catholic	3.2%	22.7%	25.9%	26.6%
	Undetermined	2.9%	1.7%	2.3%	1.9%

During the period the PSNI launched its Student Officer recruitment campaign. Leading up to and during the campaign, a significant number of events were held with key stakeholders and influencers, to encourage greater participation from members of under-represented groups. Those stakeholders included representatives from the main churches, political and community leaders, as well as range of groups representing the interests of minorities across Northern Ireland.

PSNI participated in a number of Pride events in 2019. Officers and staff from PSNI were accompanied by colleagues from a range of other GB police services as well as the National Crime Agency. In addition to participating in the main Belfast Pride parade, PSNI had display stands at each of the events, during which promotional material was distributed to members of the public and parade participants. This proved

to be another opportunity for PSNI to engage informally with a range of external stakeholders and to promote PSNI as an employer of choice.

In August 2019 PSNI participated in Belfast Mela event held at Botanic Gardens. The Deputy Chief Constable participated in the main parade, with other leading public figures and engaged with a wide range of stakeholders. PSNI had a display stand in the main event field with officers and staff from our Crime Prevention Units, Local Policing Teams and Ethnic Minority Police Association engaged with visitors to the stand, and issued promotional material.

A number of family friendly policies and procedures have also been reviewed and updated. Re-launch of policies for New & Expectant Parents and Special Leave have been published along with new guidance and policy documents published for Shared Parental Leave and Menopause. Policies are being developed in the areas of Career Breaks & Unpaid Leave, Ordinary Parental Leave and Parental Bereavement Leave (subject to the NI Executive progressing on the GB legislation). Fertility Network NI have further advised that PSNI is being a supportive and forward thinking employer for enabling access to a range of paid and unpaid fertility treatment leave under the provisions of special leave, which was a new development for the organisation.

In November 2019 PSNI put forward a submission for inclusion in the First Annual Report for Gender Equality in Policing. In signing up to this global HeForShe initiative PSNI has further demonstrated commitment to eliminating gender inequalities.

There has been an interim change to the Physical Competency Assessment (PCA) in relation to a number of specialist posts within PSNI (Close Protection and Armed Response). These specialist roles have always had under-representation from females and, whilst there are a number of reasons why this is the case, it is believed that the PCA process has been a contributory factor. The PCA process is under review to ensure that it remains both fit for purpose, and does not disadvantage under-represented groups (including females).

Recognising the success of the mentoring scheme that was launched by the Women in Policing Association NI a number of years ago, the scheme has now been relaunched to include other under-represented groups. This has been done in collaboration with the LGBT+ Network and the Ethnic Minority Police Association (EMPA). This initiative will provide opportunity for minority groups within PSNI to benefit from mentoring and coaching, which in turn will help develop them for future career opportunities.

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.**

While the formal Policing with the Community Project and the Policing with the Community branch continues to ensure the ethos is embedded across the organisation. Key work areas in 2019-20 were in relation to collaborative problem solving and professional development.

Collaborative Problem Solving

New electronic processes for managing problem solving initiatives have been developed to ensure that best practice and organisational learning is captured and shared. The branch has developed a series of animations about effective problem solving for officers and staff. It focuses on internal and external collaboration with the statutory and voluntary sectors to provide timely intervention and look at the root cause of community issues rather than simply reacting to the symptoms.

Professional Development

The Policing with the Community project launched a ‘Problem solving for community safety’⁴ training course with the Open University. The course was developed specifically for the PSNI to aid both officers and staff in improving their skills, knowledge and confidence around collaborative problem solving. The course has now been adopted by other police forces across the UK.

PSNI has continued to build on the successful partnership with the Open University by developing a further two professional development modules for officers and staff on Leadership⁵ and Communication⁶. These modules draw on professional knowledge and experience and are underpinned by evidence-based practice.

The modules are freely available on the Open University website. A communications strategy is in place to promote these courses to partners and community groups. PWC branch are developing a further four modules for 2020.

⁴ <https://www.open.edu/openlearn/money-business/collaborative-problem-solving-community-safety/content-section-overview?active-tab=description-tab>

⁵ <https://www.open.edu/openlearn/money-business/leadership-management/step-leadership/content-section-0?active-tab=description-tab>

⁶ <https://www.open.edu/openlearn/money-business/leadership-management/sure-i-know-how-talk-people/content-section-0?active-tab=description-tab>

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.

Multi-agency District Support Hubs provide early intervention and support for individuals and families in crisis. Currently 10 Support Hubs are fully constituted and operating across Northern Ireland. A District (Belfast) will be the last to go live and is currently at the planning stages with partner agencies. Almost 500 people have now been referred to the Support Hubs.

Support Hubs are one of seven “Problem Solving Justice” initiatives⁷ being supported by the Department of Justice (DOJ). Problem Solving Justice is a new approach in Northern Ireland aimed at tackling the root causes of offending behaviour and reducing harmful behaviour within families and the community. A review of Support Hubs drawing on data from all partners is being undertaken by the DOJ to identify good practice and identify opportunities for further capacity.

One example of this collaborative approach was in Mid and East Antrim. The Housing Executive identified a young female resident with mental health concerns who was being exploited by local youths. The woman was referred to the Support Hub and following a joint visit by the Housing Executive and the Mental Health team the woman was transferred to supported living accommodation.

The Support Hubs have also been used to divert young people who may become at risk from Child Sexual Abuse and Exploitation (CSAE). For example, a peer group involved in anti-social behaviour, risk taking behaviour and other activities which would have increased CSAE risk-risks from paramilitaries were referred to the Support Hub. PSNI, Social Services, Rosemount Resource Centre, Education Authority, Youth Justice and Extern worked collaboratively to develop a package of interventions to protect these young people. Young people were taken away on residential weekends and attended developmental workshops in relation to keeping themselves safe.

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

- **Domestic Abuse**

Recorded levels of domestically motivated crime continued to increase during the four year period. There was a 15% increase in the number of domestically-motivated crimes in 2019-20 compared to 2018-19. During the same time period there was a 6% decrease in the number of incident only occurrences reported. This is the lowest level during the four year period. Almost half (48%) of domestic abuse occurrences reported in 2019-20 were in relation to a crime. Recorded levels of domestic abuse are only an indication of the problem, as it is generally believed that this is an under-reported crime. Increases in recorded levels may not necessarily indicate an increase

⁷ <https://www.nidirect.gov.uk/campaigns/problem-solving-justice>

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in the extent of the problem rather a higher level of reporting although this is very difficult to assess.

Domestic abuse now accounts for 17.5% of all reported crime in Northern Ireland. This is an increase from 14.2% in 2016-17, with a steady increase being noted each year. A third of all violence against the person and a quarter of all rape offences were domestically motivated in 2019-20.

Outcome Rates for Domestically-Motivated Crime				
Crime Type	2016-17	2017-18	2018-19	2019-20
Violence against the person	24.8%	24.5%	23.8%	22.9%
Homicide	133.3%	90.9%	125.0%	40.0%
Violence with injury	31.1%	31.2%	29.7%	32.6%
Violence without injury	20.0%	19.4%	19.1%	18.6%
Harassment	24.0%	24.7%	24.1%	18.1%
Sexual offences	13.1%	10.4%	10.9%	13.7%
Rape	10.2%	6.3%	9.5%	10.9%
Other sexual offences	15.0%	13.3%	12.0%	15.5%
Robbery	37.5%	64.7%	57.9%	50.0%
Theft offences – Burglary	35.7%	38.3%	33.3%	40.4%
Theft offences	48.1%	43.8%	42.2%	38.0%
Criminal damage	36.6%	35.1%	32.5%	33.8%
Other crimes against society	56.3%	54.9%	55.1%	51.4%
All Crime Types	29.1%	28.1%	26.8%	26.1%

Repeat victims are victims who have reported more than one domestic abuse crime or incident in a 12 month period.

Repeat Victimisation				
	2016-17	2017-18	2018-19	2019-20
Repeat Victimisation Rate	20%	21%	22%	23%
% Occurrences linked to Repeat Victims	44%	46%	49%	50%

In 2019-20, 23% of victims were identified as repeat victims and were victims of 50% of all domestic abuse crimes and incidents. Repeat victims are identified on a monthly basis and highlighted to the Public Protection Branch and relevant Districts to ensure that the right support is being offered.

PSNI's Public Protection Branch work closely with statutory and voluntary agencies to ensure victims get the help they need, to highlight the issue of Domestic Abuse and to explore ways in which we can keep people safe. In addition to uniformed officers trained to respond to and investigate domestic incidents, PSNI also has dedicated domestic abuse officers across Northern Ireland to provide support and information to victims about police procedures and legal proceedings.

PSNI in collaboration are currently implementing the recommendations from the Criminal Justice Inspectorate for Northern Ireland (CJINI) inspection “No Excuse”⁸.

The head of the Public Protection Branch chairs Multi Agency Risk Assessment Conference (MARAC). In 2019, 1,187 high risk cases were discussed, a decrease of 106 on 2018. Just over 20% of the cases were repeat cases. This repeat rate falls within the expected parameters as found in research conducted by Safe Lives.

PSNI introduced the Domestic Violence and Abuse Disclosure Scheme (DVADS). This gives members of the public a ‘Right to Ask’, a formal mechanism to make enquiries about an individual who they are in a relationship with, or who is in a relationship with someone they know, where there is a concern that the individual may be violent or abusive towards their partner. The scheme also creates a formal mechanism for the PSNI to tell both men and women, who are potentially at risk of abuse from their partner, about that partner’s past where a proactive decision is made to consider disclosing the information in order to protect a potential victim. The aim of this scheme is to increase public safety and afford victims of domestic abuse with better protection by enabling potential victims to make an informed choice on whether to continue the relationship. It also provides help and support to assist individuals when making that choice. In the first year of the scheme 2018-19 a total of 336 applications were received and 51 Disclosures made by police and partner agencies. In 2019-20, 317 applications were received and 46 disclosures made.

In November 2019 Chief Constable Simon Byrne signed the White Ribbon Charter, making a personal pledge to never commit, condone or remain silent about violence against women. The White Ribbon Campaign is a global movement to end male violence against women. It was formed by a group of men in 1991 in Canada responding to the brutal massacre of 14 female students, to send out the message that male violence against women in all its forms is unacceptable.

- **Hate crime**

Reported levels of sectarian and transphobic hate crime increased in 2019-20 compared to 2018-19. Levels of sectarian hate crime are lower than 2016-17. The number of transphobic hate incidents and crimes have trebled since 2016-17.

	Incidents Recorded				Offences Recorded				Outcome Rate (%)			
	16-17	17-18	18-19	19-20	16-17	17-18	18-19	19-20	16-17	17-18	18-19	19-20
Racist	104	102	112	936	654	609	699	626	18.	15.	16.	13.
Sectarian	995	879	865	888	694	576	622	640	13.	12.	10.	12.
Homopho	279	267	281	272	162	163	201	195	21.	22.	19.	24.
Faith-	65	90	56	41	34	40	23	15	5.9	7.5	8.7	13.
Disability	112	101	100	99	60	48	53	72	11.	4.2	7.5	15.
Transpho	20	38	33	64	12	17	12	34	25.	23.	8.3	11.

Outcome rates for most hate crime strands have improved over the four year period although are still well below the outcome rate for all offences (2016-17 – 28.4%, 2017-18 – 28.6%, 2018-19 – 28.7% and 2019-20 – 28.5%). The following table shows the levels of repeat victimisation. Around 10% of hate occurrence victims are repeat victims.

⁸ <http://www.cjini.org/TheInspections/Inspection-Reports/2019/April-June/Domestic-Violence>

Repeat Victimization			
	2017-18	2018-19	2019-20
Racist	12.2%	9.2%	9.1%
Homophobic	9.5%	10.6%	26.7%
Faith-Religion	13.3%	15.8%	8.9%
Disability	9.7%	11.9%	34.5%
Transphobic	38.1%	9.5%	8.5%

PSNI continues to work closely with the Hate Crime Advocates to give victims the confidence to report incidents and crimes. Advocates are specialists within independent community organisations who can assist victims of racist, LGB&T and disability hate crime to access services, provide support and guidance, and be the voice of the victim. The Hate Crime Advocacy Support Service is funded by Department of Justice and PSNI and co-ordinated by Victim Support NI.

There are five Hate Crime Advocates whose role it is to make contact with victims and signpost them to other services such as legal advice, housing issues, and health and psychological support. They also assist in facilitating contact with investigating officers and supporting victims throughout the investigative process.

The Advocates meet with our operational liaison team on a monthly basis to identify and resolve emerging issues and to share best practice. They are a vital part of the work we do to build trust with victims and ensure we have all the evidence and information needed to resolve issues within communities and get justice for victims. To mark National Hate Crime Awareness Week in October 2019 partners and support services came together at an event in Newtownabbey yesterday to raise awareness of hate crime and highlight the many initiatives taking place across Northern Ireland to promote inclusivity and support victims. Hosted by Antrim and Newtownabbey Policing and Community Safety Partnership, attendees watched three short performances by students from Lagan College depicting typical hate crimes and incidents followed by presentations and panel discussion from PSNI, The Rainbow Project, Victim Support NI, Leonard Cheshire NI and Migrant Centre NI.

- **Crimes against older people**

The number of crimes against older people has increased in 2019-20 compared to 2018-19 by 6.9%, similar to the increase in overall crime of 6%. The increase is mostly in relation to the 60 – 69 age group.

Age Band	Recorded Offences				Percentage of Recorded Crime			
	2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20
60+	6898	6859	6716	7179	7.0	7.0	6.7	6.7
60-69	3930	3932	3825	4232	4.0	4.0	3.8	4.0
70-79	1984	1975	1962	1972	2.0	2.0	2.0	1.9
80+	984	952	929	975	1.0	1.0	0.9	0.9

The impact of being a victim of crime as an older person can have a disproportionately negative effect on quality of life and life expectancy. Therefore PSNI continue to

engage with statutory partners and charities to support older people who are victims of crime.

The PSNI continued focus on acquisitive crime which is both a volume and high impact area of crime for older people. On average there are three burglaries per day where victims are over 60 years old. A fifth of burglaries in 2019-20 were committed against the over 60s compared to 18.6% in 2018-19. The Older Persons Acquisitive Crime Group continues to meet monthly. This group brings together various disciplines from across PSNI to focus attention and effort on the issue of older persons and acquisitive crime.

PSNI have engaged with the Health Trusts to raise the awareness of their domiciliary staff of door step crime. Some training has recently been offered to private care home providers also. These key workers have direct and frequent contact with vulnerable older people and can play a vital role in keeping them safe from crime.

In response to recommendations in the Older People’s Commissioner “Improving Access to Justice For Older Victims of Crime”⁹ report PSNI is working with the Public Prosecution Service (PPS) to ensure that older and vulnerable victims can be highlighted at an early stage of the criminal justice process so that they can be supported.

PSNI continues to work with Women’s Aid to highlight the issue of older women and domestic abuse. The PSNI domestic abuse toolkit has been updated to reflect older person’s issues and training at the Police College now has an older person’s component, including domestic abuse practical scenarios involving older people. The PSNI supported Women’s Aid in their recent “Older but no safer” campaign and continue to discuss opportunities to highlight the particular vulnerability of older women to domestic abuse.

- **Sexual offences**

Overall sexual offences have increased by 0.6% in 2019-20 compared to 2018-19. Rape offences have decreased by 81 crimes while other sexual offences have increased by 103.

	Recorded Crimes				Outcome Rates			
	2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20
Rape	820	965	1094	1013	8.70%	6.10%	8.50%	9.60%
Other sexual offences	2326	2466	2442	2545	14.70%	14.10%	17.60%	19.20%
Sexual offences	3146	3431	3536	3558	13.10%	11.80%	14.80%	16.40%

Over the past four years there have been improvements in the outcome rates for sexual offences.

Public Protection Branch continue to support a number of research projects, in collaboration with Queens University Belfast and a number of other partners, specifically for victims who have a learning disability. PSNI is working with the project to develop a toolkit that will help first responders dealing with a victim with a

⁹ <https://www.copni.org/media/1541/improving-access-to-justice-for-older-victims-of-crime-k-j-brown-and-f-gordon-v1.pdf>

learning disability. In January 2020 PSNI and partners presented the work completed on this project to date at Public event held at Parliament Buildings, Stormont.

In collaboration with Nexus, PSNI are running a pilot project (PILGRIM) for victims of sexual crime who require immediate support and - or are unsure whether they wish to engage in the criminal justice process. As a result, ten victims proceeded to provide evidence to police.

In October 2019, PSNI launched an online campaign aimed at raising awareness around sextortion. #StopSextortionNI aimed to raise awareness of what sextortion is and the dangers associated with interacting with someone you don't know online. Sextortion is a form of blackmail where a perpetrator threatens to reveal intimate images of the victim online unless they give in to their demands. These demands are typically for money or further intimate images. Furthermore the campaign aimed to encourage reporting of what can be an embarrassing crime for victims. It is likely that these crimes are under-reported as in some cases, victims prefer to pay money rather than contact police

- **Mental health**

In 2019-20 PSNI dealt with over 18,000 calls in relation to mental health, this equates to over 50 calls per day. Of these only 7% involved a crime.

Police officers are working alongside mental health practitioners and paramedics as part of a new pilot project, aimed at providing on-the-spot help to vulnerable adults with mental health difficulties, while at the same time reducing their reliance on PSNI, hospital and ambulance resources. In this new approach, members of a Multi-Agency Triage Team (MATT) assess and respond to calls made either to the police or ambulance control room using the 999 or 101 numbers. The team may then decide to attend an incident where there appears to be a related mental health issue. The model is based on the street triage approach used in other parts of the UK which has proved to be very effective.

From a pool of more than 55 skilled staff across the PSNI, NIAS and the South Eastern Trust who volunteered to take part in the project, a team of two police officers, one paramedic and a mental health practitioner are on duty over a 12 hour night shift on a Friday and Saturday night. They assess calls and respond to incidents where the person is experiencing an emotional or mental health crisis and they feel they can offer advice or intervene.

As it approached its eighth month in operation, the MATT pilot had been involved in around 90 incidents with people experiencing emotional or mental health crises: around 45 of these required face-to-face interactions with the vulnerable person and the rest involved providing telephone advice or resolutions to emergency service colleagues.

Up to March 2020 around 200 people have been assisted by the MATT. The diversion away from hospital Emergency Departments has allowing better use of police and ambulance time. The MATT team have assisted colleagues operationally in other areas such as missing person enquiries whereby mental health practitioners working with the team have been able to make contact with missing persons from their own working knowledge of them and been able to encourage them to make themselves available to police, thus ensuring their safety. There have also been a significant amount of calls triaged by phone by the mental health practitioners within the team, again freeing up

resources from all front line services, particularly PSNI.

In October 2019 the achievements of the MATT staff were recognised at the South Eastern Health and Social Care Trust (SEHSCT) annual Chairman's Awards where they won the Outstanding Team award.

The Virtual Dementia Tour (VDT) Bus attended PSNI venues in March and September 2019. The 'Virtual Dementia Tour' (VDT) is a scientifically proven method of helping participants to understand what people with dementia experience every day. It provides an opportunity to experience what dementia may be like by using specialist equipment and creating a simulated environment. During the tour participants carry out simple day to day tasks which emphasises the challenges that people living with dementia face. It is a highly informative training experience which is of great value to the PSNI as officers often come into contact with vulnerable members of the community.

PSNI supported the launch of a new app aimed at signposting vulnerable people to local services and support agencies. The app was unveiled at the Here2Help Roadshow in Ballymena which was attended by over 1,000 people including Health Minister Robin Swann and 500 post-primary school children. This app brings together support services for drug, alcohol and mental health problems in an easily accessible format and is free to download. As well as encouraging local people to have this on their phones it is also a great tool for officers who regularly come into contact vulnerable people who are living with addiction or mental health issues.

To increase awareness of police officers-police staff of Autism Spectrum Disorder (ASD) PSNI arranged an "Autism Reality Experience". The Autism Reality Experience is an innovative and inspirational training session designed to give participants a virtual experience of living with autism. This is a very practical, hands on experience that gives participants a greater insight into autism and helps us see the world from an autistic person's perspective. This experience is suitable for professionals working in health and social care at all levels as well as family members or informal carers who want to have a better understanding of autism. The Autism Reality Tour was significantly oversubscribed which demonstrated significant interest in improving awareness of how to improve interactions with people on the ASD spectrum among PSNI officers and staff.

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

Young people at risk of CSE continue to be identified in a number of ways including referrals from PSNI colleagues and Social Workers. These children are researched by the CSAE team and a referral sent to Social Services for joint CSAE risk assessment. The joint risk assessment process is being reviewed with partners in the Health & Social Care Trust and an expert from Bedfordshire University.

PSNI have briefed the nightlife volunteer sector, officers from Probation Board NI, and staff from VOYPIC (Voice of Young People in Care) to increase awareness of CSAE and to create contacts for better reporting of CSAE concerns.

There are currently 46 children in Northern Ireland identified as being at risk from CSAE, around half are looked after children. During 2019-20 22 children were newly identified and 103 further were assessed but not deemed at risk. Public Protection Branch continue to brief District Policing colleagues in relation to identifying children at risk of CSAE and also the details of children who are currently identified as at risk.

When a young person is identified at high risk of CSAE there are Individual Risk Management meetings held between PSNI and Social Services. The child protection plan is reviewed and updated on a bi-monthly basis, however there is ongoing contact between Social Services and the Police to ensure that any ongoing child protection issues are addressed expeditiously.

Once a person who may pose a risk to children is identified, CSAE teams initiate an investigative strategy to identify appropriate proactive steps in order to secure evidence, disrupt offences and prevent further association. This may include the use of a Child Abduction Warning Notice (CAWN); arrest and prosecution; police bail conditions; house-vehicle-person searches or application for a Sexual Offences Prevention Order. During 2019-20, there were 21 CAWNs issued, of which 3 were breached.

- **Children who go missing**

The number of missing children has been decreased over the period.

	2016-17	2017-18	2018-19	2019-20
Missing Children Reports	7,185	6,425	5,498	5,721
Missing Children	1,749	1,686	1,494	1,562
Missing Looked After Children Reports	4,390	4,471	3,551	3,083
Missing Looked After Children	403	376	376	386

Over 70% of all missing children reports relate to repeat missing children. This figure has remained consistent over the period. On average repeat missing children were reported missing nine times in 2019-20. A new process is in place to assess repeat missing episodes of children. The children identified at risk due to the frequency of missing episodes, in addition to other risk factors, are screened for CSAE. Repeat missing episodes are sent to District Commanders for action with partners to reduce these episodes.

The number of missing children reports in relation to looked after children has decreased. In 2016-17 over 60% of missing children reports related to looked after children this has decreased to under a quarter in 2019-20.

The “Dare to Win” scheme, a collaboration between police, the Irish Football Association (IFA) and Belfast Health & Social Care Trust (HSCT) aims to support looked after children. The programme uses sports related activities to engage with group of hard to reach young people in residential care and reduce their risk taking behaviour. Some examples of risk taking behaviour included going missing from care, drug and alcohol misuse, all of which could leave some of the young people vulnerable to sexual exploitation.

The programme was well attended and gave officers the opportunity to form positive relationships with young people. This enabled a two-way engagement with the young people which gave all of us the opportunity to break down barriers, challenge stereotypes and debunk previously held myths. The scheme won second place in the “Best Partnership” award category at Belfast HSCT Chairman’s Awards 2019. This £3000 prize provided an opportunity to expand the scheme.

2.1.3 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.

Across Northern Ireland there was a 2.6% decrease (-1,472 incidents) in anti-social behaviour incidents in 2019-20 compared to the previous year. Reported levels of anti-social behaviour in 2019-20 were below the three year average.

LPC	Ward	2016-17	2017-18	2018-19	2019-20
Strandtown	Ballymacarrett	330	330	385	271
	Beersbridge	476	583	424	422
	Woodstock	394	350	340	368
Tennent Street	Duncairn	1077	1112	1299	1349
	Shankill Belfast WARD	283	402	327	263
	Woodvale	256	308	302	287
	Ardoyne	196	198	176	230
	New Lodge	386	403	396	491
	Water Works	722	762	621	695
Woodbourne	Clonard	325	336	289	260
	Falls	707	591	644	509
Strand Road	Galliagh	149	205	179	160
	Shantallow	44	76	52	58
	Shantallow East	69	56	55	50
	City Walls	753	828	800	819
	Ebrington	279	293	233	207
Lurgan	Mourneview	189	200	220	225
	Parklake	279	311	324	269
	Shankill Lurgan WARD	389	522	492	512

Over a quarter of the Wards recorded lower than average levels of anti-social behaviour compared to the previous three years. Five of the priority Wards recorded below average levels in 2019-20. However, around 15% of Wards experienced an increase. Four of these wards (Ardoyne, Duncairn, Mourneview and New Lodge) were identified as priority Wards.

An increase in the number of officers attached to Neighbourhood Policing Teams enabled officers to devote more time focusing on anti-social behaviour issues. PSNI officers participated in a Schools Education Programme, which has reached over 10,000 young people, on the effects of ASB on local communities and the consequences for themselves.

Local PSNI officers continue to engage regularly with partners, including local councils, community organisations, Housing Executive, Translink, sporting organisations, Education Authority, Health and Social Care Trusts, to tackle and prevent anti-social behaviour. In east Belfast a number of programmes aimed to tackle the causes of anti-social behaviour have been developed for use by local community groups. The topics covered include Violence & Fighting, Risky Sexual Behaviour and Addiction. These packages are being developed to be shared more widely.

2.2.1 People are safe on the roads.

2.2.1 Demonstrate a contribution to reduce the number of people killed and seriously injured in road collisions

There was a slight increase in the number of people who were killed or seriously injured in road collisions in 2019 compared to 2018.

Over the previous four calendar years¹⁰ there has been a reduction in the number of people who have died or been seriously injured in road collisions.

	2016	2017	2018	2019
Number of People Killed	68	63	55	56
Number of People Seriously Injured	828	778	730	774
Number of Children Killed or Seriously Injured	82	68	63	71
Number of Young People Killed or Seriously Injured	227	177	173	173

In September 2019 PSNI supported #ProjectEDWARD, an initiative run by TISPOL, the European Traffic Police Network. Since the European Day Without A Road Death initiative began in 2016, it has become one of the most important events in the road safety calendar. Project EDWARD offers the opportunity to put road safety high on the agenda – not just for those of us in emergency services, but much further and wider as it reaches out to everyone who uses the roads.

TISPOL believe the great strength of Project EDWARD is its ability to bring together a wide variety of messages under one clear and uncompromising ambition: a day where no one dies on our roads. Everyone is urged – on every road journey – to take nothing for granted and to make road safety the number one priority.

During Road Safety Week (18 - 24 November 2019) policing teams across Northern Ireland got involved in promoting road safety with the aim of raising awareness of the importance of keeping safe over the festive season. The Woodbourne Neighbourhood Policing Team got involved by encouraging schools in West Belfast to compete in a colouring competition. Around 150 pupils got involved in the competition designed to raise awareness amongst school children (aged 9-10 years) of the importance of staying safe on the roads, especially throughout the winter months. Working with schools in West Belfast has been difficult historically so being able to engage with four schools was a huge achievement and has helped establish a strong relationship, ensuring the children and teachers recognise us as their local neighbourhood officers.

The Roadsafe Roadshow returned to Derry City and Strabane District towards the end of last year with a record breaking 1,200 students viewing the show at one time at state of the art facilities at the Foyle Arena. The roadshow features personal accounts from emergency service personnel who have attended fatal road collisions. These accounts can be harrowing but are necessary to fully convey the carnage and devastation a fatal road traffic crash can leave behind.

¹⁰ Unfortunately, the current COVID-19 situation has reduced the resource available for the processing of road traffic collision (RTC) data within the PSNI. As a result, Statistics Branch have no option but to delay the forthcoming publication - 'Police recorded injury road traffic collisions and casualties Northern Ireland, 1st April 2019 to 31st March 2020' - which was due to be released on Friday 29th May 2020. The subsequent monthly updates have also been suspended for the foreseeable future.

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.

Reducing Offending in Partnership (ROP) is a collaborative arrangement between the Department of Justice (DOJ), Police Service of Northern Ireland (PSNI), Probation Board for Northern Ireland (PBNI), the Youth Justice Agency (YJA), and the Northern Ireland Prison Service (NIPS) as a means to deliver Integrated Offender Management (IOM)¹¹ in Northern Ireland. In addition to the key partners, approximately 60 Statutory and Non-Statutory organisations are part of ROP. The purpose of ROP is to bring a multi-agency approach to crime and reoffending, focussing on the most persistent and prolific people who have offended, identified jointly by partners to reduce risk and likelihood of re-offending.

Priority Offenders are identified through the Reducing Offending Partnership matrix, jointly agreed by all partners and are assigned to a Reducing Offending Unit (ROU) officer. Around 300 offenders are managed through ROP at any one time.

ROP works with offenders to accept responsibility for their actions and the consequences and to understand the causes of their behaviour. This allows for appropriate treatment programmes to be identified. Some examples are outlined below for illustration.

In partnership the Youth Diversion Officer and Reducing Offending in Partnership team identified a 12yr old boy who was increasingly becoming involved in anti-social behaviour and low level offending and was unruly at school and in the home. Following consultation with his mother the youth was supported under ROP.

He received regular weekly visits from Neighbourhood Policing Team Officers and on several occasions the Youth Diversion Team. He was also supported by Youth Justice Agency. The Neighbourhood Policing Team Officer got him involved in local football and assisted in discussions to secure a change of school. The youth was able to be removed from the Prevent and Deter list and his behaviour did not escalate into anything more serious or regular. The change in this youth's behaviour and circumstances was achieved by the close working of PSNI, Education Welfare Officer and Youth Justice Agency mainly through the regular ROP Prevent and Deter meetings.

ROP works with The Boost Project, a "Children in Need" funded programme, in Dungannon and Cookstown. It works in conjunction with the Youth Diversion Office to help young people who are displaying risk taking behaviours or low levelling offending to address emotional development and self-esteem issues. This collaboration is an early intervention to reduce and prevent further offending.

ROP also supports offenders when they leave prison. A male priority offender was regularly visited in prison to help him prepare for release and to avoid reoffending. The

¹¹ Integrated Offender Management is a National Model that was intended to be a sustainable and structured approach to preventing crime and reducing re-offending by those persons who were considered to be amongst the most prolific offenders and who presented the greatest risks within communities.

ROU officer was able to assist in identifying a course of study for him to complete on release from prison. The offender has not been arrested since his release.

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

PSNI is tackling 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).

Action Against Organised Crime Groups ¹²				
	2016-17	2017-18	2018-19	2019-20
Frustrated	45	35	19	34
Disrupted	41	49	36	39
Dismantled	28	15	17	15

Drug Seizures & Arrests ¹³				
	Oct '15 – Sep '16	Oct '16 – Sep '17	Oct '17 – Sep '18	Oct '18 – Sep '19
Drug seizure incidents	5,529	6,220	7,177	7,941
Drug-related arrests	2,765	2,838	3,324	3,618

The number of seizures and arrests have increased year on year during the reporting period. Over seventy percent of seizure incidents involved cannabis. The most recent data shows a twenty-five percent increase in the quantity of cocaine seized.

The Cross Border JATF continues to provide opportunities for and promote real time collaboration between An Garda Síochána (AGS) and the PSNI in their combined efforts to frustrate, disrupt and dismantle the activity of Organised Crime Groups involved in the supply of illicit drugs. Collaboration between the Garda National Drugs and Organised Crime Bureau (GNDOCB) and PSNI's Organised Crime Unit results in 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.

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

¹² Please note one OCG can be frustrated or disrupted multiple times.

¹³ The Police Recorded Drug Seizures and Arrests in Northern Ireland Update to 31 March 2020 was scheduled for publication on Thursday 28th May 2020. Due to the impact of COVID-19 on working arrangements and data processing, this report will now be published on Thursday 25th June 2020

Operation Pangea is an annual Interpol coordinated international operation with the objective to disrupt and dismantle criminal activity relating to the trafficking in illicit pharmaceuticals and medical devices where the crime is facilitated by the Internet. There has been a significant increase in the manufacture, trade and distribution of counterfeit, stolen, diverted and illicit pharmaceuticals and medical devices in recent years. Combined with growing consumer demand, technological advancement, namely the widespread use of the Internet, the advertisement, sale and supply of such illicit and counterfeit medicines from unauthorized and unregulated websites have become a global and continually expanding problem. The primary aim of this year's Operation Pangea (XIII) was to safeguard public health. During this operation PSNI, working with Border Force and Medicines Regulatory Group partners under the Organised Crime Task Force seized an estimated 140,000 illicit tablets (including Pergabalin, Diazepam, Modafinil and Xanax).

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

Cyber-crime is a growing issue in Northern Ireland. In 2016-17 just 1% of recorded crime (excluding Fraud) was identified as being cyber-related that figure has risen to 3.5% in 2019-20¹⁴. In terms of specific cyber-crimes (Hacking, Computer Viruses\Malware\Spyware and Denial of Service attacks) there has been a 9% increase (25 crimes). With an average financial loss of approximately £1,800 per incident and the majority of victims (80%) were individuals, this can have a devastating impact.

	2016-17	2017-18	2018-19	2019-20
Cyber Crime	277	354	321	302
Cyber Related Crime	1,027	1,311	1,969	3,691
Violence against the person	407	711	1,218	2,868
<i>Of which harassment</i>	348	639	1,166	2813
Sexual offences	184	210	261	298
<i>Of which Sexual Communication with a child</i>	9	54	79	126
Burglary, Robbery, Theft and Criminal damage	180	104	208	181
Other crimes against society	256	286	282	344
<i>Of which Obscene publications, etc. and protected sexual material</i>	181	202	207	211

In response to this increasing problem, PSNI's purpose built Cyber Crime Centre (CCC) was officially opened on Tuesday 18 June 2019. The state-of-the-art centre provides a base for all digital forensic services across all of the PSNI. This can range from providing support to officers during a large scale investigation, for example, the fast recovery of a large volume of footage from mobile phones during a murder investigation to leading on complex, specialist cyber investigations on a global scale, for example, hacking of a large corporation's database. In 2019-20 the Cyber Crime Centre conducted or supported 348 investigations reported Cyber incidents.

¹⁴ An offence where the reporting officer believes that on the balance of probability the offence was committed, in full or in part, through a computer, computer network or other computer-enabled device

The PSNI continually develop and expand our cyber capabilities so that we can keep people safe from cyber-crime. The CCC is just one investment that we have made to keep PSNI at the forefront of this rapidly evolving and growing crime type. We have developed the first mobile forensic lab, a concept that is now being adopted and implemented across the UK and we continue to work closely with our national and international partners including the NCA and the FBI, to combat Cyber Crime.

PSNI actively supports the newly created Northern Ireland Cyber Security Centre (NICSC). This partnership works with public, private, 3rd sector organisations and our citizens to improve their ability to defend against cyber-attacks, increase their knowledge of cyber threats, in turn, becoming more cyber resilient by ensuring they have access to the right advice, guidance and support.

The average age of someone arrested for a cyber-crime in the UK is just 17 years old therefore the CCC in partnership with the Education Authority and NI Cyber Security Centre to produce a multimedia cyber prevent resource for schools. This package is made up of a series of video interviews of key stakeholders within Education Authority, Department of Finance, PSNI Cyber Crime Centre and Cyber Security industry as well as a teaching plan.

- **Human exploitation and trafficking**

Since being established in 2015 PSNI's Modern Slavery and Human Trafficking Unit (MSHTU) adopt a dedicated proactive approach to tackling this complex crime. Working in collaboration with frontline police officers, other agencies and statutory organisations to detect, disrupt and frustrate organised crime gangs involved in human exploitation.

A Home Office Criminal Finance Investigator has been embedded with MSHTU since 2018 and this seconded has been extended as a result of successful collaborative operational and intelligence work. During 2019-20, the DOJ funded Strategic Training and Data Coordinator to increase awareness of the signs and indicators of MSHT and training for first responders and others across the public and private sector to increase reporting and the safeguarding of potential victims.

Activity to Tackle Modern Slavery & Human Trafficking				
	2016-17	2017-18	2018-19	2019-20
Safeguarding Visits	52	59	74	75
Searches	27	22	15	8
Screening Assessments	252	173	148	158
Potential Victims Identified	34	36	59	111
<i>of Domestic Servitude</i>	-	0	0	10
<i>of Sexual Exploitation</i>	-	14	22	28
<i>of Labour Exploitation</i>	-	20	26	28
<i>of Criminal Exploitation</i>	-	0	11	31
<i>of Other Exploitation</i>	-	2	0	4

The Modern Slavery Police Transformation Programme (MSPTP) and the National Crime Agency (NCA) continue to co-ordinate the national operation 'Op Aidant'.

These are weeks of intensification of activities around a particular area of exploitation in which the PSNI participate alongside our colleagues across GB. In September 2019 the area was sexual exploitation activity which focused on Adult Service Websites. MSHTU carried out safeguarding visits and spoke with the females present.

MSHTU officers carry out regular joint-agency operations with partners (including Northern Ireland Water, Her Majesty's Revenue and Customs (HMRC), Home Office Immigration Enforcement, Border Force) to identify potential victims and raise awareness with the public about the signs of modern slavery and human trafficking.

During 2019-20 the MSHTU continued to develop a partnership with the An Garda Síochána (AGS) in relation to intelligence gathering and enforcement activity. Collaboration with AGS secured a conviction for human trafficking and money laundering.

The MSHTU have now secured three convictions in relation to a UK-wide human trafficking network in Northern Ireland where women were trafficked for the purposes of sexual exploitation. This was a complex case was the result of a proactive investigation triggered by a member of the public providing information.

3.3 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).

The Joint Agency Task Force is a cross-border partnership designed to target criminality that is enabled and facilitated by the existence of the land border with the Republic of Ireland. The JATF concentrates on the following six areas of criminality: Drugs, Excise Fraud, Human Trafficking, Immigration Crime, Rural-Agricultural Crime and Criminal Finances-Money Laundering. The JATF works closely with PSNI Organised Crime Unit (OCU), the Paramilitary Crime Task Force (PCTF), the Organised Crime Task Force (OCTF) and the Modern Slavery and Human Trafficking Unit (MSHTU).

During 2019-20 the JATF and partners (Criminal Assets Bureau, National Crime Agency, Irish Revenue, HMRC, Home Office Immigration and Enforcement and Garda National Immigration Bureau) carried out a number of joint operations into organised crime groups involved in each of the six areas of criminality.

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 (PCTF) brings together PSNI, National Crime Agency and Her Majesty Revenue & Customs capacity and capabilities to effectively tackle Paramilitary Organised Crime Groups who exercise coercive control of communities in Northern Ireland. The foremost groups are INLA (Belfast), UVF (East Belfast), UDA (West Belfast) UDA (South East Antrim), INLA (North West) and UDA (North Antrim). These groups are involved in all forms of criminality including; paramilitary assaults and shootings, supply and distribution of controlled drugs, blackmail (extortion), intimidation, money lending and money laundering. The table below details the activity of the PCTF in tackling these groups over the four-year period from April 2016 to March 2020.

PCTF Activity					
	2016-17	2017-18	2018-19	2019-20	Overall
Searches	110	193	140	130	573
Arrests	70	51	85	68	274
Charged-Reported	45	44	59	72	220
Drugs seized (value)	£200,000	£58,000	£267,030	£453,794	£978,824
Cash seized-detained-forfeited	£0.00	£318,747	£521,396	£177,457	£1,017,600
Vehicles seized	0	4	31	8	43
Weapons seized	5	135	23	9	172

Since April 2016, the PCTF has conducted 573 searches and made 274 arrests, securing 40 convictions. In addition, they have seized drugs with a street value of just under £1million and removed 172 weapons from the streets. HMRC estimate that just under £4.5 million revenue loss has been prevented.

The following table provides an indication of the impact of the above activity on the Paramilitary Organised Crime Groups.

Impact on Paramilitary OCGs¹⁵				
	2016-17	2017-18	2018-19	2019-20
Frustrated	N-A	9	4	9
Disrupted	N-A	12	7	10
Dismantled	N-A	2	1	0

In addition to enforcement activity, the PCTF have been involved in changing societal attitudes towards Paramilitary Organised Crime Groups. The “Ending The Harm” campaign (www.endingtheharm.com) 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.

Recent research into the impact of the ‘Ending the Harm’ campaign shows that only 19% of people believe that are paramilitary style assaults (PSAs) are justified. This represents a reduction from 35% in 2017 (-16%pts). The research was carried out in May 2019 in those areas most impacted by PSAs to provide an indication of the effectiveness of the campaign and to take an updated snapshot of attitudes. While caution is exercised in terms of drawing a direct comparison between the results of the two surveys, due to a change in how a PSA was defined, the research provides a representative indication of the opinions of people living within areas most impacted. Other positive shifts in attitudes towards PSAs were also observed and are shown in the table above.

¹⁵ Please note one OCG can be frustrated or disrupted multiple times.

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020

Paramilitary Style Assaults.....	% of respondents Strongly Agreeing-Agreeing		
	2017	2019	Change (%pts)
...are justified - justified in certain circumstances	35	19	-16
...just involved a good kicking	25	18	-7
...deliver swift justice	34	15	-19
...are a good way of giving an offender a warning	35	17	-18
There is normally a good reason for a Paramilitary Style Assault	44	20	-24

The overall number of casualties as a result of a PSA has increased by two in 2019-20 to 80 compared to 78 in 2018-19. The increase is wholly attributable to the rise in assaults.

Type of Incident	2016-17	2017-18	2018-19	2019-20
Loyalist	59	51	47	50
<i>Loyalist Assaults</i>	56	50	45	48
<i>Loyalist Shootings</i>	3	1	2	2
Republican	35	36	31	30
<i>Republican Assaults</i>	10	15	14	19
<i>Republican Shootings</i>	25	21	17	11
All Paramilitary Style Assaults	94	87	78	80

There were 13 casualties of paramilitary style shootings, compared to 19 in the previous year. This was the lowest number of such shootings since 2007-08, and is the third year in a row that the number of such attacks has fallen. Of the 13, 11 were attributed to republicans. All 13 casualties were aged 18 years or older.

There were 67 casualties of paramilitary style assaults, compared to 59 in the previous year. This is the highest number of such attacks since 2009-10 and a reversal of the small decline that was witnessed during 2017-18 and 2018-19. Loyalists were responsible for three out of every four assaults and of the 67 casualties, three were under 18 years old.

The Ending the Harm campaign is designed to make local communities less tolerant of paramilitary control to prevent these types of attacks and also encourage communities in supporting the police in detecting the offenders. Attitudinal research has shown that it has been effective with fewer people agreeing that PSAs are justified-justified in certain circumstances. This hasn't translated into a reduction in the number of PSA however the increase in assaults could be a result of increased reporting.

For over 90% of the PSAs reported between April 2016 and March 2020 have been assigned an outcome. Investigations are ongoing into the remaining PSAs, the majority of which were reported in 2019-20. Investigations into around two thirds of PSAs do not identify a suspect.

In 2019-20, four PSAs resulted in a charge - summons. The suspect was identified in a further nine cases but prosecution was prevented due to evidential difficulties, including five where the victim did not support further action. Despite positive signs of changing attitudes investigating PSAs remains challenging.

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 progress in providing a more efficient and effective delivery of Justice, including evidence of progress made with legacy cases.

Working Together Project

The Working Together Project (WTP) has introduced various new processes aimed at improving effectiveness and reducing delay for summary matters within the Criminal Justice System. This includes proportionate file builds based on anticipated plea, earlier submission of files to the Public Prosecution Service, faster prosecution decision making and early service of documents on defence solicitors. This all seeks to produce more effective first court appearances, fewer adjournments and overall reduced delay in court cases. The aim of these initiatives is reduced delay for victims and faster fairer justice for all participants in Criminal Justice System.

The introduction of clear evidential standards and file standards means that officers are more aware of what is expected as part of a case file and can submit this in a timely manner. In 2019-20, 88% of case files have been submitted to PPS within agreed time periods.

Requests for Further Information from PPS have reduced significantly to 9% in 2019-20 compared to 16% in 2018-19. RFIs can be an indication that case files are of insufficient quality for PPS to proceed and cause delays to the criminal justice process. Technological improvements in relation to digital evidence are being made which will further reduce the RFI rate and in turns delays.

Indictable Case Process

The Indictable Case Process ensures early engagement between PSNI and Public Prosecution Service, and in turn between Public Prosecution Service and defence. The purpose of this is to identify and resolve investigative and evidential issues at an early stage. The overall objective of Indictable Case Process (ICP) is to improve the effectiveness and efficiency of the Criminal Justice process for the benefit of all participants. During 2019-20 over 90% of eligible cases were progressed through the ICP.

Legacy Cases

Legacy Investigation Branch (LIB) has completed over 500 reviews in relation to the 'on the run' nominals. Additionally 3 case reviews have been completed in the Financial Year and 5 family reports issued. Currently LIB is working on 7 investigations, 6 investigations have been completed in 2019-20 with additional support given to Public Prosecution Service on a number of investigations. The Research, Engagement, Development and Strategic Support team (REDS) team are integral to the engagement process within Legacy Investigation Branch and seek to provide additional strategic support and communication within PSNI and increased

engagement with families as well as closer working with advocacy groups and a range of other valued stakeholders. There have been over 216 Requests for Service to the REDS team in 2019-20.

LIB have established a range of measures to enhance their accessibility and family focus. These include wider consultation on the development of refreshed internal key documents relating to the functions of LIB; development of external and internal websites; a family and stakeholder experience survey and an annual performance report. As well as enhancing the service and support available to families it is expected these measures will help to more effectively demonstrate Legacy Investigation Branch's practical independence.

OVERARCHING THEME 5: MORE EFFICIENT AND EFFECTIVE POLICING

5.1 An efficient and effective police service

5.1.1 Demonstrate 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.

The 2019-20 Service Strategic Assessment provided an analysis of current (reactive and proactive) and hidden demand (including demand that is less likely to be reported) in order to determine the service strategic priorities. MORILE (Management of Risk in Law Enforcement) was used extensively in the production of the Strategic Assessment. Cross border and thematic strategic assessments are also produced. This is supported by the development of the Service Performance Management Framework (SPMF) which includes accountability frameworks and the application of outcome based accountability. Work on demand takes account of public expectations through engagement activity and through the relationship with the Northern Ireland Policing Board.

Annual demand assessments are carried using the HMICFRS Force Management Statement framework. A review of the Strategic Assessment and Strategic Priorities took place in October 2019 when the Deputy Chief Constable chaired the Strategic Tasking and Co-ordination Group. The following Strategic Priorities were agreed:

Vulnerability:

- Children and Young Persons
- Adult Safeguarding
- Domestic Abuse

Serious and Organised Crime:

- Organised Crime Groups
- Drug Supply and Misuse
- Cyber Crime

Violent Extremism:

- Violent Dissident Republicans
- Fresh Start Groups

Part of the purpose of the Tasking & Co-ordinating Group (TCG) processes is to allocate resources (people and finances) against the strategic priorities. TCG meetings take place across the organisation in a coordinated manner linking departments, branches and areas with the monthly Service TCG. The demand assessment is shared across the organisation including Finance & Support Services and HR to inform resource allocation and the workforce plan. This work also informs major work strands such as the District Policing Command Review and is incorporated into the preparation of the Corporate Plan. PSNI has strong working relationships with partner agencies and works in collaboration with these partners to form innovative multi-agency solutions to help the public.

Each year PSNI carries out a Budget Planning Exercise which requires all Business Areas to critically examine the resource requirements to operate the Service across a number of years. Some of the key principles that underpin the budget planning process are:

- Financial resources will be aligned to strategic plans and priorities informed by the annual demand assessment as far as possible; and
- Financial plans reflect both current operational capability and areas for investment to enhance capability in key areas.

To assist in this exercise, a range of planning assumptions are agreed with the Service Executive, DOJ and Policing Board covering the People Plan, funding scenarios and contractually committed or operationally essential spend. As part of the Budget Planning process, the Finance Delivery Group in PSNI ensures the allocation of financial resources reflects the strategic priorities and assumptions of the Service.

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 2019 to 31 March 2020, 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

Table 1: Number of persons and vehicles stopped and searched under the Police and Criminal Evidence (PACE) Order between 1 April 2019 and 31 March 2020

		Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
Stolen Property / Articles	Searches	181	149	111	149	122	126	191	206	157	141	151	110	1,794
	Arrests ¹	38	27	43	27	25	32	40	26	33	23	34	15	363
Offensive Weapon / Blade or Point	Searches	78	76	66	65	93	49	71	45	61	63	50	67	784
	Arrests ¹	25	20	22	10	27	10	19	17	14	19	11	22	216
Going Equipped /prohibited Articles	Searches	76	59	64	58	69	50	70	78	42	60	82	47	755
	Arrests ¹	13	5	15	18	9	12	5	13	7	11	12	5	125
Fireworks	Searches	6	0	0	0	1	35	173	23	6	1	4	0	249
	Arrests ¹	0	0	0	0	0	2	2	0	0	0	0	0	4
Total	Searches	341	284	241	272	285	260	505	352	266	265	287	224	3,582
	Arrests ¹	76	52	80	55	61	56	66	56	54	53	57	42	708

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

Article 6 – Road Checks

There were 23 road checks authorised in 2019-20, 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 2019-20

	Arrests under PACE ¹				Of which there was a request for	
	Total ²	Gender			Friend / relative etc.	Solicitor
		Male	Female	Unknown /other		
April 18 – June 18	5,790	4,851	937	2	1,691	3,776
July 18 – September 18	5,850	4,903	942	5	1,700	3,758
October 18 – December 18	5,905	4,922	981	2	1,760	3,774
January 19 – March 19	5,062	4,254	806	2	1,533	3,290
Total	22,607	18,930	3,666	11	6,684	14,598

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

Extended Detention: During 2019/20 there were 50 persons who were detained in police custody for more than 24 hours and released without charge.

Magistrate's Warrants: There were 23 applications to Magistrates Courts for warrants of further detention in 2019/20, in relation to 21 individuals. Nine of these applications were for 24 hours or less, one was for between 25 and 35 hours and the other 13 were for a period of 36 hours. Of the 23 applications to Magistrates Courts for warrants of further detention, 2 of these were for a second warrant of further detention. Of the 21 persons subject to a warrant of further detention, 12 spent less than 24 hours under its authority, while 7 spent between 24 hours and 36 hours and the remaining 2 people were detained over 36 hours under the authority of these warrants. A total of 14 persons were subsequently charged.

Intimate Searches: There was one intimate search carried out by a suitably qualified person during 2019/20, which was in relation to a drugs offence (negative result).

X-rays & ultrasound scans: During 2019/20 5 x-rays were carried out (4 negative results and 1 positive result). No ultrasound scans were recorded.

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 2019-20 was £745.4m. The non ring fenced DEL expenditure against this budget during the financial year was £744.9m, resulting in a reported underspend of £0.5m. This is less than 0.1% of total non ring fenced Resource DEL budget. Ring fenced charges for depreciation and impairments were £40.3m for the year.

The total AME 2019-20 budget allocation (including Pension Scheme, AME impairments, Release and Movements in Provisions) was £447.9m, the AME expenditure against this budget during the year was £404.9m.

This gives a total resource spend of £1,190.1. 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 £49.1m against a budget of £49.3m. Details of Non-Current Asset movements are detailed in the notes to the financial statements.

Payment of suppliers

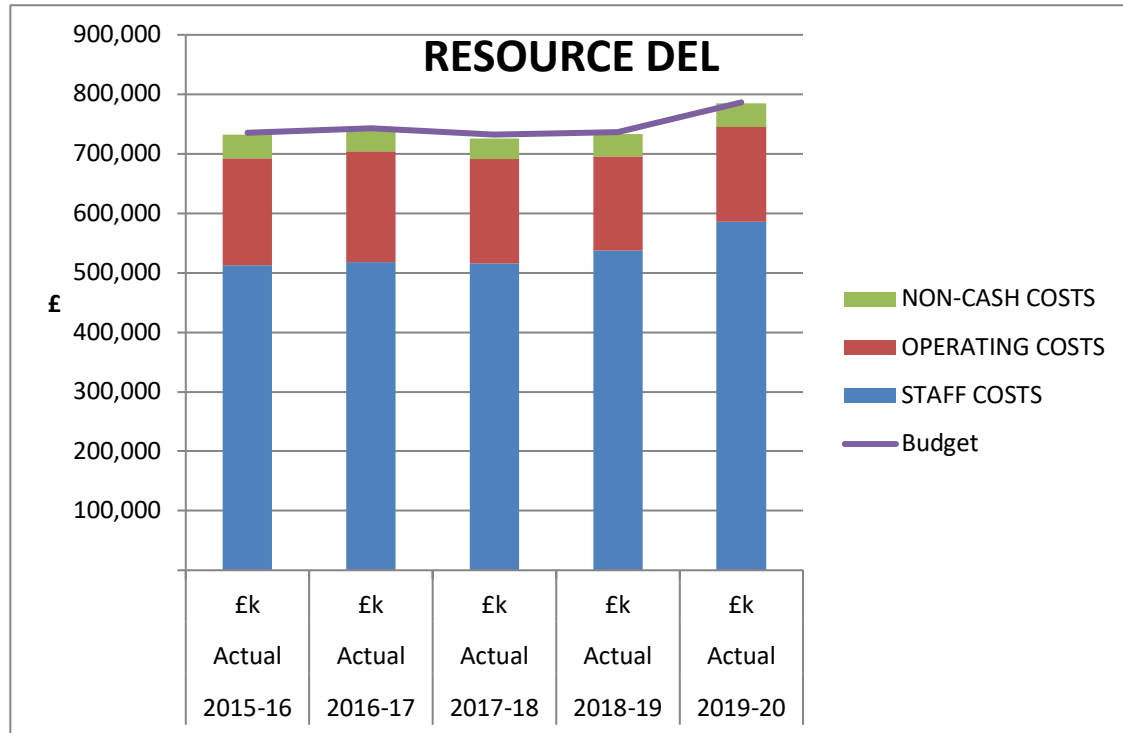
The PSNI's policy is to pay bills from all suppliers within 10 working days following receipt of a properly rendered invoice or in accordance with contractual conditions, whichever is the earlier.

During the 2019-20 financial year, average overall performance showed 96.5% (93.5% 2018-19) of all invoices were paid within 10 days. In the 2019-20 financial year 99.8% of invoices were paid within the government prompt payment target of 30 days (98.8% 2018-19).

Long Term Expenditure Trends

The chart below show details of PSNI budget and expenditure patterns across the period 2015-16 to 2019-20;

Chart 1: Resource Del Budget v Expenditure 2015-16 to 2019-20



During 2015-16, in-year budget cuts (£26.2m 2015-16) were imposed on the Service, 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.

In 2019-20 a number of in year budget allocations were made (£10.3m) which enabled PSNI to breakeven at year end.

2019-20 Financial year

PSNI has an ambition to build on our cherished Policing with the Community foundations to embrace the learning from good practice across the world, to improve the quality of policing to residents, businesses and visitors in Northern Ireland. To help realise this ambition, the Service has outlined a case for transformational investment with an initial focus on increasing police officer numbers, digital modernisation and estate renewal.

While this investment is needed to transform the Service and demonstrate to communities that we care, listen and act, the reality is the financial position of the PSNI remains uncertain with long term planning hindered by a focus on short term annual planning bound by an inflexible financial framework which is not fit for purpose.

The budget allocated to PSNI for 2020-21 falls significantly short of what is required to transform the Service. While the increase of 3.4% from the baseline is welcome, it is not sufficient to address the pressures facing the Service, resulting in difficult decisions about how resources are allocated. In 2019-20, PSNI received an additional £10.3m through Monitoring Rounds, simply to live within budget. This, together with pay pressures and price inflation, helps to put a 3.4% uplift on the opening baseline in context.

Therefore, the challenge facing PSNI in the current year is to create space to invest and transform the Service, in the absence of the necessary funding. In reality, this means reducing and redistributing resources in some areas to achieve a balanced budget.

Environmental matters

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 increased by 7.4% with Energy Efficiency (kWh/m²) of the Estate also increasing by 7.4%. Carbon Dioxide levels are down by 1%, due to an increase proportion of natural gas and renewables in the UK grid mix thus reducing the CO₂ conversion factor for electricity. Water has increased by 11.6% due to leakage and meter replacements throughout the year.

Estate Targets

The main external target the PSNI has been tasked with achieving is set out in the Energy Management Strategy and Action Plan to 2030 for Northern Ireland Central Government – March 2019. The Estate needs to achieve a lowering of net energy consumption by 30% by 2030 from a 2016/17 baseline year and also, to spend the same on energy in 2030 as we do ‘today’. To date, the percentage reduction year on year currently stands at 3.51% to achieve the 30% reduction by 2030 (60GWh).

Overview of PSNI environmental performance against target:

	2019-2020	2018-2019	% Change	Govt target
Total Utility Energy Consumption	87.75 GWh	81.74 GWh	Up 7.4% on last year. Target % reduction for 2020/21 now 3.51% to achieve 60 GWh by 2030.	30% reduction on net consumption by 2030, 2016/17 Base year
Energy Efficiency kWh/m²	283 kWh/m ²	264 kWh/m ²	Up 7.4% on last year. Down 22% on 99/00 base year.	n/a
Carbon Dioxide Emissions	20,913 tCO ₂	21,147 tCO ₂	Down 1% on last year. Down 43% on 99/00 base year.	n/a
Renewable Energy procured	0%	0%	Electricity procured without any green due to additional premium on green electricity.	n/a
Water Consumption	105,194 m ³	94,230 m ³	Water consumption increased by 11.6% due to a number of leaks and meter repairs and new installations.	PSNI internal target set at 95,000 m ³ per year, Not 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 £201k donated through Public Sector Payroll Giving in 2019-20. This giving to charitable causes is supplemented by numerous fund raising events throughout the Service during the year.

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 Bribery, and a 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
29 October 2020

ACCOUNTABILITY REPORT

CHIEF CONSTABLE'S REPORT

The purpose of the Chief Constable's Report is to explain the composition and organisation of the PSNI and how these arrangements have supported the achievement of its objectives during 2019-20.

Members of the Service Executive Board (SEB)

Members of the Service Executive Board that served during the 2019-20 year were as follows:

Chief Constable

Simon Byrne¹

Chief Constable

Sir George Hamilton¹

Deputy Chief Constable

Mark Hamilton²

T/Deputy Chief Constable

Stephen Martin²

Assistant Chief Constable District Policing

Alan Todd³

Assistant Chief Constable Crime Operations

Barbara Gray

T/Assistant Chief Constable Legacy and Legal

George Clarke⁴

T/Assistant Chief Constable Operational Support

Tim Mairs³

Assistant Chief Constable Innovation and Standards

Mark McEwan⁵

T/Director of Finance & Support Services and Human Resources

Mark McNaughten

Non-Executive Members

Stephen Hodkinson

Fiona Keenan

Gerald Crossan

Ian Jordan

Further details are provided in the Remuneration and Staff Report section on page 32.

1. Chief Constable Sir George Hamilton retired from service on 29 June 2019 and Chief Constable Simon Byrne was appointed from 1 July 2019.
2. Temporary Deputy Chief Constable Stephen Martin retired from service on the 31 January 2020. ACC Mark Hamilton was appointed Deputy Chief Constable from 10 February 2020.
3. The following changes to Chief Officer portfolios took place; ACC Alan Todd moved from Operational Support Department to District Policing Command, T/ACC Tim Mairs moved from Innovation & Standards to Operational Support Department. T/ACC Mairs left the service on 5 July 2020.
4. T/ACC George Clarke left the service on the 16 March 2020.
5. ACC Mark McEwan was appointed on 2 March 2020 to Innovation & Standards on secondment from the Metropolitan Police Service, he was permanently appointed by the NIPB on the 4 June 2020.

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.

The purpose of the Service 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 service 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 Board's (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.

Under the leadership of the Chief Constable revised governance arrangements are to be implemented during 2020-21.

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 £2,000 to the Care of Police Survivors Trust, and £1,700 to the National Black Police Association, in relation to the Stephen Lawrence Bursary.

Personal data related incidents

In the 2019-20 financial year a total of 96 incidents and 10 data related complaints were processed. PSNI self-referred 11 incidents for consideration to the Information Commissioner's Office ('ICO'), a slight decrease from the 16 notifiable incidents in last year's statement. Additionally 10 complaints were made in relation to PSNI's processing of personal data via the Information Commissioners Office.

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 65.

Audit services

The Financial Statements for 2019-20 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 83 to 85.

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 £95,500 (2018-19 £86,000). This includes the audit fees in respect of the Main Police Account including the Police Fund and Police Property Fund £77,000 (£68,000 2018-19), and the Police Pension Scheme Accounts £18,500 (£18,000 2018-19). Additional costs were incurred in 2019-20 (£1,500) relating to extra work performed during the audit of the 2018-19 accounts.

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.

The C&AG published his report on 'Reducing Costs in the PSNI' on 7 April 2020. He also published a report on 10 March 2020 on 'Injury on Duty Schemes', which was applicable to PSNI.

The Department of Justice will lay the accounts on behalf of the PSNI.

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 state of affairs of the PSNI and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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.
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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).

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that PSNI auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

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.

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 the Assembly. 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

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 of police officers 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 took up the appointment of Chief Constable on the 1 July 2019 and 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 2019-20 financial year there were a number of changes within SET:

- Chief Constable Sir George Hamilton retired with effect from 29 June 2019.
- Temporary Deputy Chief Constable Stephen Martin retired with effect 31 January 2020.
- Temporary Assistant Chief Constable George Clarke left the service with effect from 16 March 2020.
- Assistant Chief Constable Mark Hamilton was appointed as Deputy Chief Constable with effect from 10 February 2020.
- Assistant Chief Constable Alan Todd transferred from Operational Support Department to District Policing Command with effect from 10 February 2020.
- Temporary Assistant Chief Constable Tim Mairs transferred to Operational Support from Innovation & Standards Department.
- Assistant Chief Constable Mark McEwan was seconded from the Metropolitan Police to Innovation & Standards Department with effect from 2 March 2020.

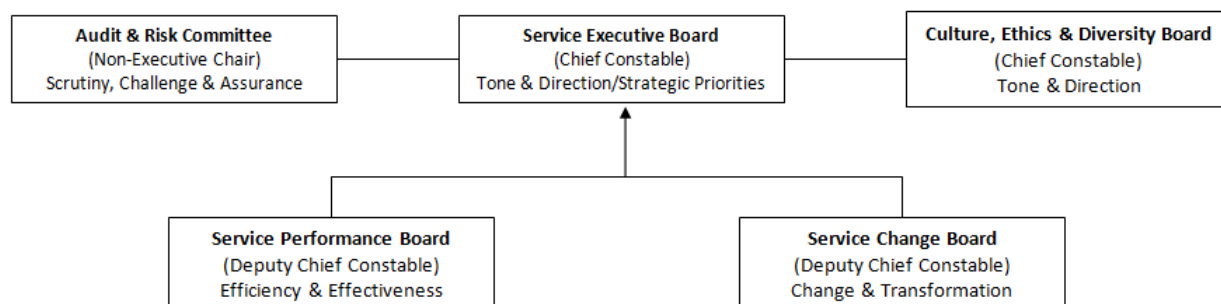
Governance Structure

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. SEB is supported in its work by a number of other governance boards. The Culture Ethics and Diversity Board is chaired by the

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Chief Constable. The Service Performance Board and the Service Change Board are both chaired by the Deputy Chief Constable.

The Chart below is an outline of the PSNI Governance Schematic in operation during 2019-20.



SEB undertook a self-effectiveness review in May 2020 looking at its performance over the financial year 2019-20, 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 2020	Number of SEB meetings eligible to attend	Number of SEB meetings attended
George Hamilton	3	3
Simon Byrne	9	7
Stephen Martin	10	10
Mark McNaughten	12	10
Mark Hamilton	12	10
Alan Todd	12	10
Barbara Gray	12	11
George Clarke	11	10
Tim Mairs	9	6
Non – Executive members		
Stephen Hodkinson (ARAC Chair)	12	10
Gerry Crossan (ARAC Member)	4	12

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Fiona Keenan (ARAC Member)	4	
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 members 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 2019-20, 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 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 recommendations as classified by the DOF) have been raised.

Risk and Control Framework

The SET, SEB and SPB 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 2019-20. 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 practice, 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 SPB, 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 Senior 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 and Staff 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/Departmental Co-Ordinators and from ACC/ACOs 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. ARAC monitors the progress towards implementation of all internal and external audit recommendations. 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.

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 organizational reputation and community confidence in policing and limiting our ability to keep people safe.

Covid 19: There is a risk that PSNI fails to adequately spread demand over all available resources during the Covid 19 pandemic that service delivery will be adversely impacted resulting in a loss of confidence from both staff and the public.

Future Funding (Beyond 2020-21): 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.

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. It could also have a detrimental impact on service delivery due to the repeated reallocation of resources to deal with emerging legacy issues.

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.

In Year Funding: There is a risk that, due to limited resources, PSNI will either be unable to contain costs within budget or be required to reduce services, impacting on delivery and public confidence.

Mandatory Training: There is a risk that because officers/staff do not receive in time, mandatory, effective and policy compliant training for their role that the organisation will not have sufficient occupationally competent officers/staff to meet policing demand and negatively impact public confidence in PSNI.

Records Management: If PSNI fails to securely store and manage, or is unable to search and retrieve, its valuable paper and electronic records it will be in breach of legislation which may lead to possible punitive sanctions by regulatory authorities and a detrimental impact on public confidence.

Terrorist Attack: There is a risk that if PSNI does not work effectively to prevent terrorist attacks then a greater number of attacks will occur resulting in serious injuries or fatalities and in the event of terrorist attack the PSNI will not be able to effectively respond in line with our legislative responsibilities and public expectations.

This reflects the most significant risks from the current Corporate Risk Register.

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 2019-20 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 Chief's Council policy and guidance on information assurance and the management of police information. The Home Office National Police Information Risk Management Team confirmed on 4 June 2019 that, following their review of PSNI's submission of a Governance and Information Risk Return (GIRR), "*the compliance requirements for National Policing connectivity have been met*" and therefore they granted approval for PSNI to continue to connect to national policing systems and both the Public Service Network in Policing (PSNP) Protected and Secured networks Community of Trust. The granting of this Certificate provides evidence that PSNI's infrastructure, as presented in the GIRR submission, is appropriately risk managed and does not present an unacceptable risk to the wider police community. We continue to comply with the Government Security Classification Policy (GSC) for marking information assets.

During 2019-20 PSNI's two critical technical infrastructures – Barracuda Radio Network and Atlas Corporate Data Communications Network – were both successfully accredited following 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.'

There are currently 88 PSNI operational information systems running on the corporate network infrastructure. 83 are accredited; a further 1 accreditation is in progress, and 4 are awaiting accreditation. There are 13 major ICT projects in development 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. 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, including consultation with Department of Justice and National Policing Records Management bodies, was completed and approved by the PSNI Senior Information Risk Owner (SIRO) on 3 October 2019. It is currently lodged with the Public Records Office (NI) for their on-going review. A very successful Records Management Conference, attended by 64 business stakeholders from all Districts and Departments in PSNI was held on 6 February 2020 to enhance the education and awareness of good records management principles across the Service.

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
- Meeting National Policing obligations

Assistant Chief Constable Operational Support Department fulfils the role of PSNI 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 approved the establishment of a new Information Governance Delivery Group (IGDG) which met for the first time on 18 October 2019.

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. Within 2019-20 PSNI received satisfactory assurance relating to data protection compliance from internal audit and introduced its first online data protection compliance survey across the organisation.

Up to the end March 2020 a total of 96 incidents and 10 complaints were processed. PSNI self-referred eleven incidents for consideration to the Information Commissioner’s Office (‘ICO’), a slight decrease from the sixteen notifiable incidents in last year’s statement. Additionally ten complaints in relation to PSNIs processing of personal data were received some via the Information Commissioners Office.

The Data Protection Officer is of the opinion that most incidents and their associated risks are being well managed internally now reducing the number of incidents that develop into high risk cases which would be required to be notified to the ICO. The complaints received are related to cases which occurred prior to additional data protection controls being put in place since May 2018 and increased awareness amongst data subjects of their rights within the new Data Protection Act 2018.

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

There were no significant control issues identified during 2019-2020 by Internal Audit.

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

Northern Ireland Audit Office

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. NIAO have raised no significant control issues as a result of this work but provided recommendations to working practices.

Ministerial Directions

No ministerial directions were received during the period.

Other Sources of Assurance

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

Her Majesty's Treasury

The Criminal Justice Inspectorate of Northern Ireland

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services

Investigatory Powers Commissioner's Office

Human Rights Commission

Any issues of control weaknesses, identified from reviews carried out by these independent bodies in 2019-20, have been considered and action taken with progress on actions outstanding monitored through the "Overview" system.

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 1 July 2019

Deputy Chief Constable Mark Hamilton was appointed by the Policing Board on the 10 February 2020.

Assistant Chief Constables

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

Alan Todd	26 April 2016
Barbara Gray	4 June 2020
Mark McEwan	4 June 2020

Other current appointments are on a temporary basis.

Police Staff Chief Officers

There are currently no substantively appointed Police Staff Chief Officers in post.

Unless otherwise stated, Police Staff 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.

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020

Salary and pension entitlement: (Audited Information)

Remuneration and pension information for the year ended 31 March 2020 is as follows:

	Salary 2019-20	Benefit in Kind 2019-20	Bonus 2019-20	* Pension Benefits 2019-20 ²	Single Total Figure of remuneration 2019-20
	£000's	to Nearest £1,000	£000's	to Nearest £1,000	£000's
Chief Constable Simon Byrne ² (Full Year Equivalent)	155-160 (210-215)	NIL	NIL	-	155-160
Chief Constable George Hamilton ² (Full Year Equivalent)	70-75 (240-245)	NIL	NIL	-	70-75
T/Deputy Chief Constable Stephen Martin (Full Year Equivalent)	160-165 (190-195)	NIL	NIL	260	420-425
Deputy Chief Constable ³ Mark Hamilton (Full Year Equivalent)	140-145 (185-190)	NIL	NIL	140	280-285
Assistant Chief Constable District Policing Alan Todd	130-135	NIL	NIL	63	195-200
Assistant Chief Constable Crime Operations Barbara Gray	130-135	NIL	NIL	73	205-210
Assistant Chief Constable Community Safety Mark McEwan	10-15 (160-165)	NIL	NIL	-	10-15
T/Assistant Chief Constable Operational Support Tim Mairs	110-115	NIL	NIL	47	160-165
T/Assistant Chief Constable Legacy & Justice George Clarke (Full Year Equivalent)	135-140 (140-145)	NIL	NIL	74	210-215
T/Director of Finance & Support Services and Human Resources Mark McNaughten	125-130	NIL	NIL	33	155-160
Non-Executive Member Gerald Crossan ⁴	10-15	NIL	NIL	-	10-15
Non-Executive Member Fiona Keenan ⁴	5-10	NIL	NIL	-	5-10
Non-Executive Member Ian Jordan ⁴	10-15	NIL	NIL	-	10-15
Non-Executive Member Stephen Hodkinson ⁴	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 65 and 66.
2. Members Pension Benefits are nil as they are not active scheme members.
3. Full year equivalent remuneration relates to DCC position.
4. 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

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020**

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

	Salary 2018-19 £000's	Benefit in Kind 2018-19 to Nearest £1,000	Bonus 2018-19 £000's	* Pension Benefits 2018-19 ² to Nearest £1,000	Single Total Figure of remuneration 2018-19 £000's
Chief Constable George Hamilton ²	225-230	NIL	NIL	-	225-230
Deputy Chief Constable Drew Harris ² (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

‘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)

2019-20	£000's	2018-19	£000's
Organisation Total		Organisation Total	
Remuneration of Highest Paid all Employees		Remuneration of Highest Paid all Employees	
Total Remuneration	240-245	Total Remuneration	225-230
Median Total Remuneration	44.80	Median Total Remuneration	45.27
Ratio	5.41	Ratio	5.03
Police		Police	
Remuneration of Highest Paid Police Officer		Remuneration of Highest Paid Police Officer	
Total Remuneration	240-245	Total Remuneration	225-230
Median Total Remuneration	48.34	Median Total Remuneration	48.59
Ratio	5.02	Ratio	4.68
Police Staff		Police Staff	
Remuneration of Highest Paid Director		Remuneration of Highest Paid Director	
Total Remuneration	125-130	Total Remuneration	120-125
Median Total Remuneration	26.33	Median Total Remuneration	24.54
Ratio	4.84	Ratio	4.99

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 2019-20 was £240,000-£245,000 (2018-19 was £225,000-£230,000). This was 5.41 times (2018-19, 5.03) the median remuneration of the workforce, which was £44,795 (2018-19 £45,270).

No employees in 2019-20 or 2018-19 received remuneration in excess of the highest paid Executive.

Remuneration ranged from £16,000 to £244,000 (2018-19 £16,000 to £228,000)

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 2018-19, this is mainly due to a decrease 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 2019-20 year.

	Male	Female
	£000s	£000s
Median	47.78	33.09
Mean	45.23	36.03

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

Quartile £000s	Male	Female
0-62	90.05%	97.52%
62-123	9.84%	2.45%
123-184	0.08%	0.03%
184-246	0.03%	0.00%

Pension Benefits (Audited Information)

Audited Information	Accrued pension at pension age as at 31 March 2020 and related lump sum £000's	Real increase in pension and related lump sum at 31 March 2020 ² £000's	CETV at 31 March 2020 £000's	CETV at 31 March 2019 ³ £000's	Real increase in CETV £000's
Simon Byrne	0	0	0	0	0
Stephen Martin ¹	110-115	12.5-15	2,820	2,473	329
Mark Hamilton	65-70	7.5-10	1,602	1,378	175
Alan Todd ¹	70-75	2.5-5	1,612	1,528	73
Barbara Gray ¹	75-80	2.5-5	1,841	1,729	93
George Clarke ¹	55-60	2.5-5	879	784	49
Tim Mairs ¹	30-35	2.5-5	386	336	21
Mark McNaughten	40-45 plus lump sum 95-100	0-2.5 plus lump sum 0-2.5	765	704	15

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 not active scheme members
3. Values restated due to change in accrual type

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

NORTHERN IRELAND CIVIL SERVICE (NICS) PENSION SCHEME

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 2019 was 1.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2020.

Employee contribution rates for all members for the period covering 1 April 2020 – 31 March 2021 are as follows:

Annualised Rate of Pensionable Earnings (Salary Bands)	1 April 20 to 31 March 21 contribution rate – All members
£0 - £23,999.99	4.6%
£24,000 - 55,499.99	5.45%
£55,500-£152,499.99	7.35%
£152,500 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 main 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 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2021.

For 2019-20, employers' contributions of £19,495,887 were payable to the PCSPS (NI) (2018-19: £13,661,456) at one of three rates in the range 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% per annum above CPI. The contribution rates are set to meet the costs 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.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer contributions are age-related and range from 8% to 14.75% (2018-19, 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £0, 0.5% (2018-19 £0, 0.5%) of pensionable pay , were payable to the NICS Pension Schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. There were no contributions due to the partnership pension providers at the reporting date. There were no contributions prepaid at that date.

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/civil-service-pensions-ni>.

18 individuals retired early on ill health grounds during 2019-20, the total additional accrued pension liabilities in the year amounted to £3,510 (£39,418, 2018-19).

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 2020, employers' contributions of £15,845,559 have been paid at the rate of 35.0% of pensionable pay. For 2018-19, employers' contributions of £14,620,666 were paid to the PSNI PPS. In addition employers' contributions totalling £6,162,530 have been paid for the year to 31 March 2020 in respect of ill-health retirements (2018-19 £4,260,534). 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 2020, employers' contributions of £817,164 have been paid at the rate of 35.0% of pensionable pay. For 2018-19, employers' contributions of £691,765 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 scheme if they do not have pension protection.

For the period to 31 March 2020, employer's contributions of £70,431,928 have been paid at the rate of 35.0% of pensionable pay. For 2018-19, employers' contributions of £45,209,548 were paid to the PSNI 2015 Pension Scheme. In addition employers' contributions totalling £1,585,584 have been paid for the year to 31 March 2020 in respect of ill-health retirements (2018-19 £897,084)

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 staff, protection of pension rights were given to some existing members of staff. For police officers and police staff within 10 years of retirement they received full protection which meant they remained in their existing pension scheme. Some police officers and police 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 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.

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 reduction to 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.

EMPLOYER PENSION COSTS

Pension costs for employer contributions noted above are stated as the actual cash payments made in 2019-20 (total £114,338,652 including ill health contributions).

Employer pension costs disclosed on page 77 of £114,678k 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.

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020**

Compensation for loss of Office (Audited Information)

No payments for loss of office were made during 2019-20.

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:

	2019-20	2019-20	2019-20	2018-19
	£000's	£000's	£000's	£000's
	Permanently Employed Staff	Others	Staff Costs Total	Staff Costs Total
Wages & salaries	404,375	7,401	411,776	400,810
Social security costs	45,361	-	45,361	44,627
Pension Costs	114,678	-	114,678	79,060
Total Staff Costs	<u>564,414</u>	<u>7,401</u>	<u>571,815</u>	<u>524,497</u>
Less recoveries in respect of outward secondments	(741)	-	(741)	(630)
Total net costs	<u>563,673</u>	<u>7,401</u>	<u>571,074</u>	<u>523,867</u>

Average numbers of people employed:

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

	2019-20	2019-20	2019-20	2018-19
	Permanent Staff	Others	Total	Total
Directly Employed	9,360	-	9,360	9,136
Other	9	91	100	87
Total	<u>9,369</u>	<u>91</u>	<u>9,460</u>	<u>9,223</u>

**Reporting of Compensation and Exit Packages for all Staff 2019-20
(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:

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. There were no costs incurred in 2019-20 by PSNI.

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 pages 73 and 74.

**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 73 and 74.

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 2020-21.

A breakdown of PSNI employees as at 31 March 2020 by Gender is shown below;

	Gender Breakdown as at 31 March 2020	
	Female	Male
Senior Executive Team	1	5
Senior Managers	4	17
PSNI Officers/Staff	3,485	5,869
Total	3,490	5,891

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 effective 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.

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.

Sickness absence data

The reported average number of working days lost due to sickness for 2019-20 are shown below. The figures show an overall decrease 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 2019-20	Average Working Days Lost 2018-19
Police Officers	12.65	13.93
Police Staff	9.88	10.98

Off Payroll Engagements

Table 1: For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last for longer than six months

No. of existing engagements as of 31 March 2020	4
Of which...	
No. that have existed for less than one year at time of reporting.	3
No. that have existed for between one and two years at time of reporting.	1
No. that have existed for between two and three years at time of reporting.	-
No. that have existed for between three and four years at time of reporting.	-
No. that have existed for four or more years at time of reporting.	-

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months

No. of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	3
Of which...	
No. assessed as caught by IR35	3
No. assessed as not caught by IR35	-
No. engaged directly (via PSC contracted to department) and are on the payroll	
No. of engagements reassessed for consistency / assurance purposes during the year.	-
No. of engagements that saw a change to IR35 status following the consistency review.	-

Consultancy

PSNI incurred no expenditure on consultancy during 2019-20 (Nil 2018-19).

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

LOSSES AND SPECIAL PAYMENTS (AUDITED INFORMATION)

Type of cases	Description	2019-20	£000	2018-19	£000
		No of Cases		No of Cases	
Losses		1	-	4	8
Overpayments		-	-	-	-
Stores		189	59	437	245
Claims waived or Abandoned		397	304	79	14
Special Payments	Compensation	541	2,719	1,119	3,857
Ex Gratia Payments		1	2	-	-
Fruitless Payments & Constructive Losses		<u>557</u>	<u>72</u>	<u>119</u>	<u>32</u>
Total		<u>1,686</u>	<u>3,156</u>	<u>1,758</u>	<u>4,156</u>

During 2019-20 Special Payments (compensation) were made in relation to 541 cases. The total amount paid in these cases was £2,719k.

REMOTE CONTINGENT LIABILITIES (AUDITED INFORMATION)

PSNI has no remote contingent liabilities to note.



Simon Byrne
Chief Constable
Police Service of Northern Ireland
29 October 2020

**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 for the year ended 31 March 2020 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 the Police Service of Northern Ireland's affairs as at 31 March 2020 and of the Police Service of Northern Ireland's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Police (Northern Ireland) Act 2000 as amended by the Police (Northern Ireland) Act 2003 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 and Department of Justice directions issued thereunder.

Emphasis of Matter

I draw attention to Note 1.3 of the financial statements, which describes the material valuation uncertainties for Land and Buildings due to the consequences of the COVID-19 pandemic. My opinion is not modified in respect of the matter.

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.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Police Service of Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Police Service of Northern Ireland has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Police Service of Northern Ireland's ability to continue to adopt the going concern basis.

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 the 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 Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Matters on which I report by exception

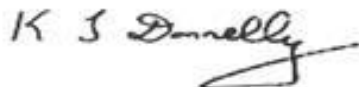
I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- 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

My report on Injury on duty schemes for officers in the Police Service of Northern Ireland (PSNI) and the Northern Ireland Prison Service (NIPS) was published on 10 March 2020. It highlighted that costs in both schemes had increased significantly over the last five years. During my audit of the 2019-20 financial statements of both PSNI and NIPS I queried the assumptions underlying the provision for injury on duty awards. I found that the assumptions were based on figures up to and including 2015 that had been averaged across other UK police forces.

As a result, further work was undertaken by the Police Service of Northern Ireland and the Government Actuary's Department leading to a specific injury rate being calculated for both police and prison officers in Northern Ireland, based on up to date information at 31 March 2020. This resulted in the provision for injury on duty awards within the accounts increasing from £512.2 million per the draft accounts to £612.9 million in the final 2019-20 accounts. Adjustments have also been made to the balances of these provisions at 31 March 2019 and 1 April 2018 using information that would have been available at that time. Further detail on this is provided in note 1.27. My audit opinion is not modified in respect of this matter.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
30 October 2020

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2020**

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	Note	2019-20 £000	*restated 2018-19 £000
Income:			
Revenue from contracts with customers	3	(3,133)	(3,082)
Other operating Income	3	<u>(10,913)</u>	<u>(8,231)</u>
Total Operating Income		<u>(14,046)</u>	<u>(11,313)</u>
Expenditure:			
Staff Costs	4	571,074	523,867
Depreciation, impairment charges and write offs	4	42,699	37,904
Provision Expense	4	59,888	80,083
Other Operating Expenses	4	<u>150,514</u>	<u>143,166</u>
Total operating expenditure		824,175	785,020
Net operating expenditure for the Year		<u>810,129</u>	<u>773,707</u>
Corporation Tax		<u>58</u>	<u>87</u>
Net expenditure for the Year		<u>810,187</u>	<u>773,794</u>
Other Comprehensive Net Expenditure			
Net Gain on Revaluation of Property, Plant & Equipment	5	(18,327)	(35,004)
Net Gain on Revaluation of Intangibles	6	(14)	(17)
Actuarial Loss/(Gain)	12	<u>52,240</u>	<u>(45,770)</u>
Comprehensive net expenditure for the year		<u>844,086</u>	<u>693,003</u>

*

See note 1.27 for details regarding the restatement.

The notes on pages 90 to 125 form part of this account

POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

This statement presents the financial position of the PSNI. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

		2020	*Restated 2019	*Restated 1 April 2018
		£000	£000	£000
	Note			
Non-current assets:				
Property, plant & equipment	5	685,345	659,283	616,223
Intangible assets	6	3,033	3,416	5,703
Trade and other receivables	9	1,618	-	-
Total non-current assets		<u>689,996</u>	<u>662,699</u>	<u>621,926</u>
Current assets:				
Assets classified as held for sale	7	3,320	4,130	3,790
Inventories	8	6,486	5,853	4,782
Trade and other receivables	9	26,309	29,449	28,185
Cash and cash equivalents	10	6,752	669	4,687
Total current assets		<u>42,867</u>	<u>40,101</u>	<u>41,444</u>
Total assets		<u>732,863</u>	<u>702,800</u>	<u>663,370</u>
Current liabilities:				
Trade and other payables	11	(82,529)	(77,856)	(90,596)
Provisions	12	(51,872)	(46,175)	(39,560)
Total current liabilities		<u>(134,401)</u>	<u>(124,031)</u>	<u>(130,156)</u>
Total assets less current liabilities		<u>598,462</u>	<u>578,769</u>	<u>533,214</u>
Non-current liabilities:				
Provisions	12	(652,328)	(583,223)	(595,459)
Total non-current liabilities		<u>(652,328)</u>	<u>(583,223)</u>	<u>(595,459)</u>
Total assets less total liabilities		<u>(53,866)</u>	<u>(4,454)</u>	<u>(62,245)</u>
Taxpayers' equity and other reserves:				
Revaluation Reserve		250,630	233,078	198,368
General Reserve		(304,496)	(237,532)	(260,613)
Total Equity		<u>(53,866)</u>	<u>(4,454)</u>	<u>(62,245)</u>

*See note 1.27 for details regarding the restatement.

The notes on pages 90 to 125 form part of this account

The financial statements on pages 86 to 125 were approved by the PSNI on 29 October 2020 and were signed on its behalf by:



Simon Byrne
Chief Constable
Police Service of Northern Ireland
29 October 2020

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

The Statement of Cash Flows shows the changes in cash and cash equivalents of the PSNI during the reporting period. The statement shows how the PSNI generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the PSNI. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the PSNI's future public service delivery

	Note	2019-20 £000	*Restated 2018-19 £000
Cash flows from operating activities:			
Net Expenditure		(810,187)	(773,794)
Adjustments for non-cash transactions	4	102,587	117,987
Decrease/(Increase) in trade and other receivables	9	1,522	(1,264)
Increase/(Decrease) in trade and other payables	11	4,826	(12,995)
(Increase) in Inventories	8	(633)	(1,071)
Use of Provisions	12	(37,326)	(39,934)
Movement relating to Capital Payables		<u>(3,302)</u>	<u>5,704</u>
Net cash outflow from operating activities		(742,513)	(705,367)
Cash flows from investing activities:			
Purchase of property, plant & equipment	5	(47,129)	(50,934)
Purchase of intangible assets	6	(9)	(60)
Proceeds on Assets Held for resale	7	700	1,192
Proceeds of disposal of plant, property & equipment		<u>512</u>	<u>104</u>
Net cash outflow from investing activities		(45,926)	(49,698)
Cash flows from financing activities:			
Grant from Sponsoring department		<u>794,674</u>	<u>750,794</u>
Net financing		794,674	750,794
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		6,235	(4,271)
Receipts due to the Consolidated Fund which are outside the scope of the PSNI's activities		351	503
Payments of amounts due to the Consolidated Fund		(503)	(250)
Net increase/(decrease in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		6,083	(4,018)
Cash and cash equivalents at the beginning of the period		669	4,687
Cash and cash equivalents at the end of period		6,752	669

*See note 1.27 for details regarding the restatement.
The notes on pages 90 to 125 form part of this account

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

This statement shows the movement in the year on the different reserves held the PSNI, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of an Agency, to the extent that the total is not represented by other reserves and financing items.

	General Reserve	Revaluation Reserve	Taxpayer's Equity
	£000	£000	£000
*Restated			
Balance at 31 March 2018	<u>(260,613)</u>	<u>198,368</u>	<u>(62,245)</u>
Transfers between reserves	311	(311)	-
Actuarial Gain	45,770	-	45,770
Net expenditure for the year	(773,794)	-	(773,794)
Revaluation Gain	=	35,021	35,021
Grant from Sponsoring Entity	<u>750,794</u>	<u>-</u>	<u>750,794</u>
Balance at 31 March 2019	<u>(237,532)</u>	<u>233,078</u>	<u>(4,454)</u>
Transfers between reserves	789	(789)	-
Actuarial Loss	(52,240)	-	(52,240)
Net expenditure for the year	(810,187)	-	(810,187)
Revaluation Gain	=	18,341	18,341
Grant from Sponsoring Entity	<u>794,674</u>	<u>-</u>	<u>794,674</u>
Balance at 31 March 2020	<u>(304,496)</u>	<u>250,630</u>	<u>(53,866)</u>

*See note 1.27 for details regarding the restatement.

The notes on pages 90 to 125 form part of this account.

NOTES TO THE ACCOUNTS FOR YEAR ENDED 31 MARCH 2020

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the 2019-20 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 classed 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 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).

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11th March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors and LPS considers that it can attach less weight to previous market evidence for comparison purposes, to inform opinions

of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement. The valuations provided by LPS are on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Global Standards. Consequently, less certainty – and a higher degree of caution – should be attached to them than would normally be the case.

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 (2019) 11. 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

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. 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 2019-20.

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 - assumptions:

Provision is made for the costs of providing injury awards to Police Officers based on the current number of injury awards, estimated future rates of 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 2019-20 year. Note 20 provides details of the performance of this fund for the 2019-20 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 2019-20 financial year.

1.24 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2020

PSNI has reviewed the standards, interpretations and amendments to published standards that became effective during 2019-20 and which are relevant to its operations.

No changes are material to PSNI accounts.

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 2020 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	EU 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	The application of IFRS 16 for the public sector has been postponed owing to the current pandemic and will be implemented in April 2021

The transition into IFRS 16 will necessitate a review of existing and future contracts to identify lease and non-lease (i.e. service) elements. PSNI have completed a review of current lease agreements to manage the transition to IFRS 16. PSNI continue to assess live contracts to assess whether sufficient information exists to enable the assessment under IFRS 16 criteria.

The scope of the change includes, but is not limited to PSNI future lease commitments that are currently presented under IAS 17 in note 14.

1.27 Prior Period Adjustment

A prior year adjustment has been processed relating to a change in the incidence assumptions for the Injury Award provisions. In our previous 2018-19 and 2017-18 disclosures, the incidence of future injury award assumptions were based on an analysis of the experience from a broad sample of UK Police Forces over the period 2006 to 2015. The liability was set as equal to one percent of the accrued liabilities of the active members in respect of non-injury PSNI benefits. The current service cost was set as equal to two percent of the current service cost in respect of main Northern Ireland Police Service benefits.

The PSNI injury award experience for the years 2015 to 2020 when aggregated with the PSNI injury award data for 2006 to 2015, shows an increase in the incidence of injury awards when considering the longer period and looking at PSNI data in isolation.

Updated assumptions have been adopted for the years 2017-18, 2018-19 and 2019-20, and the figures amended by restating each of the affected financial statement line items for prior periods. The following tables summarise the impacts on PSNI's financial statements. Further information is shown in notes 4 and 12.

Statement of Financial Position (Extract)

1 April 2018

	As Reported	Adjustments	Restated
Current liabilities			
Provisions	(39,560)	-	(39,560)
Current liabilities	(39,560)	-	(39,560)
Non-current liabilities:			
Provisions	(507,259)	(88,200)	(595,459)
Total non-current liabilities	(507,259)	(88,200)	(595,459)
Total assets less total liabilities	25,955	(88,200)	(62,245)
Taxpayers' equity and other reserves:			
Revaluation Reserve	198,368	-	198,368
General Reserve	(172,413)	(88,200)	(260,613)
Total Equity	25,955	(88,200)	(62,245)

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Statement of Financial Position (Extract)

31 March 2019

	As Reported	Adjustments	Restated
Current liabilities			
Provisions	<u>(46,175)</u>	-	<u>(46,175)</u>
Current liabilities	<u>(46,175)</u>	-	<u>(46,175)</u>
 Non-current liabilities			
Provisions	<u>(505,073)</u>	<u>(78,150)</u>	<u>(583,223)</u>
Total non-current liabilities	<u>(505,073)</u>	<u>(78,150)</u>	<u>(583,223)</u>
 Total assets less total liabilities	<u>73,696</u>	<u>(78,150)</u>	<u>(4,454)</u>
Taxpayers' equity and other reserves:			
Revaluation Reserve	233,078	-	233,078
General Reserve	<u>(159,382)</u>	<u>(78,150)</u>	<u>(237,532)</u>
Total Equity	<u>73,696</u>	<u>(78,150)</u>	<u>(4,454)</u>

Statement of Comprehensive Expenditure (Extract)

2018-19

	As Reported	Adjustments	Restated
Expenditure:			
Staff Costs	523,867	-	523,867
Depreciation, impairment charges and write offs	37,904	-	37,904
Provision Expense	67,613	12,470	80,083
Other Operating Expenses	<u>143,166</u>	-	<u>143,166</u>
Total operating expenditure	761,237	12,470	785,020
 Net operating expenditure for the Year	<u>773,707</u>	<u>12,470</u>	<u>773,707</u>
Corporation Tax	87	=	87
Net expenditure for the Year	<u>761,324</u>	<u>12,470</u>	<u>773,794</u>
 Other Comprehensive Net Expenditure			
Net Gain on Revaluation of Property, Plant & Equipment	(35,004)	-	(35,004)
Net Gain on Revaluation of Intangibles	(17)	=	(17)
Actuarial Loss/(Gain)	<u>(23,250)</u>	<u>(22,520)</u>	<u>(45,770)</u>
Comprehensive net expenditure for the year	<u>703,053</u>	<u>(10,050)</u>	<u>693,003</u>

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2. STATEMENT OF OPERATING COSTS BY SEGMENT FOR THE YEAR ENDED 31 MARCH 2020

Operating Segments 2019-20:	District Policing	Other Frontline Policing	Infrastructure Support Costs	Other Costs	Total
	£000's	£000's	£000's	£000's	£000's
Gross expenditure	264,588	244,018	212,981	102,646	824,233
Income	<u>(769)</u>	<u>(6,467)</u>	<u>(6,810)</u>	<u>(-)</u>	<u>(14,046)</u>
Net Expenditure	<u>263,819</u>	<u>237,551</u>	<u>206,171</u>	<u>102,646</u>	<u>810,187</u>

Operating Segments 2018-19:(restated)	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	118,076	785,107
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>118,076</u>	<u>773,794</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

	2019-20	2018-19
	£000	£000
Fees for firearms certificates & permits	1,223	1,094
Fees for accident reports	300	362
Communication Network Service Charge	<u>1,610</u>	<u>1,626</u>
Revenue from contracts with customers	<u>3,133</u>	<u>3,082</u>
Refunds & Contributions	6,068	4,110
NI Road Safety Partnership	2,001	1,549
Asset recovery/HQ Incentivisation scheme	952	661
EU Income	308	302
Partner ICT Services	470	470
Bad Debt	(69)	-
Other	<u>1,183</u>	<u>1,139</u>
Other Operating Income	<u>10,913</u>	<u>8,231</u>
Total Income	<u>14,046</u>	<u>11,313</u>

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4. EXPENDITURE	2019-20	restated
	£000	2018-19
		£000
Wages and Salaries	411,035	407,277
Social Security Costs	45,361	42,688
Other Pension Costs	<u>114,678</u>	<u>73,902</u>
A breakdown of the above costs into permanent staff and others can be found in the Remuneration and Staff Report on page 77.	571,074	523,867
Other Expenditure	34,347	31,305
Contracted Out	15,065	14,360
Forensics services	9,650	9,303
Accommodation services	37,316	35,754
IT & communications	34,339	32,192
Transport	12,063	12,539
Travel, subsistence & relocation	5,878	5,922
Charges for operating leases: property	1,633	1,594
Charges for operating leases: photocopiers	19	12
Hospitality	107	99
Audit fees	<u>97</u>	<u>86</u>
	150,514	143,166
Non cash items:		
Capital Grant of Land	-	-
Depreciation & Amortisation	39,437	34,503
Impairment	3,184	3,362
Loss/(Profit) on Disposal of Non Current Assets	<u>78</u>	<u>39</u>
	42,699	37,904
Cost of Borrowing on provisions	15,746	14,983
Increase in Provision	46,051	66,325
Provision not utilised	<u>(1,909)</u>	<u>(1,225)</u>
	59,888	80,083
Total	<u>824,175</u>	<u>785,020</u>

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5. PROPERTY, PLANT AND EQUIPMENT

2019-2020	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 2019	56,065	665,593	145,242	14,574	145,151	65,702	1,092,327
Additions	135	1,290	1,030	42	2,517	45,418	50,432
Disposals	-	-	(24,797)	(119)	(2,809)	-	(27,725)
Assets Held for Sale	(40)	-	-	-	-	-	(40)
Reclassifications	-	9,543	15,817	1,677	15,667	(43,423)	(719)
Revaluation	-	11,946	-	-	-	-	11,946
Indexation	285	23,000	1,148	341	1,062	-	25,836
Impairments to SoCNE	(223)	(2,827)	-	-	(24)	-	(3,074)
Write off from AICC to SoCNE	-	-	-	-	-	(113)	(113)
At 31 March 2020	<u>56,222</u>	<u>708,545</u>	<u>138,440</u>	<u>16,515</u>	<u>161,564</u>	<u>67,584</u>	<u>1,148,870</u>
Depreciation:							
At 1 April 2019	-	237,331	112,334	11,616	71,763	-	433,044
Charged in Year	-	17,005	10,201	976	10,174	-	38,356
Disposals	-	-	(24,698)	(105)	(2,525)	-	(27,328)
Assets Held for Sale	-	-	-	-	-	-	-
Revaluation	-	11,946	-	-	-	-	11,946
Indexation	-	5,965	838	282	425	-	7,510
Impairments to SoCNE	-	-	-	-	(3)	-	(3)
At 31 March 2020	<u>-</u>	<u>272,247</u>	<u>98,675</u>	<u>12,769</u>	<u>79,834</u>	<u>-</u>	<u>463,525</u>
Carrying amount							
At 31 March 2020	<u>56,222</u>	<u>436,298</u>	<u>39,765</u>	<u>3,746</u>	<u>81,730</u>	<u>67,584</u>	<u>685,345</u>
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>
Asset Financing:							
Owned	<u>56,222</u>	<u>436,298</u>	<u>39,765</u>	<u>3,746</u>	<u>81,730</u>	<u>67,584</u>	<u>685,345</u>
Carrying Amount At 31 March 2020	<u>56,222</u>	<u>436,298</u>	<u>39,765</u>	<u>3,746</u>	<u>81,730</u>	<u>67,584</u>	<u>685,345</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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6. INTANGIBLE ASSETS:

	£000
Cost or valuation:	
At 1 April 2019	14,298
Additions	9
Disposals	(3,820)
Revaluation	-
Indexation	68
Impairments to SoCNE	-
Reclassifications	<u>719</u>
at 31 March 2020	<u>11,274</u>
Amortisation:	
At 1 April 2019	10,882
Charged in year	1,081
Disposals	(3,777)
Revaluation	-
Indexation	55
Impairments to SoCNE	-
Write Backs	<u>-</u>
at 31 March 2020	<u>8,241</u>
Carrying amount as at 31 March 2020	<u>3,033</u>

	£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>

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 2019-20 £000s	Land & Buildings 2018-19 £000s
Opening Balance 1 April	4,130	3,790
Transferred from land & buildings	40	1,560
Disposals	(850)	(1,220)
Impairment	—	—
Closing Balance 31 March	3,320	4,130

Disposal proceeds of £700k were received in 2019-20 (£1192k 2018-19) in respect of assets disposed. A loss of £150k (£28k loss 2018-19) 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 2019	£000s		
Ballyclare	460		
Cushendall	70	Moira	850
Desertcreat	2,000	Portadown	120
Donegall Pass	450	York Road	180
Total		Total	4,130

Year Ended 31 March 2020	£000s		
Ballyclare	460		
Cushendall	70	Slieve Croob	40
Desertcreat	2,000	Portadown	120
Donegall Pass	450	York Road	180
Total		Total	3,320

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	2019-20	2018-19
	£000	£000
8. INVENTORIES		
General stores	3,279	3,021
Transport Services stores	1,888	1,205
Heating oil	424	537
Petrol and diesel	<u>895</u>	<u>1,090</u>
Total	<u>6,486</u>	<u>5,853</u>

	2019-20	2018-19
	£000	£000
9. TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS:		
Amounts falling due within one year		
Prepayments and accrued income	7,846	6,692
Trade receivables	1,277	1,309
Contributions due from the Pensions Scheme	10,940	13,912
HMRC VAT Receivable	5,527	6,949
Other receivables	<u>719</u>	<u>587</u>
Total	<u>26,309</u>	<u>29,449</u>

Amounts falling due after more than one year:

Prepayments	<u>1,618</u>	-
Total	<u>1,618</u>	<u>-</u>

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10. CASH AND CASH EQUIVALENTS	Note	2019-20	2018-19
		£000	£000
Balance at 1 April		669	4,687
Net change in cash & cash equivalent balances		<u>6,083</u>	<u>(4,018)</u>
Balance at 31 March		<u>6,752</u>	<u>669</u>

All cash held in commercial bank accounts.

11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES		2019-20	2018-19
		£000	£000
Amounts falling due within one year			
Trade payables		2,014	4,900
Trade accruals and Deferred Income		41,893	36,216
Taxation & social security		12,079	11,171
Employee Benefit Accrual		10,648	9,304
Monies owed to the PSNI Pension Scheme		5,450	3,542
Payroll accrual		7,958	9,890
NI Consolidated Fund Extra Receipts	19	351	503
Other payables		<u>2,136</u>	<u>2,330</u>
Total		<u>82,529</u>	<u>77,856</u>

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12a. PROVISIONS FOR LIABILITIES AND CHARGES:

	Holiday Pay £000's	Compensation £000's	*Injury Awards £000's	Decommissioning Costs £000's	Misc £000's	Total £000's
At 1 April 2019	31,338	30,990	566,564	423	83	629,398
Provided in the year	30,530	3,501	11,970	45	5	46,051
Provision not required written back		(1,874)	-	(35)	-	(1,909)
Utilised in the Year		(3,226)	(33,999)	(78)	(23)	(37,326)
Actuarial Loss		-	52,240	-	-	52,240
Borrowing Costs		<u>(364)</u>	<u>16,110</u>	<u>-</u>	<u>0</u>	<u>15,746</u>
At 31 March 2020	<u>61,868</u>	<u>29,027</u>	<u>612,885</u>	<u>355</u>	<u>65</u>	<u>704,200</u>

*Balances as at 1 April 2019 were restated owing to updated assumptions. Details can be found in note 1.27.

	Holiday Pay	Compensation	Restated Injury Awards	Decommissioning Costs	Misc	Total
	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2018		19,674	614,509	610	226	635,019
Provided in the year	31,338	18,675	16,280	17	15	66,325
Provision not required written back		(1,155)	-	(70)	-	(1,225)
Utilised in the Year		(5,744)	(33,905)	(134)	(151)	(39,934)
Actuarial Gain		-	(45,770)	-	-	(45,770)
Borrowing Costs		<u>(460)</u>	<u>15,450</u>	<u>-</u>	<u>(7)</u>	<u>14,983</u>
At 31 March 2019	<u>31,338</u>	<u>30,990</u>	<u>566,564</u>	<u>423</u>	<u>83</u>	<u>629,398</u>

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

12b. ANALYSIS OF EXPECTED TIMING OF DISCOUNTED FLOWS:

	31 March 2020					
2019-20	Holiday Pay £000's	Compensation £000's	Injury Awards £000's	Decommissioning Costs £000's	Misc £000's	Total £000's
Not Later than one year		12,452	39,000	355	65	51,872
Later than one year and not later than 5 years	61,868	16,138	162,065	-	-	240,071
Later than 5 years		<u>437</u>	<u>411,820</u>	<u>-</u>	<u>-</u>	<u>412,257</u>
At 31 March 2020	<u>61,868</u>	<u>89,164</u>	<u>612,885</u>	<u>355</u>	<u>65</u>	<u>704,200</u>

	31 March 20					
2018-19	Holiday Pay £000's	Compensation £000's	Restated Injury Awards £000's	Decommissioning Costs £000's	Misc £000's	Total £000's
Not Later than one year		14,063	31,619	423	70	46,175
Later than one year and not later than 5 years	31,338	16,466	132,729	-	13	180,546
Later than 5 years		<u>461</u>	<u>402,216</u>	<u>-</u>	<u>-</u>	<u>402,677</u>
At 31 March 2019	<u>31,338</u>	<u>30,990</u>	<u>566,564</u>	<u>423</u>	<u>83</u>	<u>629,398</u>

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 been given leave to appeal to the supreme court, and is awaiting a date for hearing.

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 2019	10,489	233	17,013	1,506	1,749	30,990
Utilised in the Year	(873)	(22)	(672)	(738)	(921)	(3,226)
Provision not required written back	-	(4)	(1,870)	-	-	(1,874)
Cost of Borrowing	(125)	(3)	(197)	(18)	(21)	(364)
Provided in the year	<u>869</u>	<u>17</u>	<u>902</u>	<u>869</u>	<u>844</u>	<u>3,501</u>
At 31 March 2020	<u>10,360</u>	<u>221</u>	<u>15,176</u>	<u>1,619</u>	<u>1,651</u>	<u>29,027</u>

At 31 March 2020, there were 2,831 'live' injury or wrongful acts claims and 627 'live' damage to property claims. Associated legal fees are also provided for.

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 has been discounted and uplifted for inflation at the HM Treasury combined rates as set out in PES (2019)11.

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 2020, 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 2020 £000's	Restated Value at 31 March 2019 £000's	Restated Value at 1 April 2018 £000's
Liability in respect of			
Active Members	142,100	109,410	123,480
Pensions in payment (injury awards)	<u>470,785</u>	<u>457,154</u>	<u>491,029</u>
Total liability	612,885	566,564	614,509

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 1.8% pa
- A rate of long-term inflation and pensions increases of 2.35% pa

In our previous 2018/19 and 2017/18 disclosures, the incidence of future injury awards assumptions were based on an analysis of the experience from a broad sample of UK police forces over the period 2006 to 2015. The liability was set as equal to one percent of the accrued liabilities of the active members in respect of non-injury PSNI benefits. The current service cost was set as equal to two percent of the current service cost in respect of main Northern Ireland Police Service benefits.

The PSNI injury award experience for the years 2015 to 2020 when aggregated with the PSNI injury award data for 2006 to 2015, shows an increase in the incidence of injury awards when considering the longer period and looking at PSNI data in isolation. Updated assumptions have been adopted for the years 2017/18, 2018/19 and 2019/20. The injury award active liability is set as equal to 3.5% of the accrued liabilities of the active members in respect of non-injury PSNI benefits. The current service cost is set as equal to 6% of the current service cost in respect of main PSNI benefits. The change to the incidence of future injury award assumption has increased the overall liability. Details of the impact of this adjustment can be seen in note 1.27.

Expectation of life in years

At 31 March	2020	2019	2018	2017	2016
Males (45 year old future pensioner at age 65)	23.6	24.6	24.5	25.2	25.1
Females (45 year old future pensioner at age 65)	25.2	26.2	26.1	27.3	27.2

The breakdown of the actuarial movement is set out below.

	Value at	Restated
	31 March 2020	Value at
History of Experience gains and losses	£000	31 March 2019
	£000	£000
Experience Gains on the scheme liabilities	30	28,010
Percentage of the liability at the end of year	0.04%	4.94%
Total actuarial Gain	-52,240	45,770
Percentage of the liability at the end of year	-8.52%	8.06%

Covid-19 implications

PSNI is aware that the GAD analysis may be affected by risks arising from the impact of the COVID-19 pandemic. At this stage, the full impact of the COVID-19 pandemic is not known and will remain uncertain until further evidence is available. No adjustments have been applied to the analysis to reflect these risks but discussion around the possible impact of the COVID-19 pandemic is set out below.

The assumptions for the discount rate and pension increases are specified by HM Treasury in the PES (2019) 11 Revised, dated 6 December 2019, and remain unchanged for these accounts. The PES assumptions reflect market conditions at the previous 30 November and are typically not amended for any changes between November and the accounting date.

The long-term salary assumption is intended to be an average over the future careers of scheme members, with a recognition that increases in any particular year may be lower or higher than the assumption. The increase in the amount of Government debt being taken on to pay for its response to the COVID-19 pandemic is likely to affect salary growth. However, at this stage, it is too early to speculate on the potential impacts for the long-term salary growth. Therefore, GAD do not believe there is any information to justify changing the salary assumption.

The current population mortality projections make no specific allowance for the impact of COVID-19 or any other pandemics. The starting rates of mortality improvement are based on projections of past trends in UK mortality and the effects of past pandemics will already be reflected in these trends. In general, the effects of pandemics on mortality rates are usually expected to be short term, with rates going back to what they would have been before the pandemic after a year or two, unless the pandemic remains over several years. GAD's view is that it is too early in the pandemic to determine whether COVID-19 changes the long-term view of life expectancy in the UK. It is therefore not unreasonable to retain the existing mortality assumptions. A death rate from COVID-19 in excess of that already allowed for in the mortality assumptions would emerge as an experience gain over the next year's accounts.

Decommissioning Costs

Provision is made for the removal of security items and decommissioning 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 2019	49	34	83
Utilised in the Year	-	(23)	(23)
Provision not required written back	-	-	-
Cost of Borrowing	-	(-)	(-)
Provided in the year	-	<u>5</u>	<u>5</u>
At 31 March 2020	<u>49</u>	<u>16</u>	<u>65</u>

13. CAPITAL COMMITMENTS

Contracted capital commitments at 31 March 2020 not otherwise included in these financial statements.

	2019-20	2018-19
	£000	£000
Property Plant & Equipment	36,167	21,333
Intangible Assets	<u>-</u>	<u>843</u>
Total	<u>36,167</u>	<u>22,176</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.

	2019-20	2018-19
	£000	£000
Land:		
Not later than one year	115	127
Later than one year and not later than five	400	218
Later than five years	<u>703</u>	<u>216</u>
Total	<u>1,218</u>	<u>561</u>
Buildings:		
Not later than one year	330	212
Later than one year and not later than five	897	401
Later than five years	<u>253</u>	<u>238</u>
Total	<u>1,480</u>	<u>851</u>
Printers:		
Not later than one year	15	17
Later than one year and not later than five	<u>16</u>	<u>24</u>
Total	<u>31</u>	<u>41</u>

15. COMMITMENTS UNDER PRIVATE FINANCING INITIATIVES (PFI) CONTRACTS

The PSNI has no commitments to report under PFI contracts for the financial year 2019-20.

16. OTHER FINANCIAL COMMITMENTS

The PSNI has no other material financial commitments to report for financial year 2019-20. 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 2020. 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 2020 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 been given leave to appeal the case to the supreme court. 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 2019-20 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.

Legacy Litigation Cases

The PSNI is named as defendant in almost 1,000 litigation claims relating to legacy incidents. In this context legacy incidents are defined as those associated with sectarian conflict in Northern Ireland occurring between 1969 until approximately 2010.

Several legacy cases are at a sufficiently advanced stage where negotiations for early settlement have commenced with the plaintiffs, or where a reasonable estimate of liability can be made based on previous settlements. For these cases an amount has been included in the compensation provision (note 12). However, for the vast majority of cases litigation is still at a very early stage and no reliable estimate of liability or value can be made. PSNI Legal Services have made initial estimates that average compensation and legal fees combined could be in the region of £5m per year for the next 10 years.

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 2019 £000	Income received £000	Amounts paid over to the NI Consolidated Fund £000	31 March 2020 £000
Amounts held relating to Fine Income	-	36	-	-
Amounts held relating to Fee & Other income	<u>503</u>	<u>315</u>	<u>(503)</u>	<u>351</u>
Amounts held with regards NIRSP	503	351	(503)	351
Other income	-	-	-	-
Total	<u>503</u>	<u>351</u>	<u>(503)</u>	<u>351</u>

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20. POLICE FUND

**STATEMENT OF COMPREHENSIVE NET INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	2019-20	2018-19
	£000	£000
EXPENDITURE		
Other Expenditure	4.2	7.5
INCOME		
Income from Activities	(0.5)	(0.3)
Other Income	<u>(3.7)</u>	<u>(6.0)</u>
	<u>(4.2)</u>	<u>(6.3)</u>
NET EXPENDITURE	-	<u>1.2</u>

STATEMENT OF FINANCIAL POSITION 31 MARCH 2020

	2019-20	2018-19
	£000	£000
NON-CURRENT ASSETS		
Financial Assets	85.0	85.0
CURRENT ASSETS		
Trade and Other Receivables	58.2	58.7
Cash and Cash Equivalents	<u>38.5</u>	<u>38.0</u>
TOTAL CURRENT ASSETS	<u>96.7</u>	<u>96.7</u>
TOTAL ASSETS	<u>181.7</u>	<u>181.7</u>
CURRENT LIABILITIES		
Trade and Other Payables	-	-
Current Liabilities	<u>-</u>	<u>-</u>
ASSETS LESS LIABILITIES	<u>181.7</u>	<u>181.7</u>
TAX PAYERS' EQUITY:		
General Reserve	<u>181.7</u>	<u>181.7</u>
TOTAL	<u>181.7</u>	<u>181.7</u>

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POLICE FUND (CONTINUED)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	2019-20	2018-19
	£000	£000
CASH FLOW FROM OPERATING ACTIVITIES		
Net Surplus after interest	-	(1.2)
Decrease in Trade and Other Receivables	0.5	1.5
Decrease in Trade Payables	—	—
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>0.5</u>	<u>0.3</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>0.5</u>	<u>0.3</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>38.0</u>	<u>37.7</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>38.5</u>	<u>38.0</u>

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POLICE FUND (CONTINUED)

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	General Reserve £000	Revaluation Reserve £000	Total Reserves £000
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>
Changes in Taxpayers' Equity for 2019-20			
Net Operating Surplus	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2020	<u>181.7</u>	<u>-</u>	<u>181.2</u>

**POLICE SERVICE OF NORTHERN IRELAND
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21. POLICE PROPERTY FUND

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2020**

	2019-20 £000	2018-19 £000
EXPENDITURE		
Other Expenditure	6.7	5.2
INCOME		
Income From Activities	<u>(58.7)</u>	<u>(44.2)</u>
NET INCOME	<u>(52.0)</u>	<u>(39.0)</u>

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020**

	2019-20 £000	2018-19 £000
CURRENT ASSETS		
Trade and Other Receivables	488.6	436.6
CURRENT LIABILITIES		
Trade and Other Payables	<u>-</u>	<u>-</u>
ASSETS LESS LIABILITIES	<u>488.6</u>	<u>436.6</u>
TAXPAYERS' EQUITY:		
General Reserve	<u>488.6</u>	<u>436.6</u>

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POLICE PROPERTY FUND (CONTINUED)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	2019-20 £000	2018-19 £000
CASH FLOW FROM OPERATING ACTIVITIES		
Net Surplus after interest	52.0	39.0
Increase in Trade and Other Receivables	(52.0)	(39.0)
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 2020**

	Total Reserves £000
Balance at 31 March 2018	397.6
Changes in Taxpayers' Equity 2018-2019	
Net Operating Surplus	<u>39.0</u>
Balance at 31 March 2019	<u>436.6</u>
Changes in Taxpayers' Equity 2019-2020	
Net Operating Surplus	<u>52.0</u>
Balance at 31 March 2020	<u>488.6</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.

	31 March 2019	Gross Inflows	Gross Outflows	31 March 2020
	£000	£000	£000	£000
Bank Balances and Monetary Sealed Packages held.	<u>5,733</u>	<u>1,970</u>	<u>(2,584)</u>	<u>5,120</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

The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020 came into operation on 24 April 2020. Where in any leave year it was not reasonably practicable for a worker to take some or all of the leave to which the worker was entitled under this regulation as a result of the effects of coronavirus (including on the worker, the employer or the wider economy or society), the worker shall be entitled to carry forward such untaken leave. In such circumstances, up to four weeks' annual leave may be carried forward into the next two leave years. The change in regulations may lead to an increase in the value of accrued annual leave carried over in the next two years by the PSNI. It is not possible for the PSNI to give a reasonable estimate of the impact at this time.

**POLICE SERVICE OF NORTHERN IRELAND
ANNUAL REPORT AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020**

The Annual Report and Accounts were authorised by the Chief Constable to be issued on 30 October 2020.

**we care
we listen
we act**



Police Service of Northern Ireland