



ANNUAL REPORT & ACCOUNTS

For the year ended 31 March 2023 together
with the Certificate and Report of the Comptroller
and Auditor General for Northern Ireland

 **police
ombudsman**
FOR NORTHERN IRELAND

Police Ombudsman for Northern Ireland

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

*Together with the Certificate and Report of the
Comptroller and Auditor General for Northern Ireland*

The Annual Report is laid before the Northern Ireland Assembly by the Department of Justice in accordance with section 61(5)(a) of the Police (Northern Ireland) Act 1998. The Statement of Accounts together with the report of the Comptroller and Auditor General for Northern Ireland are laid before the Assembly in accordance with paragraph 12(2) of Schedule 3 to that Act (as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010).

on 7 July 2023.

Glossary of Abbreviations

C&AG	Comptroller and Auditor General
CARE	Career Average Related Earnings
CETV	Cash Equivalent Transfer Value
CPI	Consumer Prices Index
CSP	Civil Service Pensions
DoF	Department of Finance
DoJ	Department of Justice
FReM	Financial Reporting Manual
GAD	Government Actuary Department
GSOC	Garda Síochána Ombudsman Commission
HMT	His Majesty's Treasury
ICRIR	Independent Commission for Reconciliation and Information Recovery
IOPC	Independent Office for Police Conduct
IOI	International Ombudsman's Institute
IPCAN	Independent Police Complaints Authority Network
MOU	Memorandum of Understanding
MSFM	Management Statement and Financial Memorandum
NCA	National Crime Agency
NDPB	Non Departmental Public Body
NIAO	Northern Ireland Audit Office
NICS	Northern Ireland Civil Service
NIPB	Northern Ireland Policing Board
NIPSA	Northern Ireland Public Service Alliance
NIRPOA	Northern Ireland Retired Police Officers Association
PFNI	Police Federation of Northern Ireland
PIRC	Police Investigations and Review Commissioner
PSIAS	Public Sector Internal Audit Service
PSNI	Police Service of Northern Ireland
RIPA	Regulation of Investigatory Powers Act
SCS	Senior Civil Service
SMT	Senior Management Team
SSRB	Senior Salaries Review Board
UK	United Kingdom

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Foreword by the Police Ombudsman

I am pleased to present to the Department of Justice my fourth Annual Report as Police Ombudsman for Northern Ireland. This is the document of record for the work of the Office of the Police Ombudsman for Northern Ireland (“the Office”) for the 2022-23 reporting year. I was appointed to the role of Police Ombudsman on 16 July 2019. I am pleased and privileged to undertake this role as the fourth Police Ombudsman since the establishment of the Office in 2000. As Ombudsman, I must secure the confidence of both police and the public in the police complaints system in Northern Ireland.

During this reporting year, the operational work of my Office was significantly impacted by a fire in adjacent buildings to New Cathedral Buildings (NCB), which resulted in staff decanting to the adjacent Electoral Offices and also to DoJ offices at Knockview Buildings, Stormont. The disruption mainly affected the progress of historical investigations. In October 2023, in light of this disruption, I declared a critical incident and invoked the Office’s Business Continuity Plan. I reported in last year’s Annual Report that in April 2021 the Office onboarded to IT Assist Confidential (ITAC) – the secure criminal justice IT network. This ability to work remotely greatly assisted in addressing the operational pressures imposed by the need to secure alternative office space during the period that the NCB was not considered to be potentially unsafe to enter. Overall a key aim of myself, the Chief Executive and SMT was to ensure the efficient and effective working of the Office remotely. Therefore the development and consultation with staff and union of a Hybrid Working Policy to ensure remote working capability that would support the operation of the complaints system, was a key objective in 2022-23.

In this reporting year, complaints about police conduct increased by 8% to 3,185 and this represents an overall increase when compared with the pre-pandemic complaints numbers received in 2019/2020. This is the highest figure for complaints received by the Office in seven years. In my previous Annual Report for the 2021-22 year, I highlighted this increase in complaints about the conduct of police officers. The most significant area of complaint remains the “failure in duty” and in particular a failure to investigate. There is also an increase in complaints about “*oppressive conduct*” although this area of complaint is not related to use of force and includes conduct such as rudeness. There has also been a significant decrease in the number of Chief Constable Referrals from 21 in 2021-22 to 10 in 2022-23. However, there has been an increase in my own motion investigations from 12 to 15. A number of the own motion investigations relate to potential of abuse of position for sexual purposes by serving police officers. In April 2022, the Chief Constable and senior team at PSNI issued a Zero Tolerance statement in respect of this type of misconduct by serving police officers, which I support. This is an area of work that has received much interest both locally and nationally.

The overall increase in activity has brought unrelenting pressure on staff and in particular the pressure on those who are the first point of contact with the public at the front of the office. A recurring theme is the number of complainants that have mental health issues and this can be both challenging and upsetting for front of office staff to address in the context of continuing increase in the numbers of public complaints.

International Delegations

In recognition of the Office's reputation internationally as the 'gold standard' of police oversight, I hosted three separate delegations of visitors from the Greek Ombudsman (May 2022), GSOC (November 2022) and the Queensland Crime and Corruption Commission (March 2023). Staff from across all investigations and support functions in the Office participated in these visits and a tailored programme

was developed by the Senior Director of Investigations to ensure that the attendees learned about the nature and scope of our work. In particular there was discussion with GSOC about refreshing the MOU with other police oversight bodies in the UK, notably the IOPC in England and Wales and PIRC in Scotland.

Below is a picture of the visitors from Queensland.



Historical Investigations

Despite the proposed removal of this jurisdiction, during 2022-23 a total of 19 new historic complaints were received about police conduct during the Troubles. The new complaints brought the total number of historical cases held by the Police Ombudsman to 447 as at 31 March 2023, of these cases 178 are being actively investigated.

The History Directorate comprises three teams, History Communications team and two investigation teams. In 2022-23, additional funding of £1.7m was allocated by DoJ to the Office to conduct historical investigations. Unfortunately, due to significant challenges in recruitment to key historic investigation roles it was not possible to appoint new staff. As a result of this, it has not been possible to commence to progress of a number of historical cases.

The Legacy Bill

On 17 May 2022, the UK Government announced the introduction of the Northern Ireland Troubles (Legacy and Reconciliation) Bill. This Bill was launched without consultation with myself and other key stakeholders and is universally opposed by all political parties in Northern Ireland. The Bill (when enacted) will have a significant impact on the work of the office and in particular for the Historical Investigations Directorate that deals with all complaints, referrals and own motion investigations about the conduct of former police officers.

It is proposed that a new body, the Independent Commission for Reconciliation and Information Recovery (ICRIR), is established to investigate request for review by victims and families into death or serious injury that occurred during the period known as the Troubles. At the time of writing the Bill is advancing through the Committee stage of the House of Lords and it is proposed that it will receive Royal Assent in coming months. This legislation will change the role of the Office from that of investigator to information provider to the new legacy body (ICRIR). A Legacy Project Board chaired by my Chief Executive, has been established. The role of this Board is to act as a steering group for the operational and corporate work streams emerging from this legislative change to ensure smooth transition.

Disclosure to the Coroner

In the context of the investigation of historic matters, my Office also has a role to support the Coroner's programme of inquests for Troubles-related deaths. An embryonic Legacy Disclosure team was established in 2021. The small team has assisted 6 Legacy Inquests at the Preliminary Hearing or full Hearing stage and conducted multiple redaction exercises within the last year. (It has further assisted 10 Current Inquests at the Preliminary Hearing or full Hearing stage in this period.) This is complex and challenging work and involves examining voluminous sensitive and non-sensitive material and considering the implications of the release of this information into the public domain, having regard to Data Protection legislation and articles 2, 6 and 8 of on the European Convention on Human Rights.

Legal Challenges

In March 2023, the High Court heard challenges brought by the Northern Ireland Retired Police Officers Association (NIRPOA) and The Police Federation for Northern Ireland to three public statements about historical investigations issued by me in 2023. The challenges mainly focussed on my power to issue public statements pursuant to section 62 of the Police (Northern Ireland) Act 1998. The judgments of the High Court are awaited.

Effectiveness of Recommendations

The work of the Police Ombudsman in independently investigating police conduct is essential to ensure public trust and confidence in PSNI. As an Ombudsman's Office, however it is important to measure how effective we are and whether the outcomes from our work make a difference in policing practice and ultimately the public's trust and confidence in policing. To monitor how effective we are, the Office has introduced a new recommendations template to ensure that strategic and policy recommendations are SMART (specific, measurable, achievable, results focus and time bound). These recommendations to PSNI may be operational, policy based or strategic in nature. I have been working with the Chair and Chief Executive of NIPB to ensure that these recommendations and PSNI compliance with same are monitored by the Board.

Tributes to Staff

The post pandemic years have presented operational challenges for the Office in its delivery of a police complaints system that is responsive and effective in improving policing for the public and police in Northern Ireland.

The change in jurisdiction emerging from the Legacy Bill will significantly impact on staff and I am mindful that change can be stressful but also an opportunity to re-set the focus of the Office.

Finally, may I pay tribute to my Chief Executive, Senior Management Team (SMT) and all staff for their dedication and work in this most challenging year. I consider the remote working arrangements developed in response to Covid-19 require a significant cultural shift as we move to finalising and embedding a new Hybrid Working Policy in 2023-24. I thank all staff for their energy and commitment in adapting to these new working arrangements. A number of staff retired this year and I thank them for their support and for their dedicated years of service to the Office.



Marie Anderson

Police Ombudsman for Northern Ireland

Performance Report

Overview

The purpose of this Overview section within the Annual Report and Accounts is to provide sufficient information to ensure that the remit and purpose of the Office is understood. It includes a statement from the Interim Accounting Officer on the overall performance of the Office during the financial year. It also includes an explanation of the statutory duties and background to the Office, the key issues and risks that could affect the Office in the delivery of its objectives and how it has performed during the period.

Statement from the Interim Accounting Officer

As the Interim Accounting Officer, I am pleased to report on the business and performance of the Office over the 2022-23 year. A table detailing performance against the key aims of the Office is included at page 10. In addition, the statistical information referred to in this report is supplemented by a statistical bulletin which can also be found on our website www.policeombudsman.org.

This statement outlines the business of the Office and its performance over the last year against objectives and targets set. Like the 2021-22 year, the 2022-23 year was impacted by an increase in complaints from members of the public. The performance of the Office should again be considered within the context of increasing numbers of complaints about current policing and the particular challenges that this presented to the organisation.

On 5 May 2023, the World Health Organisation announced that the Covid-19 pandemic had ceased. Although the number of complaints to the Office had significantly reduced in 2020-21, caseloads increased because staff were initially unable to work from home during the early part of the pandemic. In last year's Annual Report it was noted that the Office remained open throughout the pandemic to receive and tri-age complaints; ensure all critical investigative actions were maintained; and sustain all business critical activities. The requirement in 2020-21 to adhere to Covid-19 regulations and guidance, and the need to ensure the wellbeing of staff, only very limited numbers were able to attend the Office, particularly during the early stages of the pandemic. Consequently, the Office began the 2021-22 year with increased caseloads and SMT recognised that for the 2021-22 year a key feature was to address the backlog. As a consequence a decision was taken to suspend setting specific targets and a backlog strategy was introduced to address operational pressures.

Having benchmarked against other Ombudsman offices, a draft Hybrid Working Policy was consulted on in 2022-23. The aim of this policy is to achieve a balance between working in the office and working from home for staff in recognition of the need to ensure business need and ensure flexibility and safe working practices. SMT has consulted with the unions and staff who are not represented. The policy will be finalised in 2023. It is fair to say that the move to ITAC has been transformative for the way in which the Office works.

Previously it was not possible for staff to work effectively from home as there was no access to any IT systems. The ability to work (where possible) from home has meant that during the 2022-23 year there has been greater resilience within the Office to deal with the evolving Covid-19 pandemic. This performance has been achieved without the significant service impacts experienced at the outset of the pandemic.

For those handling sensitive information such as those in the confidential unit and the History Directorate, it is not possible to access information remotely and there has been a requirement for greater in-office attendance in the building. The Office is continuing to develop its plans as to how to establish new ways of working in a more formal context within a Hybrid Working Policy. That policy will set a framework for a new way of working and is designed to ensure effective and efficient working that supports meets the needs of the public, the Office and staff.

The Police Ombudsman has noted in her Foreword that the Office experienced an 8% increase in complaints it received during the 2022-23 year. The volume of cases for 2022-23 now represents the highest level of cases received by the Office in seven years. It has not been possible to establish a reason for the year on year increase in complaints the Office has been experiencing. The main area of complaint is a 'failure in duty' and this includes a failure by police to investigate. The increase in complaints has been sustained across the year and complaints have also increased generally across policing districts.

In terms of planning for the 2023-24 year, based on the ongoing volume of complaints being received, the Office is anticipating that complaint levels will remain high.

In relation to cases of sexual misconduct by serving police officers there has been a significant increase and this has in part been driven by a number of referrals from the Chief Constable in respect of misconduct that is historic in nature. Much of the evidence gathering for these investigations is digital. It is important that the investigators have the necessary skills and experience in the digital field. Unlike other police oversight bodies, the Office does not currently have an in house team of digital experts and has to procure this expertise externally. The absence of skills needed to ensure the extraction and processing of this evidence ensures its integrity and value as part of the criminal and disciplinary processes is a key challenge for the Office in 2023-24.

The remainder of this section of the Annual Report details the operational performance of the Office during the 2022-23 year. A selection of case studies have been included that seek to demonstrate the variety of the work undertaken by the Office.

Statutory Duties and Background

The Police Ombudsman for Northern Ireland was established under the Police (Northern Ireland) Act 1998. It was created on 6 November 2000 by virtue of the Police (Northern Ireland) Act 1998 (Commencement) Order (Northern Ireland) 2000. It is an Executive Non Departmental Public Body (NDPB) of the DoJ.

In law, the Police Ombudsman for Northern Ireland is a corporation sole and has a personal jurisdiction. It is not accountable to a board.

The Office of the Police Ombudsman is constituted and operates independently of the DoJ, the NIPB and the PSNI. The Office is accountable to the Northern Ireland Assembly and is required to take into account all relevant guidance given by the DoF and the DoJ.

The Key Strategic Aims of the Office which are framed by the Police (Northern Ireland) Act 1998 are to secure an effective, efficient and independent police complaints system which is capable of securing the confidence of the public and police in that system. The key features of legislation are detailed in the table on page 9.

The Office complies with the corporate governance and accountability framework arrangements (including *Managing Public Money Northern Ireland*) issued by the DoF and DoJ.

Principal Activities

The Office of the Police Ombudsman for Northern Ireland provides an independent, impartial police complaints system for the people and the police of Northern Ireland. It investigates complaints about the Police Service of Northern Ireland, the Belfast Harbour Police, the Belfast International Airport Police, NCA officers in Northern Ireland and Ministry of Defence Police in Northern Ireland. The Office also undertakes investigations into certain complaints about Immigration Officers and Designated Customs Officials when operating in Northern Ireland through a legal framework developed jointly with the Home Office and DoJ.

The Police Ombudsman investigates complaints about the conduct of police officers and, where appropriate, makes recommendations in respect of criminal and misconduct matters. The Police Ombudsman also investigates matters referred to her by certain bodies, where appropriate, and reports on these matters to the DoJ, the NIPB and the Chief Constable. In addition, the Police Ombudsman publishes statements and makes policy recommendations aimed at improving policing within Northern Ireland. She also provides statistical reports for management purposes to the PSNI and to the NIPB and provides management information to the DoJ.

THE POLICE OMBUDSMAN FOR NORTHERN IRELAND IS:

- established by the Police (Northern Ireland) Act 1998;
- accountable to the Northern Ireland Assembly;
- constituted and operated independently of the NIPB and the Chief Constable;
- required to have regard to any guidance given by the DoJ;
- an Executive Non-Departmental Public Body financed by a Grant in Aid from the DoJ.

THE POLICE (NORTHERN IRELAND) ACT 1998 (AS AMENDED) DIRECTS THE POLICE OMBUDSMAN TO:

- exercise his powers in the way he thinks best calculated to secure
 - the efficiency, effectiveness and independence of the police complaints system,
 - the confidence of the public and of members of the police force in that system;
- observe all requirements as to confidentiality;
- receive complaints and other referred matters and to decide how to deal with them;
- investigate complaints, referred matters and matters called in for investigation by the Police Ombudsman;
- receive and record policy complaints and refer them to the Chief Constable;
- make recommendations to the Director of Public Prosecutions for criminal prosecution;
- make recommendations and directions in respect of disciplinary action about police officers;
- notify the DoJ, NIPB and Chief Constable of the outcome of certain complaints, referred matters and any investigation which the Ombudsman initiates without a complaint;
- report to the DoJ annually;
- carry out inquiries as directed by the DoJ;
- supply statistical information to the NIPB;
- investigate a current practice or policy of the police if
 - the practice or policy comes to his attention under the Police (Northern Ireland) Act 1998; and
 - he has reason to believe that it would be in the public interest to investigate the practice or policy.

Note: The statistics on complaints and allegations included in this report are taken from a live system and may be subject to future revisions. This means that the total number of complaints and allegations may change slightly from those published in previous Annual Reports or Statistical Bulletins. Revisions can be made for a number of reasons but are mainly due to more information coming to light during the natural course of the Office's work and the system being updated accordingly. Further information may be found in the Annual Statistical Bulletin which is published on our website.

Table 1 - Service Commitments		Performance against targets	
Key Aim	Targets	2022-23	2021-22
Delivering Excellence in Investigations	Resource and action all complaints and related allegations registered.	3,185 complaints 8% increase	2,959 complaints 17% increase
		5,185 allegations <1% decrease	5,207 allegations 38% increase
	Maintain or increase the number of complaints resolved through Informal Resolution.	234 16% decrease	279 complaints – 126% increase
Maintain Impartiality and Independence in Dealing with Complaints	To maintain a level of 80% public awareness of the Office.	92% achievement	90% achievement
	To maintain a level of 80% awareness of the independence of the Police Ombudsman.	89% achievement	90% achievement
	To maintain a level of 80% confidence that the Police Ombudsman for Northern Ireland deals with complaints in an impartial way.	72% achievement	68% achievement
	To maintain a level of 80% of respondents who think that that they would be treated fairly by the Office if they made a complaint about the police.	78% achievement	75% achievement
	To maintain a level of 70% of complainants to feel that they have been treated fairly by staff in the Office.	65% achievement	61% achievement
	To maintain a level of at least 70% of police officers subject of investigation to feel that they have been treated fairly by staff in the Office.	68% achievement	79% achievement
Develop and Implement Standards for the services we provide	Maintain or improve performance against the Service Charter		
	Police Officers - thought they were treated with respect - thought staff were easy to understand - thought staff were knowledgeable - satisfied with the manner in which they were treated - thought their complaint was dealt with independently	80% achievement 81% achievement 64% achievement 46% achievement 70% achievement	88% achievement 88% achievement 77% achievement 50% achievement 80% achievement
	Complainants - thought they were treated with respect - thought staff were easy to understand - thought staff were knowledgeable - satisfied with the manner their complaint was treated - thought their complaint was dealt with independently	78% achievement 78% achievement 64% achievement 33% achievement 42% achievement	73% achievement 80% achievement 60% achievement 38% achievement 40% achievement
	The number of complaints about the Office to be no more than in 2021-22	67 complaints received	87 complaints received
Focus Efforts in Improving Policing	Continue to work with PSNI and NIPB in identifying how many recommendations have impacted on policing.	49 recommendations made	50 recommendations made

Key Issues and Risks facing the Office

Within the executive processes of the Office, there is an embedded corporate approach to risk management. The risk register is reviewed by Senior Management Team (SMT) on a regular basis making the risk register a dynamic document and is included as a standing item on all SMT agendas. Directors consider signs or warning of risks, examine existing controls to reduce or manage risks and if necessary take additional action.

In addition the Audit and Risk Committee consider the Risk Register at each quarterly meeting. Further information in relation to risk management is contained in the Governance Statement at pages 43 to 49.

There were three key strategic risks facing the Office during 2022-23. These were:

- a risk that the budget allocated to the Office would be insufficient for the Office to function effectively in the delivery of its statutory duties and that any further reduction would undermine the capability and capacity of the Office to undertake its statutory functions;
- a risk that the impact of the Legacy Bill on the cessation of the Police Ombudsman investigations will undermine public confidence in the Office; and
- a risk that there may be absences of staff in key posts that impact the ability to deliver the aims and objectives.

Explanation of the adoption of the Going Concern basis

The Office draws cash resource from the DoJ on the basis of need to pay and not as costs are accrued. Consequently, at the end of the financial year the Office had net current liabilities of £1,036,378 (£382,008 for year ended 31 March 2022). It is considered appropriate to adopt a going concern basis for the preparation of the financial statements as the Office is financed through Grant in Aid from the DoJ which draws its fund from the Consolidated Fund. Therefore, there is no anticipated liquidity risk in respect of the liabilities due in future years.

Summary of Performance and Forward Look

The Office established an Annual Business Plan for 2020-21 as the first year of a four year Corporate Plan. The four key aims in the four year Corporate Plan and in the Annual Business Plan were:

- to provide a high quality complaints and investigation service which is fair to all parties reflecting human rights standards;
- to increase transparency in decision making in relation to police complaints, referrals and investigations;
- to work with criminal justice stakeholders to ensure our recommendations and research reports impact on policing policy, standards and practices; and
- to be ethical and accountable in our service delivery and use of resources.

The Performance Analysis section provides more detail on how the Office has performed against each of these key aims during the 2022-23 financial year.

Table 1 on page 10 provides an overview of the key service commitments derived from the Annual Business plan for the 2022-23 financial year. Further detailed narrative is included in the Performance Analysis section of this report starting on page 13.

Looking forward, the Office is drafting an Annual Business Plan for the year ended 31 March 2024 which is the final year of a four year Corporate Plan from 2020-21 to 2023-24.

The introduction of the Northern Ireland Troubles (Legacy and Reconciliation) Bill on 17 May 2022 will significantly impact the work of the Office. Work is now underway to prepare for the impact of the ending of Historic Investigations whilst seeking to ensure effective delivery of this important work until the statutory obligation to do so ceases.

Forward Look Financial Position

The Office has received a budget reduction of 1.7% for the 2023-24 year. This presents a significant challenge for the Office whilst facing ongoing inflationary pressures.

Performance Analysis

Operational Performance

Investigations by the Office are commenced on receipt of complaints from members of the public and referrals from the Chief Constable of the PSNI, Director of Public Prosecutions, NIPB or the DoJ. The Police Ombudsman also has a statutory 'own motion' power to commence investigations. Investigations are conducted by either the Current or Historic Directorates. The Current Investigations Directorate investigates matters that have occurred within 12 months of the subject of complaint or referral. An additional statutory gateway allows the Police Ombudsman to investigate 'grave or exceptional' matters that occurred more than 12 months previously. The Historic Investigations Directorate investigates complaints and referrals relating to serious incidents directly relevant to the 'Troubles' in Northern Ireland between 1968 and the Good Friday Agreement on 12 April 1998.

As outlined earlier in this report, the Office was significantly impacted in its day to day operation as a result of the Covid-19 pandemic. Measures to comply with the related restrictions and regulations issued by the Northern Ireland Assembly included reducing numbers of staff able to attend our office while maintaining critical areas of business including investigations in which Article 2 of the European Convention of Human Rights (Right to Life) is engaged; investigative actions which if delayed could result in compromise of investigations; maintaining our 'On Call' capability, particularly in respect of critical incidents; preparation for court and misconduct proceedings and ensuring compliance with statutory limitation of proceedings.

Current Investigation Directorate

The Office received 3,185 complaints during 2022-23, representing an increase of 8% when compared with 2021-22 when 2,959 complaints were received. This continued a trend which saw a 17% increase in complaints received during 2021-22, as compared to the previous year and has reversed a previous downward trajectory, over a number of years, in respect of the number of complaints being received by the organisation.

The Chief Constable made 10 referrals to the Office during 2022-23, five of which related to allegations that police officers had abused their position for sexual purposes. This compares with 21 referrals, relating to a variety of matters, received from the Chief Constable during 2021-22.

During 2022-23 the Police Ombudsman commenced a total of eight investigations relating to allegations of abuse of position for sexual purposes. As a consequence, the organisation accumulated a total of 16 such investigations, a number of which await criminal or misconduct proceedings or PPS directions.

The Police Ombudsman exercised her own motion powers to commence 15 investigations during the year compared with 12 during 2021-22. In addition two referrals were received from the Public Prosecution Service.

Investigations undertaken by the Current Investigations Directorate are categorised as A, B or C, dependent on the nature and complexity of the matters involved.

Category A casework generally involves loss of life or serious injury, sexual assault, statutory referrals and other serious matters. They are usually allocated for investigation to one of two 'Significant Case Teams'.

Category B cases relate to complaints involving physical injury, theft, discriminatory behaviour, serious neglect of duty associated with the conduct of criminal investigations and/or court proceedings and improper disclosure of information. These complaints are normally dealt with by the Core Investigation Team.

Complaints categorised as Category C are usually concerned with incivility, breaches of police procedure and failure of duty which are assessed as being less serious and use of excessive force by police not accompanied by significant injury. This casework is retained for investigation by the Initial Complaints and Investigation Team.

The Police (Conduct) Regulations (Northern Ireland) 2016 enable the Police Ombudsman to make recommendations to the PSNI in relation to misconduct and/or performance matters. These include, recommendations that police officers appear before a 'misconduct meeting' or in respect of the more serious charge of 'gross misconduct', a 'misconduct hearing'.

During 2022-23, the Police Ombudsman forwarded 49 policy recommendations to the PSNI. Eleven of these were of a strategic nature, 31 at an operational level and seven related to areas for minor improvement.

Four policy recommendations were accepted. One related to the use of Body Worn Video (BWV) and three to Service Instructions in respect of lost property, bail checks and wanted persons. The PSNI considered that a small number of recommendations related to matters that were in place already.

Responses are awaited in respect of 39 policy recommendations. These relate to matters which include the handling and dissemination of intelligence; seizure of drugs within custody suites; training for custody staff; training for call handlers; completion of search records; completion of collision report forms; the use of body worn video; oversight of complex investigations within Public Protection Branch and the use of dedicated and specially trained community/diversity officers.

Historic Investigations Directorate

As at 31 March 2023, the Police Ombudsman had a caseload of 447 complaints and referrals relating to historic matters of which 178 were subject of investigation. The remaining 269 matters were inactive due to the limitations of resourcing capabilities. 19 new complaints relating to historic matters were received during 2022-23.

During 2022 the Office continued to receive and investigate complaints relating to events that occurred during 'the Troubles' in Northern Ireland while also planning for the impact of the Northern Ireland Troubles (Legacy and Reconciliation) Bill.

In June 2022 the Police Ombudsman issued a public statement concerning her investigation of complaints by four men about their treatment while detained at Strand Road Police Station, Derry/Londonderry in early 1979.

During their detention the men, who at the time were in their late teens, made confessions to involvement in kneecappings and the murder of Lieutenant Stephen Kirby on 14 February 1979, which they alleged were fabricated by police. The Police Ombudsman concluded that *‘the irregularities and coercive atmosphere in which the ‘confessional’ statements were obtained were indicative of the statements having been obtained unfairly and not freely given as required by the Judges’ Rules. I am of the view that their complaints in this respect are legitimate and justified’.*

This public statement and two others relating to thematic historic investigations known as Operation Greenwich and Operation Achilles issued by the Police Ombudsman in early 2022 have been challenged through Judicial Review proceedings.

Performance against Business Plan

The Office’s Annual Business Plan for the year ended 31 March 2023 was set within the context of a four year Corporate Plan for the period 2020-21 to 2023-24. The Annual Business Plan set out the following four key aims:

1. To provide a high quality complaints and investigation service, fair to all parties reflecting human rights standards in order to hold the police to account;
2. To increase transparency in decision making when dealing with complaints, referred matters, investigations and their outcomes;
3. To collaborate with criminal justice partners to ensure recommendations and research reports positively impact on policing policy, standards and practices; and
4. To be ethical and accountable in our service delivery and use of public funds.

These key aims were established by the Police Ombudsman and her senior management team and are supported by indicators which are reviewed each year to assist with measuring actual performance and focus on targets requiring attention. Reports were also provided to the DoJ Accounting Officer through the governance arrangements between the Office and the DoJ’s Policing Policy and Strategy Division.

Key Aim 1

To provide a high quality complaints and investigation service, fair to all parties reflecting human rights standards in order to hold the police to account

This aim was underpinned by a range of performance indicators designed to increase the efficiency with which investigations are undertaken while ensuring the quality of those investigations.

As part of a strategy to improve timeliness of investigations, including addressing residual effects of a backlog accrued as a result of restrictions on operations during the Covid-19 pandemic, targets for reducing caseloads were reflected in these indicators.

There has been notable year on year success in reducing the organisation's overall caseload from 1,418 cases in July 2020, 1,308 in July 2021 and 1,246 in July 2022. The target for 2022-23 was 1,100 cases by 31 March 2023 which was largely achieved with an end of year caseload of 1,119 cases achieved.

Targets were also established for increasing efficiencies across the different categories of casework. The target for reducing the Category A cases, excluding history matters, to less than 80 was not achieved, the caseload being 87 as at 31 March 2023. This is largely attributable to the complexity of these investigations but also, in part, due to external factors including judicial proceedings.

The organisation achieved its target of completing at least 12 Category A matters unrelated to 'the Troubles', finalising 29 of these investigations. Consistent with a second target to publish at least six Regulation 20 reports or public statements in connection with these investigations, the Police Ombudsman issued 23 reports and/or statements, relating to a broad range of investigations.

In September 2022, the Police Ombudsman published her findings in relation to an investigation of seven complaints that police had failed to adequately respond to complaints of sexual abuse of vulnerable children at Kincora Boys' home during the 1970s. The Police Ombudsman concluded that police officers had failed to act on information but also identified systemic failings which had prevented them from being aware of certain complaints of abuse made to the Belfast Welfare Authority and the former Eastern Health and Social Services Board.

Arising from an earlier 'policy or practice' investigation in respect of policing of 'Black Lives Matter' protests at Derry/Londonderry and Belfast in June 2020, at the time of which Covid-19 restrictions were in place, the Police Ombudsman commenced an own motion investigation of matters relating to policing of a subsequent 'Protect our Monuments' event at Belfast City Hall.

In February 2023 the Police Ombudsman issued a Regulation 20 report to the NIPB and a media statement on this matter in which she concluded that although no issues of systemic racism had been identified, the PSNI investigation of potential breaches of Covid-19 Regulations had been closed prematurely. A systemic failing in how PSNI handled intelligence was also identified. In the view of the Police Ombudsman these shortcomings were likely to compound damage to confidence in policing within the Black, Asian and Minority Ethnic communities.

There was considerable success in reducing the organisation's Category B caseload, which was reduced from 231 as at 1 April 2022 to 155 on 31 March 2023. The Office has prioritised efforts to increase the timeliness with which this category of casework is undertaken as a target for completion of 60% of these cases within 110 working days was not achieved.

Although the Category C caseload saw a marginal increase from 406 cases on 1 April 2022 to 430 on 31 March 2023, this was in the context of a 28% increase in the number of Category C complaints received during 2022-23 when compared to the average for the previous four years.

Targets in respect of completion of initial complaints processes and the investigation of Category C matters were both exceeded, the Office achieving 96% and 88% respectively.

As a component of the Office's quality assurance strategy, four thematic reviews across the Current Investigations Directorate for the purposes of identifying areas for improvement were scheduled for 2022-23. Three of these exercises, relating to reviews of closed investigations and the effectiveness of communication were completed while the fourth, concerning investigation structures, will be undertaken during 2023-24.

Following finalisation of a series of significant 'Troubles related' investigations and publication of related public statements during 2021-22, the Office intended to complete an additional 10 'history' investigations and publish six related public statements during 2022-23. Due to the complexity of this casework and severe resourcing challenges, these targets were not met. Ambitious but realistic objectives have been established to conclude and report on a range of 'history' investigations during 2023-24.

Key Aim 2

To increase transparency in decision making when dealing with complaints, referred matters, investigations and their outcomes.

Building on workshops undertaken during 2021-22, a target to develop a youth engagement strategy during 2022-23 with a view to improving access to the police complaints system by young people was achieved. The Northern Ireland Youth Forum worked in partnership with the Office to coordinate the youth engagement project, including formation of a youth panel to discuss and debate barriers to the complaints system and to develop and deliver a regional survey to inform their recommendations. The involvement of young people themselves was critical to the development of the strategy and an implementation plan which will be launched during 2023-24.

Although preparatory work has been undertaken in respect of a target to develop an engagement strategy to improve access to the police complaints system for vulnerable persons, a related strategy was not implemented during 2022-23. This will now be included in the Police Ombudsman's business plan for 2023-24.

A target to pilot a 'lessons learned' report on the outcomes of complaints, including publication of strategic recommendations made to the police and their responses was progressed but not fully implemented. Demonstrating the effectiveness of the Office in affecting change within policing practices and delivering better policing outcomes for complainants remains a priority for the Police Ombudsman. These reports will focus on policy

and practice recommendations made by the Office under overarching themes. The first of these reports is scheduled for publication during 2023-24.

Following publication of a Memorandum of Understanding between the Chief Constable of the PSNI and the Police Ombudsman for the sharing of information, a target to develop and publish a similar MoU with the Security Service was set for 2022-23. Although at an advanced stage of development at the time of writing the Annual Report, this agreement has yet to be finalised and consequently its publication has been deferred to 2023-24.

Consistent with a related target, during 2022-23 the Police Ombudsman developed and implemented a recommendation template for action by PSNI and reporting to the NIPB.

In order to promote transparency, the Police Ombudsman has established a principle that full and adequate reasons are provided for her decisions made in relation to complaints and investigations.

Key Aim 3

To collaborate with criminal justice partners to ensure recommendations and research reports positively impact on policing policy, standards and practices

Consistent with a target for commencement of a policy and practice investigation in respect of ‘the manner by which the PSNI identify and respond to vulnerability in order to identify opportunities for better resolution for members of the public’, the investigation was launched in March 2023. The Office has sourced subject matter experts from GB to assist in this exercise.

The Office set a target to establish and embed a ‘learning from complaints’ model with PSNI and the Northern Ireland Policing Board to ensure recommendations made by the Police Ombudsman are promptly followed up. This was implemented during 2022-23 through a process by which recommendations are made to the PSNI in a ‘SMART’ which is also shared with the NIPB. This will, in due course, enable scrutiny of PSNI’s response to recommendations, particularly those which are declined or are subject of delayed implementation.

To address a target to ‘ensure effective disclosure to the Coroner’s Legacy Inquests’, the Police Ombudsman has established a lawyer led Legacy Disclosure Unit. The work of this unit is detailed later in this Annual Report.

The Police Ombudsman recognises the benefits and learning to be gained from ‘participating in police oversight and ombudsman networks for the purposes of identifying cross jurisdictional issues and practices’. During 2022-23 the Office hosted a number of international bodies engaged in oversight of policing, including those from Greece and Australia. The Police Ombudsman personally engages with entities similar to this Office, attending Ombudsman Association conferences and meetings.

Key Aim 4

To be accountable and ethical in the delivery of our service and use of public funds

One of the key targets under this Aim was to ensure successful on boarding to ITAC during 2021-22. This was achieved in April 2022 and as noted above represented one of the most significant changes to our IT infrastructure from when the Office was first established.

A target was also set to further develop arrangements to ensure effective new ways of working post Covid-19 including remote working where appropriate. Through our on boarding to ITAC this enabled effective and secure remote working for many staff. The Office is engaging with staff to finalise a Hybrid Working Policy. This will establish new ways of working as we move forwards that meets the needs of the public, the Office and staff.

The availability of appropriate funding for the work of the Police Ombudsman, particularly with respect to historic investigations, has been a longstanding strategic challenge for the Office. The Office had a target for 2021-22 to secure adequate funding for our work through the development of business cases for departmental approval. In late May 2021 the Office secured DoJ approval and funding for additional resources to support historic investigations. This was accompanied by an indication that core funding would remain at a level similar to that of 2020-21. Recruitment for additional staff to the Historic Directorate within this new funding was progressed following its confirmation. However, the Office faced significant challenges in recruitment despite a number of recruitment exercises.

This resulted in an underspend of this additional resource in 2022-23, as there was no facility to ease back to the centre in-year.

A target for the year included “Maintaining a project board to ensure a revised Case Management System is developed and procured.” A project board meets monthly headed by the Senior Director of Investigation as Senior Responsible User. The project is on target for delivery within the planned timeline.

The target to maintain sickness absence within 4% has not been met, sickness absence for the year was 6.3% (6.0% 2021-22). Further information on this is included in the remuneration and staff report.

Surveys

The Office has a statutory objective to secure the confidence of the public and the police through the efficiency, effectiveness and independence of the police complaints system that it provides. As part of our programme of continuous improvement, the Office commissions regular surveys of those who have made a complaint to the Office, officers who have been subject of complaint and the public in general.

Public Attitudes towards the Office

Each year the Office commissions an annual survey of public awareness of the police complaints system. Results from the 2022 survey (carried out between September and November 2022) indicate that public awareness remains at a high level.

92% of respondents were aware of the Police Ombudsman. Of those respondents that had heard of the Police Ombudsman, 89% knew that the Office was independent of the police and 72% were either fairly confident or very confident that complaints are dealt with in an impartial way. In addition, 78% of respondents believed that the Police Ombudsman would help ensure that police in Northern Ireland do a good job.

Police Officer Satisfaction

The Police Officer Satisfaction Survey enables police officers who were subject to investigation by the Police Ombudsman's Office to express their views on the overall service provided by the Office.

The percentage of officers who felt that they had been treated with respect and were easy to understand was high at 80% and 81% respectively.

Whilst these numbers remain high it should be noted that these, along with almost all responses showed a drop in officer satisfaction levels when compared to last year. It is clear that there remains work to be done to explore the reasons for the levels of dissatisfaction with the service provided

The survey results showed that 61% of officers were dissatisfied with the overall time to resolve the complaint and 57% of officers were dissatisfied with the frequency of progress updates.

Complainant Satisfaction

At the end of each month, for all complaints which have reached their final conclusion a questionnaire is sent out to the person who made the complaint.

The results at the end of 2022-23, showed that over three-quarters of complainants (78%) thought they had been treated with respect by the member of staff they had been dealing with and over three-quarters (78%) thought staff were easy to understand.

However, 42% thought their complaint was dealt with independently and 33% were satisfied with the manner in which their complaint was treated. Whilst we accept that the outcome of an investigation may impact the level of satisfaction with that investigation, there is further work to be done to explore the reasons for the levels of dissatisfaction.

Case Study 1**POLICE OFFICER DISCIPLINED AFTER WOMAN REPORTS “HARASSING” PHONE CALLS**

A police officer has been disciplined after admitting making repeated phone calls to a woman who described his behaviour as harassing, threatening and intimidating.

The woman, who lives in England, complained that the officer had initially called her while she was at work, stating that he had missed a call from her and demanding to know how she got his number.

When she told him she had not called him, she said the officer became so angry and aggressive that she turned her phone off.

After switching her phone back on later that evening, the woman said she received multiple calls from the officer – including one in which he identified himself as a serving officer from Northern Ireland and stated that he could have her arrested for calling his number.

In total, the woman stated that the officer called her six or seven times. She subsequently made a complaint of harassment to police, who forwarded the matter to the Police Ombudsman’s Office for independent investigation.

Mobile phone records backed up the woman’s account that she had not initially called the officer as he had alleged.

They also showed that, within a half hour period starting at just before 10.15pm, the officer had texted the woman twice and called her six times.

When interviewed by Police Ombudsman investigators, the officer said that he had received a series of spam calls in the days leading up to the incident. He said he decided to return the calls and ask the callers to stop contacting him.

He also admitted that he had identified himself as a police officer, and stated that his tone during the calls had been “assertive” but not threatening.

Although he denied harassing the woman, the officer could provide no explanation for having called her so many times.

The Police Ombudsman concluded that the officer’s behaviour had been inappropriate and in breach of the PSNI’s Code of Ethics.

She recommended that the officer should be disciplined. The PSNI accepted the recommendation and the officer received a disciplinary sanction.

Case Study 2**POLICE OMBUDSMAN FINDS NO EVIDENCE THAT OFFICER'S 'RECKLESS DRIVING' INJURED PASSENGER**

An investigation by the Police Ombudsman's Office has found no evidence that a police officer drove recklessly and injured a passenger who was being taken to police custody.

The passenger said he was thrown around the back of a police car when the driver braked violently after missing a turn.

He claimed the officer was making a radio transmission at the time, and had driven in excess of the speed limit throughout the journey.

The alleged incident happened last November as the man was being taken to police custody in Antrim after being arrested in the Lisburn area.

A Police Ombudsman investigator examined all relevant police documentation, as well as CCTV footage and recordings of police radio transmissions.

Information from the police car's data recorder was also obtained. It indicated that the car had not exceeded the speed limit during the journey.

There was no indication of sharp braking at any point, and no evidence that the officer had made a radio transmission, as alleged by the complainant.

The police driver denied the man's claims and the officer who had been travelling in the rear of the car said he had no recollection of the alleged incident.

The man had also been asked by the custody sergeant whether he had any injuries, but made no mention of an injury to his knee.

CCTV footage showed him walking normally after arriving at the custody suite, and he made no visible reaction when a member of custody staff patted down his legs during a search.

The investigator also noted that the complainant had not mentioned any injury to his knee until after another complaint about his arrest had been closed as unsubstantiated.

Case Study 3**POLICE OMBUDSMAN FINDS NO EVIDENCE THAT OFFICER'S 'RECKLESS DRIVING' INJURED PASSENGER**

Police custody staff have been commended for ensuring the wellbeing of a man who became critically ill after taking drugs he had smuggled into a police cell.

The Police Ombudsman, Mrs Marie Anderson, said the man received the emergency medical treatment he needed thanks to the vigilance of custody staff and a police healthcare professional.

She said an investigation by her office found that custody staff worked closely with the healthcare professional to keep the man under close supervision, and that an ambulance was summoned when he became less responsive.

He was assessed at hospital as being in a critical but stable condition. He discharged himself two days later. The incident happened in Belfast in December 2020.

Mrs Anderson said custody staff had acted “to protect the health and safety of a detainee who had ingested drugs after concealing same” and said such incidents were “a recurring operational challenge for police and civilian staff in custody suites.”

Police informed the Police Ombudsman’s on-call team when the man fell ill. An investigation was initiated to determine whether appropriate steps had been taken to stop the drugs being smuggled into the custody suite, and whether police staff had fulfilled their duty of care to the detainee.

Enquiries by Police Ombudsman investigators established that the man had been strip searched before being taken to a cell, after he was found to have concealed a tablet in his mouth.

Two further strip searches were authorised after custody staff monitoring CCTV footage saw the man repeatedly reaching into his trousers and placing items in his mouth. During one search, custody staff found a ‘wrap’ of suspected drugs on the cell floor.

“All direction and guidance given by the healthcare professional was followed by civilian custody staff and the use of intimate searches was avoided in preference to less invasive strip searches, and in this instance the detainee survived this critical incident,” said Mrs Anderson. “I commend the actions of custody staff in the circumstances.”

Our Values and Service Charter

The Office has developed a set of Values and a Service Charter.

Both are important in that they underpin the way the Office operates and set a standard for how all staff are expected to work.

Values

Our Values reflect how we intend to treat those who use our services:

- Independence
- Fairness
- Integrity
- Respect for others and their human rights

Service Charter

The Service Charter derives from our Values.

The Charter makes a number of very clear statements about the service the Office seeks to provide;

Being Independent and Impartial

- *We will investigate complaints and referrals free from any influence other than the evidence we have obtained*

Being Fair and Respecting Others

- *We will treat people with fairness and respect for their rights (including their Human Rights)*

Being Accountable and Acting with Integrity

- *We will do what we say we will and we will explain our decisions and findings clearly giving full reasons*

Being respectful and professional

- *We will treat people with respect and be professional at all times.*

Measuring success

We measure how well we do by asking people who use the service.

The following are examples of the questions, drawn from the Service Charter, which we now ask in measuring our performance.

- *We ask if staff treated respondents with respect and fairness*
- *We ask if they felt staff were knowledgeable and easily understood*
- *We ask respondents how clearly the complaints process was explained to them and how often they were updated*
- *We ask for their views on the quality of our correspondence and on the manner in which we treated their complaint.*
- *We ask them for their views on the time it took us to deal with the complaint*
- *We ask if they felt we dealt with the complaint independently*
- *We ask if they were satisfied with the way we handled the complaint*

Customer Complaints about the Office

The customer complaints policy was substantially revised in 2021 to ensure that complaints about service or maladministration by the Office were dealt with under that policy and that those individuals who were dissatisfied with the outcome of an investigation were signposted to the judicial review process. The changes included the removal of the DoJ from the complaints process and the appointment of an Independent External Complaints Assessor who will investigate all complaints that have completed the internal complaints process and provide a report and recommendations. In 2022-23 only one complaint from a member of the public progressed to the Independent Complaints Assessor and her findings and recommendations were considered at the Quality and Improvement Committee in March 2023. This is the second year of the operation of new internal complaints process and in her report on the Office's handling of this complaint, the Independent Assessor commented on the new complaints process as follows:

“Clearly there has in fact been some very positive systemic and cultural change with OPONI in the approach to managing customer complaints. In 2021, the introduction of a new complaint policy demonstrates that there has been targeted improvement in culture and practice in adapting all of the principles and best practice modelling which is advocated by the Ombudsman Association for good customer service complaint handling. This has involved considerable work on the part of OPONI in the improvement of service standards within a public authority and this is acknowledged and recognized as part of my assessment.”

Complaints received by the Office are categorised as relating to the quality of service (including maladministration) provided by staff. In respect of the decisions and outcomes of investigations, these can be more properly categorised as requests for a review of an investigation decision or outcome and there is no ability for a review in the Police Ombudsman legislation. Dissatisfaction with a decision of the Police Ombudsman or her staff are matters for the High Court by way of judicial review.

Within the year to 31 March 2023 there were 228 expressions of dissatisfaction with either the service of the Office or the decision or outcome. Of these, 161 (71%) were requests for a review of the outcomes of investigations. A total of 67 or 29 % related to the quality of service/maladministration by the Office. This represents a decrease of 23% in the number of complaints from 87 in the year ended 31 March 2022. Complaints were received from 62 members of the public and five police officers.

At the end of the reporting year 2022-23, six of the 67 service complaints received remain open. Of the 61 complaints closed within the reporting year: there was no further action in 19 complaints; 15 complaints were informally resolved; there was remedial action taken arising out of nine complaints; eight complaints led to apologies being issued; five investigations were re-opened as a result of service complaints; two complaints were out of time; two complaints were withdrawn; and an explanation addressed one service complaint.

Information on the Office's Customer Complaint policy is available at: www.policeombudsman.org.

Case Study 4**POLICE OFFICER HAD 'CASE TO ANSWER' IN USE OF FORCE**

A police officer who deployed PAVA spray (an irritant spray similar to pepper spray) on a young person was found to have a 'case to answer' with respect to a potential breach of the PSNI Code of Ethics, following a Police Ombudsman investigation.

The police officer had responded to an emergency call reporting that an organised fight was to take place between 20 to 30 young people, who had been observed with glass bottles, sticks and metal bars.

Arriving at the scene, a small group of young people dispersed and the police officer followed one of them into the garden of a property.

The Officer, who stated that he believed the young man was carrying a weapon, told him to stop or he would use PAVA spray. He subsequently used the spray, handcuffed and searched him. No further action was taken in relation to the incident.

In recognition of the fact that the police have special responsibilities in relation to children and young people, all cases where an irritant spray is used against a person aged under 18 are referred to the Police Ombudsman.

After viewing Body Worn Video of the incident, the Ombudsman initiated an 'own motion' investigation to consider the use of the spray and handcuffs on the boy.

The evidence demonstrated that the spray was used against a juvenile who had nothing in his hands at the time and was not offering any physical resistance or threat to police.

The Ombudsman was, therefore, of the view that the police officer concerned had a case to answer in relation to a potential breach of the PSNI Code of Ethics which states that police officers should 'as far as possible apply non-violent methods before resorting to any use of force. Any use of force shall be the minimum appropriate in the circumstances and shall reflect a graduated and flexible response to the threat.'

However, police records confirmed that the matter had been dealt with by way of management advice and retraining for the police officer. The Police Ombudsman considered that this action was appropriate in the circumstances and that it was not proportionate or appropriate to recommend further disciplinary action.

Case Study 5**POLICE OFFICER FAILED TO CONDUCT APPROPRIATE ENQUIRIES DURING ASSAULT INVESTIGATION**

A Police Ombudsman investigation found that a police officer failed to conduct appropriate enquiries when investigating an assault allegation.

The man who alleged the assault initially complained to the Ombudsman about the conduct of the investigation after learning that the Public Prosecution Service (PPS) was not to proceed with a prosecution because ‘in the absence of independent evidence, it could not be established which of the parties was the aggressor’.

He subsequently withdrew his complaint, believing that the PPS direction would not change.

However, the Police Ombudsman was of the view that the impact of the alleged failures was such that it was in the public interest to commence an ‘own motion’ investigation.

The case centred on whether available evidence from several people who had witnessed the assault and indicated their willingness to assist a police criminal investigation, had been gathered.

The documentation relating to the police investigation, including the officer’s notebook, was reviewed and interviews were conducted with officer concerned and those who had been identified as witnesses to the assault.

The Ombudsman concluded that it was likely the officer did not obtain all available witness evidence and so failed in his duty to take sufficient steps to ensure that the alleged offender was brought to justice.

The investigation also found that the police officer had not maintained or retained all necessary records during the course of his investigation.

In both instances, the Ombudsman considered that the police officer had potentially breached the PSNI Code of Ethics which place a legal duty on all police officers to take measures to bring offenders to justice and to make full and accurate records of their duties.

She recommended that the officer should be disciplined. The PSNI did not accept the recommendation and dealt with the matter as a performance issue.

Mrs Anderson described the outcome as ‘disappointing’: “The way in which police conduct criminal investigations is the most complained of matter to my office in recent years. It is disappointing to note that the conduct and potential breaches of the Code of Ethics have been determined to be performance matters only. This is of some concern given that, in each of the five years up to 2021-22, more than half of the ‘Failure in Duty’ allegations received by my Office about PSNI officers, have related to the conduct of police investigations or the police response to incidents.”

Case Study 6**PSNI OFFICER DISMISSED AFTER TAKING HOME BIKE BELONGING TO VULNERABLE MAN**

A PSNI officer has been dismissed for “gross misconduct” after a bicycle worth about £500 was found at his house after it was lost by its vulnerable owner.

Police Ombudsman Mrs Marie Anderson said the officer “had taken advantage of the man’s vulnerabilities and seized an opportunity to take the bike for his personal use”.

Enquiries by her office found that the officer had been working a night shift when he took the bike from storage at the local police station, placed it in his car and took it home.

Several months earlier, the same officer had spoken to the bike’s owner after receiving a report of concern for his safety. The man said he had fallen off the bike and thrown it away in anger. He was intoxicated at the time and was known by police to be vulnerable, but was able to provide the make, model and colour of the bike.

Despite the information provided by its owner, and the fact the bike had already been recovered by police, the officer told him that he would need to come to the police station when he was sober with proof of purchase.

Mrs Anderson said the officer was likely to have known the man would be unable to provide proof of ownership. The man unfortunately died shortly after the bike had been recovered from the officer’s house and returned to him.

A file was submitted to the PPS, which determined that there was no reasonable prospect of proving the case to the criminal standard of “beyond reasonable doubt” and directed that the officer should not be prosecuted for theft.

The Police Ombudsman then considered whether, on the lower civil standard of “balance of probabilities”, the officer had committed a misconduct offence. A misconduct file was submitted to the PSNI’s Professional Standards Department recommending that a misconduct hearing be held.

The recommendation was accepted by the PSNI, and the officer was subsequently dismissed for gross misconduct.

The PSNI also accepted a recommendation that all police officers in the relevant district should be reminded of their obligations in relation to lost and found property, in particular bicycles.

Case Study 7**FAILINGS BY CUSTODY SERGEANT MEANT POLICE DETAINEE COULD NOT BE INVESTIGATED OVER SUSPECTED DRUGS POSSESSION**

A man who smuggled suspected drugs into a Belfast police station escaped potential prosecution due to failures by a custody sergeant.

A Police Ombudsman investigation found that the sergeant failed to properly record the discovery of a bag of white powder, and did not ensure that it was stored securely as evidence.

However, the investigation found no evidence that the officer had deliberately sought to protect the detainee from prosecution. Instead, he was found to have had a lack of understanding of police procedures.

The investigation also established that there was a lack of clear guidance about what should happen when drugs were found in custody suites, and that in his role the sergeant would not normally be involved in seizing suspected drugs.

The Police Ombudsman recommended that police should amend existing guidance about the seizure, storage and labelling of drugs to make specific reference to the recovery of suspected controlled substances in police custody. This new guidance, she said, should be shared with all custody suites.

She also recommended that the custody sergeant should be disciplined for failing to ensure that the suspected drugs offence was properly investigated, and noted that he had “exposed his colleagues to a potential health risk in that the package recovered from the detainee had been placed in an unlabelled and unsealed evidence bag.”

However, she recognised that the sergeant and other custody staff had ensured that the detainee had been monitored and taken to hospital, and had acted in the best interests of his safety and welfare.

Police accepted the misconduct recommendation. The custody sergeant received management action and was required to undertake additional training.

When the Police Ombudsman published her report, police were continuing to consider her policy recommendations for clearer procedures around the recovery of suspected drugs in custody suites.

Equality Monitoring of Complainants

The Office continues to monitor the profile of those who use its services. This is based on age, gender, religious belief, race or ethnic grouping, country of birth, marital status, disability, employment, having dependants, political opinion and sexual orientation.

During 2022-23, 61% of the complaints received were from males and 39% from females. The age profile shows that 2% of complaints received were from a person aged under 18, just over a fifth (21%) were received from a person in the 25 to 34 age group, with around a quarter of the complaints received in each of the 35 to 44 and 45 to 54 age groups. The community background question shows 45% of complaints received were from a Protestant community background and 36% from a Catholic community background. The remaining 18% indicated that they were from neither a Catholic or Protestant community background. Two fifths (40%) of complainants self-reported having a disability.

A detailed breakdown of statistics relating to equality monitoring, as well as complainant/police officer satisfaction levels and public attitudes towards the Office can be found on the Police Ombudsman's website.

Legal Services

The Police Ombudsman has successfully completed an ambitious schedule of Public Statements over the last year and the Legal Department has provided legal advice to her and her team at all stages of the process for each Public Statement. The Police Ombudsman has been challenged by way of Judicial Review in respect of three of these Public Statements. The Legal Department provided a robust

defence on behalf of the Office at the Leave stage in October 2022 and at the full Hearing stage in March 2023, and is presently awaiting Judgement in these cases.

The Legal Department has continued to fulfil its obligations to the Coroner's Legacy Disclosure Unit with regard to the ongoing Legacy Inquest Series, with the assistance of the Office's Disclosure Unit. This has required the proposal and application of redactions to material by way of a collaborative approach between the Office, the Coroner's Service and the PSNI in an effort to make this difficult and protracted task as effective and efficient as possible. The Legal Department has ensured that the Coroner is properly updated at Preliminary Hearings. It has applied for 'Properly Interested Person' (PIP) status where considered appropriate, and in such cases has instructed counsel to play a formal role in the inquest. In cases where the Office has not applied for or not been granted PIP status, the Legal Directorate has fulfilled the role of information provider, ensuring the provision of properly redacted material and the subsequent responding to queries throughout the progression of the inquest. A number of inquests have commenced modular hearings within the last year, whereby the inquest is part heard, with the remainder to be heard at a later date, and the Legal Department have assisted the Coroner's Service in this approach.

While the Legacy Inquest Series is ongoing, the Office continues to assist and support the Coroner's Service in lengthy and complex Current Inquests, including where the deceased has died following contact with police. The Office is committed to assisting and supporting the Coroner to fulfil his statutory functions.

In May 2022, the UK Government introduced the Northern Ireland Troubles (Legacy and Reconciliation) Bill. With the assistance of a pupil solicitor, the Legal Department has provided advice to the Police Ombudsman, the Chief Executive and to staff with regard to the implications of the legislation for the Office. The Legal Director has attended meetings with the Northern Ireland Office, both to advise them as to the present work of the Office and to make enquiries regarding the proposed legislation and potential amendments to the bill.

The Legal Department has arranged in house training in order to allow its lawyers to fulfil their Continuing Professional Development (CPD) requirements. Similarly, the Legal Director has arranged in house training for investigator staff. Within the year the Legal Department commenced a virtual Bitesize Series of presentations to internal investigators, in which recent judgements or processes were explained.

The Legal Department has continued to act for the Police Ombudsman in the defence of civil proceedings brought against the Office. While the defence of Judicial Review proceedings relating to Public Statements has been outlined above, the Legal Department has also defended further judicial review proceedings instigated against the Office on a range of issues. The Office remains subject to complex third party disclosure applications, in both historic and current cases. This is a comprehensive and time consuming exercise for proceedings in which the Office is not directly involved.

The Office will continue to deal with these applications in an effective and efficient manner however, where it appears that the information should be more appropriately sought from a direct party to the proceedings, the Office will make strenuous submissions in this regard.

The Legal Department has continued in its ongoing work of drafting and reviewing internal policy and external MOU's and Data Sharing agreements, and has collaborated with the Police Ombudsman and relevant external bodies in the renewal and updating of such agreements.

The Legal Department has continued to represent the Police Ombudsman at a range of meetings and functions with stakeholders and those with a particular interest in the work of the Office.

Working with other Police Oversight Bodies

The Police Ombudsman continues to engage and communicate with policing oversight agencies internationally and in the rest of the UK, Northern Ireland and the Republic of Ireland and seeks opportunities for shared learning and joint training events in the practices of civilian investigation and oversight of police with GSOC in the Republic of Ireland, IOPC in England and Wales (formerly the Independent Police Complaints Commission and PIRC in Scotland).

Media and Statistical work

Independent research reflects that 92% of people in Northern Ireland have heard of the Police Ombudsman and the Office is committed to ensuring that information about its work is communicated as widely as possible and via a range of channels.

The traditional media remain an important means of providing people with information and we are also building the use of social media in our communications.

We are proactive in issuing information about our work and also provide information in response to journalists' queries. In 2022-23, we responded to more than 100 media enquiries and the Police Ombudsman was interviewed by journalists from both local and national media outlets during this period.

In the past year, the findings from a number of investigations garnered significant media and public attention. They included a public statement on the Ombudsman's investigation into the arrests of four young men in Derry/Londonderry in 1979 which concluded that they were subjected to coercion and oppression before 'confessing' to terrorist crimes.

The outcome of the investigation into the police response to complaints of abuse at Kincora Boys' Home also drew significant media coverage, as did the Ombudsman's report which considered the contrast in policing between the 'Black Lives Matter' protests and the 'Protect our Monuments' protests which took place during the Covid-19 pandemic.

The provision of information through our statistical reporting is an important element of our work to demonstrate the effectiveness of the police complaints system.

Most of the statistics in this Annual Report were produced by a small internal unit which seeks to make statistical information as clear and accessible as possible.

The Unit produces and publishes official statistics, including quarterly and annual statistical bulletins on the number of complaints and allegations the Office receives, as well as a range of reports which are designed to meet the needs of particular groups and organisations.

These include monthly and quarterly reports to the PSNI which provides them with regular information about trends and patterns in police complaints and helps the service to identify any issues they may need to address. We also provide reports to the Northern Ireland Policing Board which give a profile of complaints received.

Engaging with the people we serve

The Information and Communications unit supports the engagement of the Police Ombudsman internationally and nationally and in particular worked with the IOI, Ombudsman Association and IPCAN during 2022-23 at various conferences and seminars.

While media coverage and other communications work helps to keep levels of public awareness high, the Office also engages directly with a myriad of individuals, groups and organisations across the year.

This is central to ensuring not only that we increase understanding of our work, but also that we are listening to the issues or concerns which the people we serve may have.

In 2022-23, this kind of engagement took place with complainants and their representatives, elected representatives, partner organisations in the criminal justice family and those working in the voluntary and community sector, including with older people, with victims of crime, and with children and young people.

Indeed the year saw the development of a youth engagement strategy, in partnership with the Northern Ireland Youth Forum, which aims specifically to raise awareness and increase accessibility to and confidence in the police complaints system among young people. This work will be taken forward in the next three years.

Official Requests for Information

As well as dealing with requests for information from complainants, police officers and the media as part of its normal business, the Office also receives requests made under both the Freedom of Information Act and the Data Protection Act. These requests are considered separately.

During 2022-23, the Office received 119 such requests. This is the highest number received to date and represents a 3.5% increase on the previous year.

In 2021-22, the Office noted a change in the balance of requests received. Where previously the majority were subject access requests from people who had either made a complaint to us or had been the subject of such a complaint, there was a more even split between subject access requests and freedom of information requests. This trend has continued in 2022-23, with an almost equal division between the two request categories.

Budgetary Framework

DoF is responsible for management of the NI Executive's Budget process in line with a budgetary framework set by HMT. The total amount a department spends is referred to as the Total Managed Expenditure (TME); which is split into Departmental Expenditure Limit (DEL) and Annually Managed Expenditure (AME).

HMT and DoF do not set firm AME budgets as AME expenditure is volatile or demand-led in a way that departments and arm's length bodies cannot control. The DoJ monitors AME forecasts closely and this facilitates reporting to DoF, who in turn report to HMT.

As DEL budgets are understood and controllable, HMT sets firm limits for DEL budgets for Whitehall Departments and Devolved Administrations at each Spending Review. The NI Executive, based on advice from the Finance Minister, will usually turn agree a local Budget that will set DEL controls for Executive departments.

DEL budgets are classified into resource budgets (which include Non-Ringfenced Resources that pays for programme delivery and running costs and Ringfenced Resources that covers non-cash charges such as depreciation and impairment of assets) and capital budgets for spending on all other assets or investments.

Further detail on the Budgeting Framework can be found in the Consolidated Budgeting Guidance published by HMT at <https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022>.

The Office's performance against Budgetary Control totals is set out in the table below.

	Final Plan 2022-23 £000	Outturn 2022-23 £000	Underspend / (Overspend) £000
Resource DEL			
<i>Non-Ringfenced</i>	11,531	10,103	1,428
<i>Non-Ringfenced Legacy Inquests</i>	521	197	324
<i>Ringfenced Depreciation /Impairment</i>	873	560	313
Capital DEL			
<i>General Capital</i>	288	195	93
Total DEL	13,213	11,055	2,158
AME			
<i>AME Resource</i>	250	277	(27)
<i>AME Capital</i>	-		
Total Managed Expenditure	13,463	11,332	2,131

Explanation of Variances

The £1,428k underspend in relation to Non-Ringfenced Resource DEL was mainly as a result of challenges of recruitment and backfill for staff vacancies during the year. The £324k underspend in Legacy Inquests was due to the inquests being delayed and the lack of progress on establishment of Legacy Disclosure Unit. The underspend was in part also because of the inability to recruit a legal officer post in that unit. The enduring problems in recruiting appropriately skilled professional support staff and the reduced financial outlook for 2023-24 and beyond means that there should be a much closer alignment between Outturn and Final Budget Plan in the year ahead. A significant proportion of the Depreciation/Impairment DEL cost of £560k related to the deprecation charge brought about by the implementation of IFRS 16 – *Leases* in 2022-23. The depreciation on the Right of Use assets that were recognised amounted to £353k.

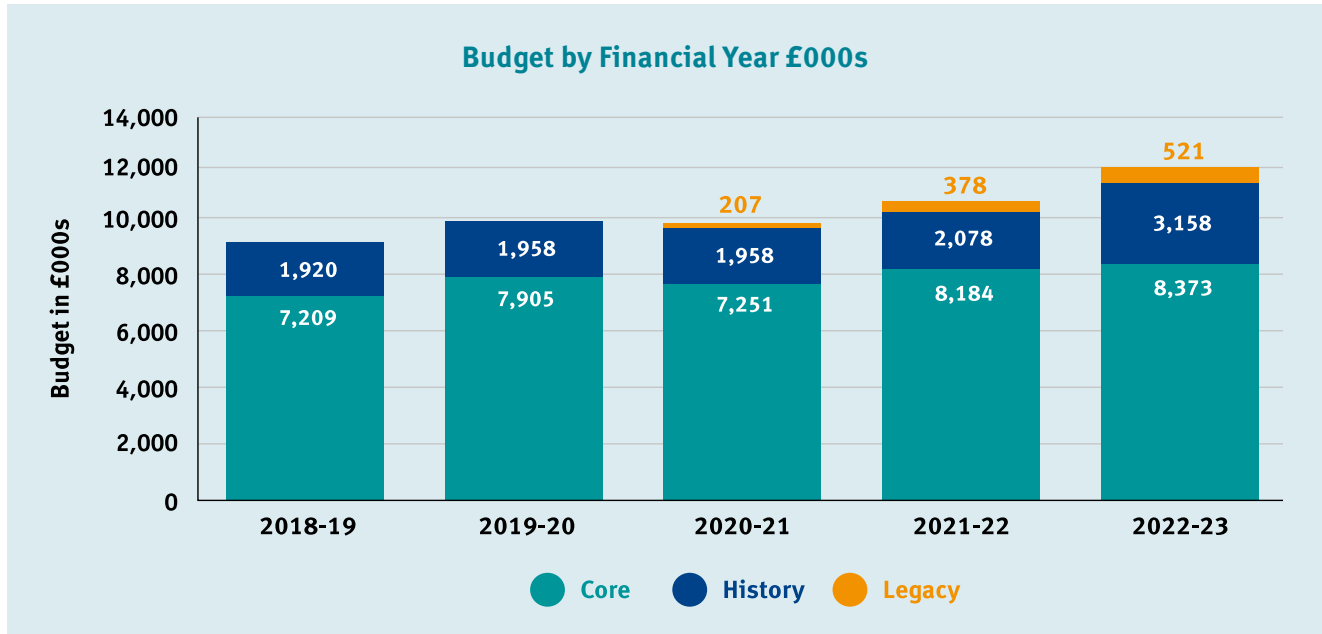
The Capital DEL variance of £93k relates to a delay in a project to develop our website.

Long Term Expenditure Trends

The Office, as a NDPB, is financed by public money. Therefore the overall context of reductions to budgets across the public sector as a whole have impacted on the resources available to the Office.

The chart below shows the total budget available year on year. For some years, the Office has secured resources for two distinct areas of work – those relating to Historical matters prior to April 1998 and those relating to current investigations and other significant matters from April 1998 onwards. £1,108,000 of additional funding for History investigations was not spent in 2022-23 due to significant challenges in recruitment.

Since 2020-21, the Office has received funding to support the development of a small dedicated team for the purposes of supporting the Lord Chief Justice's five year plan for Legacy Inquests. £521,000 was provided in 2022-23.



The Police Ombudsman is aware of and accepts the impact of the state of public finances more generally. However, resourcing of the Office adequately to ensure it can operate effectively and efficiently is a key priority. The resourcing of the Office remains a key risk area in the Office's risk register.

In relation to historic investigations, the Ombudsman has consistently asserted publicly that the delays in completing and prioritising investigations has been due to difficulties in recruiting staff for this work.

The future arrangements for dealing with the past in Northern Ireland continue to be the subject of much political discourse.

Given the progress of the Legacy Bill in Parliament it is clear that it is the UK government's policy intent that the jurisdiction of the Police Ombudsman in respect of historical matters will cease on the establishment of the new ICRIR.

However, until the law changes the responsibility remains with the Police Ombudsman to investigate those matters.

Financial Review

The financial position as at 31 March 2023 is set out in the Statement of Comprehensive Net Expenditure and Statement of Financial Position on pages 69 and 70 respectively.

The Office incurred net operating expenditure for the year of £11,005,705 (£10,367,057 for year ended 31 March 2022).

The table below shows the total net expenditure of the Office over the last three financial years.

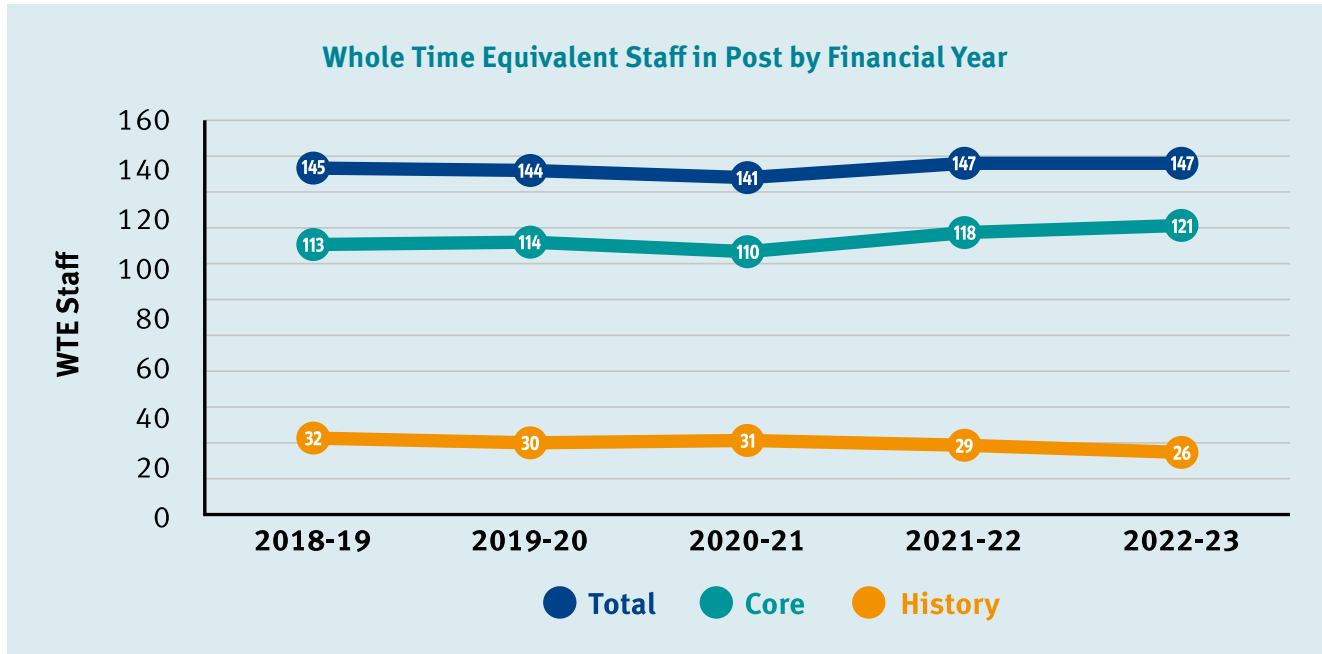
Expenditure	2022-23 £	2021-22 £	2020/21 £
Staff Costs (Note 5)	8,126,998	7,759,001	7,638,611
Other expenditure (Note 6)	2,063,495	2,394,927	1,908,663
Other expenditure – non cash (Note 6)	844,809	253,043	369,096
Expenditure for the year	11,035,302	10,406,971	9,916,370
Income (Note 3)	(29,597)	(39,914)	(99,316)
Net Expenditure for the year	11,005,705	10,367,057	9,817,054

The table above shows an increase of £368k (4.7%) in staff costs in 2022-23 from £7,759k in 2021-22. As in previous years, staff costs account for a considerable percentage (73.8% for 2022-23) of total net expenditure.

Other expenditure (excluding non-cash) decreased by £331k (13.8%) from £2,395k in 2021-22 to £2,063k in 2022-23. The single largest contributor to the decrease was the implementation of IFRS 16 Leases during 2022-23. The implementation of IFRS 16 saw the recognition of leasehold Right of Use assets with attendant depreciation charges.

The rental payments in respect of those leases are no longer recorded against Other Expenditure.

The chart overleaf reflects the allocation of staff between Historic investigations and other staff. The average Whole Time Equivalent (WTE) staff in post remained at 146.6 from 2021-22 to 2022-23.



Financial Position

The total net assets of the Office as at 31 March 2023 were £356,591 (£501,480 as at 31 March 2022).

Property Plant and Equipment

Assets are valued at cost, adjusted as appropriate to reflect current replacement costs. The leasehold interest in respect of improvements carried out to New Cathedral Buildings has been capitalised under land and buildings and valued on the basis of existing use value at £283,520 at 31 March 2023 (£306,618 at 31 March 2022). The open market value of the leasehold interest in New Cathedral Buildings has been valued at £nil at 31 March 2023 (£nil at 31 March 2022). Details of the movement of property, plant and equipment are set out in Note 7 to the Accounts.

Leases

From 1 April 2022, leases are accounted for under IFRS 16 - Leases. From that date, the Office recognises the assets and liabilities for leases with a term of more than 12 months. A Right of Use asset is recognised to reflect the Office's right to use the leased asset and a lease liability to reflect the Office's obligation to make lease payments.

Depreciation on the Right of Use Asset and interest on the lease liability is charged to the Statement of Comprehensive Net Expenditure. Repayments of the lease liability are applied to the Statement of Cash Flows.

Prompt Payments

The Office practice and 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.

The overall performance to pay within 10 working days for the year ended 31 March 2023 was 95.4% (93.1% for the year ended 31 March 2022). The overall performance to pay within 30 days for the year ended 31 March 2022 was 100% (100% for the year ended 31 March 2022).

Environmental Matters

The Office, despite its small scale, endeavours to ensure that it minimises its environmental impact. The Office recycles paper, plastic, cardboard and cans, reducing significantly the amount of waste that is disposed of to landfill. Further, managers encourage sharing of cars and monitor the use of vehicles for business journeys monthly. This contributes to reductions in emissions as well as efficient use of resources. The NI Executive approved a Single Use Plastic Action Plan produced by the Department of Agriculture, Environment and Rural Affairs. Consistent with this plan, the Office is currently seeking to identify ways in which it can reduce its use of Single Use Plastics.

Auditors

The Financial Statements are audited by the C&AG who heads the NIAO and is appointed by statute and reports to the Northern Ireland Assembly. Her certificate and report are produced at page 65.

The audit fee for the work performed by the staff of the C&AG during the reporting period was £14,200 which relates solely to the audit of these financial statements (£13,900 in 2021-22).

The C&AG may also undertake other work that is not related to the audit of the Office of the Police Ombudsman's Financial Statements, such as Value for Money reports. No such activity took place during the year.

In Conclusion

The achievements which are outlined in this Annual Report demonstrate a high level of performance by staff in the delivery of our statutory duties. Staff have continued to work with dedication and commitment to maintain an effective and efficient police complaints system and it is right that I should formally record my thanks to all my staff across the Office who individually and collectively continue to meet the responsibility and the privilege of delivering a vitally important service to the people of Northern Ireland.



Adrian Doherty
Interim Accounting Officer
Director of Corporate Services

5 July 2023

Accountability Report

Overview and Corporate Governance Report

The Accountability section of the Annual Report outlines how the Police Ombudsman meets its key accountability requirements to the Northern Ireland Assembly and ensures best practice with corporate governance norms and codes. The three sub-sections within the Accountability Report are outlined below.

The purpose of this section is to explain the composition and organisation of the Police Ombudsman's governance structures and how they support the achievement of its objectives.

As a minimum, the corporate governance report must include:

- Directors' Report;
- Statement of Accounting Officer's responsibilities; and
- Governance Statement.

Remuneration and Staff Report

This section sets out the Office remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors as salary and pension entitlements.

In addition, the report provides information relating to remuneration and staff that the Northern Ireland Assembly and other users see as key to accountability.

Assembly Accountability and Audit Report

This section brings together key Assembly accountability documents within the Annual Report and Accounts. It comprises:

- Regularity of expenditure;
- Assembly accountability disclosures; and
- Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

Directors' Report

Police Ombudsman

The Police Ombudsman for Northern Ireland is a corporation sole and has a personal jurisdiction.

Executive Management

The Police Ombudsman is supported by a Senior Management Team:

Mrs O Laird	Chief Executive
Mr P Holmes	Temporary Senior Director of Investigation
Mrs J Adams	Temporary Director of Historic Investigation
Mrs S Harper	Director of Current Investigation, Fixed Term Contract
Mr A Doherty	Director of Corporate Services

Register of Interests

A register of interests is maintained within Police Ombudsman's Office for the Ombudsman and all members of the SMT as well as Non-Executive members of the Audit and Risk Committee. No interests were identified which may cause a conflict of interest with management responsibilities. A copy of the register is available on request. In addition, the Ombudsman also has in place a Conflicts of Interest policy whereby staff are required to declare actual, perceived or potential conflicts of interest in order that these can be managed effectively.

Customer Complaints

There were 67 complaints received during the year within the Customer Complaints policy (87 in the year to 31 March 2022). Further details are included in the Performance Report on page 26 above.

Personal Data

I am required to report personal data related incidents which occurred during the year ended 31 March 2023. Personal Information is defined in section 3 (2) of the Data Protection Act 2018 as "any information relating to an identified or identifiable living individual...".

The Police Ombudsman is the data controller for the Office and is required by section 67 of the Data Protection Act 2018 to notify a breach of personal data in relation to personal data for which the controller is responsible where the personal data breach is likely to result in a risk to the rights and freedoms of an individual.

Information governance and risk is managed within the Office within the context of the Risk Management framework covered in the Governance Statement.

There were no data breach incidents reported to the Information Commissioner in 2022-23.

Statement of the Accounting Officer's Responsibilities

Under the Police (Northern Ireland) Act 1998 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the DoJ has directed that the Police Ombudsman prepare accounts for the financial year ended 31 March 2023 and subsequent financial years, in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for the financial year for which the accounts are being prepared, together with any additional disclosure or other requirements as agreed with the Department of Justice.

The accounts shall be prepared so as to:

- (a) give a true and fair view of the state of affairs at 31 March 2023 and subsequent financial year-ends, and of the income and expenditure, changes in taxpayers' equity and cash flows for the financial year then ended; and
- (b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the NI Assembly or material transactions that have not conformed to the authorities which govern them.

Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view.

In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed with the Department of Justice and Department of Finance.

The Accounting Officer of the DoJ has designated the Chief Executive as Accounting Officer of the Police Ombudsman for Northern Ireland. In March 2023 as a result of the absence of the Chief Executive, the Director of Corporate Services has been designated Interim Accounting Officer. 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 Office of the Police Ombudsman's assets, are set out in *Managing Public Money Northern Ireland* issued by the DoF.

As Interim 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 the Police Ombudsman internal and external s auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

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

Governance Statement

Statutory Position

The Police Ombudsman for Northern Ireland was established under the Police (Northern Ireland) Act 1998.

Governance Structure

The Police Ombudsman for Northern Ireland, in statute and by warrant of His Majesty, is responsible for the sound governance and effective internal control of the Police Ombudsman's Office. In law the Police Ombudsman for Northern Ireland is a corporation sole and has a personal jurisdiction. There is no Board to be accountable to. As a Non Departmental Public Body of the DoJ the Police Ombudsman is accountable to the Northern Ireland Assembly through the Minister of Justice. The Police Ombudsman is constituted and operates independently of the DoJ, the PSNI and the NIPB.

The Police Ombudsman is required by virtue of section 51(4) of the Police (Northern Ireland) Act 1998 to ensure that in the exercise of her functions, she provides an effective, efficient police complaints system, which is i secures the confidence of both the public and police.

As Interim Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Police Ombudsman's policies, aims and objectives as set out in the Strategic and Annual Business Plans and agreed with the DoJ. I am also required to safeguard the public funds and the assets for which I am personally responsible in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

The Governance Framework

Corporate governance describes the way in which an organisation is directed, controlled and led. The purpose of a Corporate Governance Framework is to facilitate accountability and responsibility for the effective and efficient delivery of an organisation's statutory responsibilities or aims and objectives. The Police Ombudsman s established to deliver on its statutory obligations under the Police (Northern Ireland) Act 1998 and is funded by public monies to do so. The Corporate Governance arrangements provide the framework to ensure that the organisation delivers on its statutory obligations and that it does so in accordance with the requirements placed on all publicly funded bodies regarding the stewardship of resources.

The Police Ombudsman has an established system of internal control which is based on an ongoing process designed to identify and prioritise risks to the effective and efficient achievement of the Ombudsman's key strategic and business objectives and priorities. The system of control also provides an assessment of the likelihood of risks being realised and the consequent impact for effective and efficient management of risks. This system of internal controls has been designed to manage risk to an acceptable level rather than to eliminate risks entirely and as such does not provide absolute assurance of effectiveness.

The Corporate Governance Arrangements framework document provides information on the structures, roles and responsibilities which have been established to ensure proper and effective management of affairs.

There are four key organisational roles and structures defined within the corporate governance arrangements – these are the Police Ombudsman, the Chief Executive as Accounting Officer, the SMT and the Audit and Risk Committee.

The Police Ombudsman

The Police Ombudsman has responsibility for establishing the overall strategic direction of the Office within the policy and resources framework determined by the Minister for Justice and the DoJ. She is also responsible for promoting the efficient, economic and effective use of staff and other resources.

The Chief Executive, as Accounting Officer

The Chief Executive was designated as Accounting Officer for the Police Ombudsman by the Departmental Accounting Officer of the DoJ. In the absence of the Chief Executive, I was appointed Interim Accounting Officer.

The Senior Management Team (SMT)

The SMT supports the Police Ombudsman by providing collective leadership and taking ownership of organisational performance and risks. The SMT oversees how the organisation plans, sets, communicates and monitors corporate objectives. It operates in an advisory and consultative capacity to the Police Ombudsman in respect of those matters for which the Ombudsman has specific statutory responsibility, offering guidance when sought.

The Audit and Risk Committee

The Police Ombudsman is supported in her role by the Audit and Risk Committee. The Audit and Risk Committee includes two independent external members who chair all Audit and Risk Committee meetings on an alternate basis.

The Office has two independent external members. One took up post from April 2020 for an initial three year term with an option for a further two years has exercised that option. The second member resigned in February 2022 and was replaced in May 2023.

Audit and Risk Committee meetings are convened on a quarterly basis and the Police Ombudsman, the Chief Executive and the Director of Corporate Services normally attend each meeting along with a representative from the DoJ, the Head of Internal Audit and a representative from the NIAO as external auditor.

The Audit and Risk Committee has an established Terms of Reference which was last reviewed and updated in October 2022. The responsibilities of the Audit and Risk Committee include advising the Police Ombudsman and Chief Executive on the strategic processes for risk, control and governance within the Office. The Audit and Risk Committee has oversight of key governance matters including Whistleblowing, Fraud and Theft, Gifts and Hospitality, Health and Safety and Direct Award Contracts. The Audit and Risk Committee produces an Annual Report on the effectiveness of the Committee in the discharge of their responsibilities in support of the Police Ombudsman and me as Accounting Officer.

Internal Audit

The Internal Audit service for the Office for the year to 31 March 2023 was provided by the NICS Internal Audit Service who operate to Public Sector Internal Audit Standards (PSIAS). The Internal Audit work programme for the year was set within a strategic internal audit plan.

The plan gives assurance to the Accounting Officer on the effectiveness and efficiency of the operation of key systems and controls in the Office in order to deliver the statutory duties of the Office. On an annual basis the Audit and Risk Committee approves an annual audit plan and considers the adequacy of the management responses to findings and recommendations contained in audit reports. The Head of Internal Audit also produces an Annual Assurance report which provides assurances to me as Accounting Officer as to the effectiveness of the Office's overall systems of control. The Head of Internal Audit Annual Assurance report for the year ended 31 March 2023 provides overall satisfactory assurance.

External Audit

The External Auditor of the Office is the C&AG of the NIAO. The NIAO undertakes an audit of the financial statements of the Office on an annual basis and provides a certificate for inclusion in the Annual Report and Accounts. The NIAO also provide, on an annual basis, a Report to those Charged with Governance which makes recommendations where matters have come to the attention of the NIAO during the course of their audit. Deloitte (NI) Limited has been appointed to undertake audit fieldwork on behalf of the NIAO on an outsourced basis.

Governance Arrangements

The Police Ombudsman for Northern Ireland operates under a Management Statement and Financial Memorandum (MSFM) with the Permanent Secretary of the DoJ. The MSFM sets out the broad framework within which the Office operates, subject to the legislation under which the Office was established and is required to comply. The MSFM is supplemented by a MOU which provides an operating protocol which recognises the operational independence of

the Ombudsman and also satisfies the rules of accountability and oversight for the effective and efficient use of public resources. The current MSFM and related MOU were agreed in October 2012. These are available on the Office website and in the library of the Northern Ireland Assembly. A process is underway across the NICS to replace MSFMs with "Partnership Agreements" in line with a new Code of Practice on Partnerships between Departments and Arm's Length Bodies. DAO (DoF) 03/22 issued on 13 April 2022 advised of the publication of specific templates for Partnership Agreements for Corporation Soles such as Ombudsmen and Commissioners. The MSFM and MOU of the Office will be replaced with a Partnership Agreement during 2023-24.

Sitting alongside the MSFM, the Office has an established set of arrangements for Corporate Governance which was put in place in October 2012. The Corporate Governance Arrangements document was last reviewed and endorsed by the Police Ombudsman, the SMT and the Office's Audit and Risk Committee in May 2016. These will be reviewed to ensure they remain appropriate in conjunction with the work to establish a new Partnership Agreement.

The Corporate Governance Arrangements document (which is available on the Office's website) details the key principles of corporate governance which include openness, integrity and accountability and provides information on the structures, roles and responsibilities which have been established to ensure proper and effective management of the Office's affairs. In the absence of a Board, the role of the Non-Executive members of the Audit and Risk Committee includes the requirement to provide 'constructive challenge', a fresh, objective perspective and new ideas and a safe sounding

board for new approaches. In addition, Non-Executive Audit and Risk Committee members are responsible for ensuring that all aspects of strategy and delivery of policy are scrutinised for effectiveness and efficiency.

As part of the Internal Audit plan of work, the Internal Auditor assesses the Risk Management and Corporate Governance arrangements on a periodic basis. Risk Management and Corporate Governance arrangements were subject of audit during this year and satisfactory assurance was provided.

As part of the sponsorship arrangements, the DoJ considers the performance of the organisation on a quarterly basis in line with the Management Statement and Financial Memorandum. This includes meeting formally with the Head of the sponsor Division within the Department to discuss performance against the objectives and targets set out in the Annual Business Plan. In addition, I keep the Department informed of relevant matters on an ongoing basis.

As an NDPB and in the context of the Corporate Sole arrangements, the Police Ombudsman complies with the Corporate Governance in Central Government Departments: Code of Good Practice NI to the extent that it is appropriate and relevant to do so.

Conflicts of Interest

A standing item of Conflicts of Interest is included at the start of all Audit and Risk Committee, Senior Management Team and Quality and Improvement Committee meeting agendas. Any conflicts of interest declared are managed by the Chair of the relevant meeting and will normally require the withdrawal from the meeting in full or for the relevant part

of the meeting by the individual who has declared the conflict. All such conflicts of interests are recorded in the minutes of the meeting and are forwarded for inclusion in the organisational Conflict of Interest register. In the year to 31 March 2023 no conflicts of interest were declared in either: the Audit and Risk Committee or in Senior Management Team meetings. Similarly, there were none in the year to 31 March 2022.

Risk Management and Internal Control

The Police Ombudsman has established procedures for risk management which include a Risk Management Policy and Strategy. There is an established risk register for the Office which details the key organisational risks that are faced at a point in time. The Risk Register is formally reviewed on a quarterly basis by SMT, however it is also considered as a standing item at each SMT meeting where new risks or significant changes to existing risks are discussed on a monthly basis.

I consider that the effective and proactive management of risk is a key role for the SMT and the management of risk is a central component of the SMT agenda. Each risk has been assigned to a member of SMT who is designated with responsibility for ensuring the oversight of that risk. These key risks are prioritised by likelihood and impact and categorised as low, moderate, high or extreme. Each individual risk on the risk register is also supported by a schedule which maps out the existing controls in place to manage the risk, any further work that is necessary and updates on progress to date.

The risk register and actions are also regularly reviewed by the Audit and Risk Committee.

Review of Effectiveness of the Governance Framework

Senior Management Team (SMT)

The Senior Management Team, which is chaired by the Chief Executive or in her absence by the Police Ombudsman, meets on a regular basis throughout the year. During the financial year there were ten SMT meetings held. These meetings are designed to ensure the effective management of the day to day operation and governance of the Office and to ensure effective progress against the objectives and targets of the Annual Business Plan. The Police Ombudsman normally attends SMT meetings. The attendance by members at SMT meetings across the year was:

Marie Anderson, Police Ombudsman	10
Olwen Laird, Chief Executive	9
Paul Holmes, Temporary Senior Director of Investigation	10
Julie Adams, Temporary Director of Historic Investigation	6
Susie Harper, Director Current Investigations, Fixed Term Contract	9
Adrian Doherty, Director of Corporate Services	9

Audit and Risk Committee

The Audit and Risk Committee met on four occasions in total across the year. Each meeting was chaired by a non-executive member. There was regular attendance at these meetings as outlined below:

Leo O'Reilly, Non-Executive member	4
Peter Osborne, Non-Executive Member	2
Marie Anderson, Police Ombudsman	4
Olwen Laird, Chief Executive	3
Adrian Doherty, Director of Corporate Services	4
DoJ, Sponsor Department	4
NICS Internal Audit Services	4
NIAO, External Auditor	4
Deloitte, External Audit Contractor	4

Each financial year, the Audit and Risk Committee produces a report on the effectiveness of the Audit and Risk Committee in support of both the Police Ombudsman and Accounting Officer. The report for the year ended 31 March 2023 has confirmed that the Audit and Risk Committee operated effectively across the financial year.

During the financial year, the SMT and Audit and Risk Committee received a wide range of information within an agreed schedule including; the corporate risk register, statistical information on complaints and investigation caseloads, balanced scorecard information in relation to performance against business plan targets, management accounting information and other relevant material. Although there has been no formal assessment of the information provided, the Police Ombudsman, the SMT and the Audit and Risk Committee are satisfied with the quality, accuracy and timeliness of the information received.

Department of Justice sponsor arrangements

Governance meetings are held on a regular basis throughout the year between the sponsor Division of the DoJ and in line with the provisions of the MSFM to discuss and monitor performance against the Annual Business Plan throughout the year. During the 2022-23 year there were four meetings held. Additionally the Office responds to a significant number of requests for information and to the requirements to submit returns to the DoJ on a regular basis on a range of matters to satisfy the governance requirements of the DoJ. There were no ministerial directions given during the year.

Risk management

The process of ongoing overview of key organisational risks has been effective across the financial year. Individual members of SMT have been pro-active in the management of the risks that have been individually assigned and the consideration of risk by SMT as a standing item on the agenda has enabled focused discussion on these risks and related actions required to address them.

There were three key strategic risks facing the Office during 2022-23. These were:

- a risk that the budget allocated to the Office would be insufficient for the Office to function effectively in the delivery of its statutory duties and that any further reduction would undermine the capability and capacity of the Office to undertake its statutory functions;
- a risk that the impact of the Legacy Bill on the cessation of the Police Ombudsman investigations will undermine public confidence in the office; and
- a risk that there may be absences of staff in key posts in the Office that impact the ability to deliver the aims and objectives.

In order to address these risks the Office has continued to represent to the DoJ the impact of budget cuts to the Office as part of financial monitoring discussions, during formal governance meetings and in meetings between the Police Ombudsman and Permanent Secretary to the DoJ. The budget for 2022-23 included additional resources Historic Investigations, provided by the DoJ following the submission of a History Business case for additional funding to support an enlarged team. As with all public bodies, the budget position remains difficult as the budget allocation has been reduced by 1.7% in 2023-24.

Budget Position and Authority

The Northern Ireland Budget Act 2023 received Royal Assent on 8 February 2023. The Act authorised the use of cash and resources in the year ending 31 March 2024.

Significant Internal Control Issues

There were no significant internal control issues identified during the year.

Accounting Officer Statement on Assurance

In providing my statement on assurance I am informed by assurances provided to me from a range of sources. These include:

- an Annual Assurance Report from the Internal auditor which provides an overall assurance rating to me on the basis of work undertaken across a range of internal audit areas. The overall assurance that has been provided to me as Accounting Officer by the Internal Auditor is satisfactory. This satisfactory assurance is drawn from a range of internal audits carried out during the financial year and cumulative assurances derived from internal audit activity during previous years. The areas subject to audit and the related assurance levels are as follows:
 - Risk Management & Corporate Governance (satisfactory)
 - Health & Safety (satisfactory)
 - Operations Complaints Handling (satisfactory)
 - On call allowance review (satisfactory)
 - Case Handling System – Project Management review (satisfactory)
- the Audit and Risk Committee Annual Report which provides an overall assessment as to the effective functioning of the Audit and Risk Committee.
- the system of risk management within the Office.

I consider that the overall system of controls, governance framework and risk management provide satisfactory assurance to me that the Office can effectively and efficiently meet its objectives.



Adrian Doherty
Interim Accounting Officer
Director of Corporate Services

5 July 2023

Remuneration and Staff Report

Remuneration Policy

The Police Ombudsman is remunerated in line with judicial salary scales. Judicial scales are based on the work and recommendations of the Senior Salaries Review Board (SSRB). The Chief Executive and Senior Director of Investigation are remunerated as Senior Civil Servants. The remuneration of other members of the SMT and staff within the Office is set within the NICS pay structures. The SCS remuneration arrangements are based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima allowing progression towards the maxima on performance.

The pay remit for the Northern Ireland public sector, including Senior Civil Servants is approved by the Minister of Finance. The Minister has set the public sector pay policy for 2022-23 in line with the overarching HMT parameters. Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for staff in the Office is aligned to NICS pay. The NICS pay award, including SCS staff, has now been finalised for 2022-23 but this was not paid during the year. However, an accrual has been recognised for the arrears of pay that will be paid in 2023-24.

The pay of NICS staff and SCS staff is based on a system of pay scales for each grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance.

The Office is not involved in NICS pay negotiations. Performance of staff is appraised by line managers against agreed objectives and targets.

Service Contracts

Appointments are usually made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made. There were two exceptions to this in 2022-23. Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

The Police Ombudsman is appointed for a maximum of seven years as provided within paragraph 1(4) of Schedule 3 to the Police (Northern Ireland) Act 1998. Marie Anderson was appointed as Police Ombudsman on 16 July 2019.

The Non-Executive members of the Audit and Risk Committee during 2022-23 were Mr. L O'Reilly and Mr. P Osbourne, who were appointed on 1 April 2020 at an hourly rate of £60/hr for a three year term to 31 March 2023 (with an option for a further 2 years). Mr O'Reilly exercised this option while Mr Osbourne resigned in February 2022.

The following sections provide details of the remuneration and pension interests of the Police Ombudsman, the Chief Executive, members of the SMT and Non-Executive members of the Audit and Risk Committee.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior officials in the Office.

Remuneration and pension entitlements (AUDITED INFORMATION)

Official	Salary (£000)		Benefits in Kind (to nearest £100)		Pension Benefit (to nearest £1000)		Total (£000)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Marie Anderson <i>Police Ombudsman</i>	145 – 150	140 – 145	-	-	58	57	205 – 210	200 – 205
Olwen Laird <i>Chief Executive</i>	100 – 105	95 – 100	-	-	-4	44	95 – 100	140 – 145
Paul Holmes ¹ <i>Temporary Senior Director of Investigation</i>	75 – 80	75 – 80	-	-	-	-	75 – 80	75 – 80
Julie Adams ¹ <i>Temporary Director of Investigation</i>	65 – 70	65 – 70	-	-	-	-	65 – 70	65 – 70
Susan Harper ² <i>Director of Investigation, Fixed Term Contract</i>	60 – 65	65 – 70	-	-	-	-	65 – 70	65 – 70
Angelina McGilly <i>Temporary Director of Corporate Services (until 10 April 2022)</i>	0 – 5 (40 - 45 full year equivalent)	0 – 5 (45 – 50 full year equivalent)	-	-	1	1	0 – 5	0 – 5
Adrian Doherty <i>Director of Corporate Services (from 7 April 2022)</i>	60 – 65 (60 – 65 full year equivalent)	-	-	-	40	-	100 – 105	-
Non-Executive Audit and Risk Committee members								
Leo O'Reilly	0 – 5	0 – 5	-	-	-	-	0 – 5	0 – 5
Peter Osborne	-	0 – 5	-	-	-	-	-	0 – 5

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any severance or ex gratia payments. This report is based on accrued payments made by the Office and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Office and treated by HM Revenue and Customs as a taxable emolument. There was £Nil benefits in kind for the year ended 31 March 2023 (£Nil; for the year ended 31 March 2021).

Bonuses

The Office does not make bonus payments in respect of staff performance. No bonuses were payable to staff or to senior managers in respect of the year ended 31 March 2023 (£Nil, 31 March 2022).

1 Julie Adams and Paul Holmes contribute to a partnership pension arrangement and as such there is no relevant pension benefit disclosure.

2 Susan Harper contributes to a partnership pension arrangement and as such there is no relevant pension benefit disclosure. Her fixed term contract is until 31 December 2023.

Fair Pay Disclosures

Pay Ratios

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

The banded remuneration of the Police Ombudsman, the highest-paid director in the Office, in the financial year 2022-23 was £145,000 – £150,00 (2021-22, £140,000 – £145,000). The relationship between the mid-point of this band and the remuneration of the Office's workforce is disclosed below.

2022-23	25th percentile	Median	75th percentile
Total remuneration (£)	£32,026	£33,647	£40,711
Pay ratio	4.61:1	4.38:1	3.62:1

2021-22	25th percentile	Median	75th percentile
Total remuneration (£)	£30,341	£33,898	£40,182
Pay ratio	4.81:1	4.30:1	3.63:1

Total remuneration includes salary, nonconsolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The values for the salary component of remuneration for the 25th percentile, median and 75th percentile were £32,328 (2021-22, £30,341), £33,649 (2021-22, £33,898) and £40,711 (2021-22, £40,182) respectively.

In 2022-23, no employee of the Office received remuneration in excess of the Police Ombudsman, (2021-22, 0). Staff in the Office hold a range of posts. The level of remuneration varies according to the post that is held. The range of remuneration on a whole time equivalent basis within the Office is £17,866 (payable for an apprenticeship arrangement) to £147,388. (2021-22 – £22,470 to £143,095).

The median pay multiple was 4.38, up from the 4.30 ratio for the year ended 31 March 2022. The reason for the change is because of an increase in the total remuneration level of those in the first 25 percentiles.

Percentage Change in Remuneration

Reporting bodies are required to disclose the percentage change from the previous financial year in:

- salary and allowances, and
- performance pay and bonuses of the highest paid director and of their employees as a whole.

The percentage changes in respect of the Office are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

Percentage change for:	2022-23 v 2021-22	2021-22 v 2020-21
Average employee salary and allowances	0.27%	0.76%
Highest paid director's salary and allowances	3.00%	0.00%

The reported increase in average salary of 0.27% does not include the pay award of £552 per whole time equivalent with effect from 1 August 2022. Although an accrual for this amount is included in the Staff Costs reported in the Statement of Comprehensive Net Expenditure, it is not captured for each member of staff in the analysis of the change in average salary between 2021-22 and 2022-23. If the accrued amount was applied to each member of staff in post as at 31 March 2023, it is estimated that the change in average salary would be 1.25%.

Pension Benefits (AUDITED INFORMATION)

	Accrued pension at pension age as at 31/3/23 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/23 £000	CETV at 31/3/22 £000	Real increase in CETV £000	Employer contribution to partnership pension account (Nearest £100)
Marie Anderson <i>Police Ombudsman</i>	30 - 35	2.5 - 5	563	485	43	N/A
Olwen Laird <i>Chief Executive</i>	45 - 50	0 - 2.5	723	660	-17	N/A
Paul Holmes ² <i>Temporary Senior Director of Investigation</i>	N/A	N/A	N/A	N/A	N/A	14,200
Julie Adams <i>Temporary Director of Investigation</i>	N/A	N/A	N/A	N/A	N/A	11,400
Susan Harper <i>Director of Investigation, Fixed Term Contract</i>	N/A	N/A	N/A	N/A	N/A	11,300
Angelina McGilly <i>Temporary Director of Corporate Services (until 10 April 2022)</i>	0 - 5	0 - 2.5	47	46	1	N/A
Adrian Doherty <i>Director of Corporate Services (from 07 April 2022)</i>	20 - 25 plus a lump sum of 35 - 40	0 - 2.5 plus a lump sum of 0 - 2.5	373	310	28	N/A
Non-Executive Audit and Risk Committee members						
Leo O'Reilly	N/A	N/A	N/A	N/A	N/A	N/A
Peter Osborne	N/A	N/A	N/A	N/A	N/A	N/A

Northern Ireland Civil Service Pensions

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

The alpha pension scheme was initially 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 members of the classic, premium, classic plus and nuvos pension

arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)]) also moved to alpha from that date. At that time, members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha (full protection) 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 (tapered protection).

² Paul Holmes, Julie Adams and Susan Harper opted to contribute to a partnership pension. The disclosure for such pension arrangements is the Employer Contribution only.

McCloud Judgment

In 2018, the Court of Appeal found that the protections put in place back in 2015 that allowed older workers to remain in their original scheme, were discriminatory on the basis of age. As a result, steps are being taken by the Department of Finance to remedy those 2015 reforms, making the pension scheme provisions fair to all members. Some active members will have seen changes from April 2022.

The remedy is made up of two parts. The first part was completed last year with all active members now being members of alpha from 1 April 2022, this provides equal treatment for all active pension scheme members.

The second part is to put right, ‘remedy,’ the discrimination that has happened between 2015 and 2022. We are currently working on new scheme regulations and processes in readiness for this.

It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relate to the alternative schemes e.g., legacy PCSPS (NI) ‘Classic’, ‘Premium’ or ‘Nuvos’ (legacy scheme) or alpha. Scheme regulations made in March 2022, closed the PCSPS(NI) to future accrual from 31 March 2022, and all remaining active PCSPS(NI) members (including partially retired members in active service) moved to ‘alpha’ from 1 April 2022. This completed Phase One to remedy the discrimination identified by the Courts. Any pension benefits built up in the legacy scheme prior to this date are unaffected and PCSPS (NI) benefits remain payable in accordance with the relevant scheme rules.

Phase Two will see the implementation of the Deferred Choice Underpin. That is, giving eligible members a choice between legacy scheme and alpha scheme benefits for service between 1 April 2015 and 31 March 2022. At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which, once published, are available at <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>.

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 current accrual rate is 2.32%.

From 1 April 2015, all new entrants joining the NICS can choose between membership of alpha or joining a ‘money purchase’ stakeholder arrangement with a significant employer contribution (Partnership Pension Account).

Information on the PCSPS(NI) – Closed Scheme

New entrants who joined on or after 30 July 2007 were eligible for membership of the legacy PCSPS(NI) Nuvos arrangement or they could have opted for a Partnership Pension Account. Nuvos was also a CARE arrangement in which members accrued pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate of accrual was 2.3%.

Staff in post prior to 30 July 2007 were eligible to be in one of three statutory based ‘final salary’ legacy defined benefit arrangements (Classic, Premium and Classic Plus). From

April 2011, pensions payable under these arrangements have been reviewed annually in line with changes in the cost of living. New entrants who joined on or after 1 October 2002 and before 30 July 2007 will have chosen between membership of premium or joining the Partnership Pension Account.

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.

Partnership Pension Account

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

Active members of the pension scheme will receive an Annual Benefit Statement.

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. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy Classic, Premium, and Classic Plus arrangements and 65 for any benefits accrued in Nuvos. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni.

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 2022 was 10.1% and HM Treasury has announced that public service pensions will be increased accordingly from April 2023.

Employee contribution rates for all members for the period covering 1 April 2023 – 31 March 2024 are as follows:

Scheme Year 1 April 2023 to 31 March 2024

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates - all members
From	To	From 01 April 2022 to 31 March 2023
£0	£25,049.99	4.60%
£25,050.00	£56,999.99	5.45%
£57,000.00	£153,299.99	7.35%
£153,300.00 and above		8.05%

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended) and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and

uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

Compensation for loss of office (This section is subject to audit)

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. Exit costs are accounted for in the full year of departure. Where early retirements are agreed the additional costs are met by the Office and not by the Civil Service pension scheme. There were no redundancy or other departure costs for the year ended 31 March 2023 (£Nil, for the year ended 31 March 2022).

Payments to Past Directors (This section is subject to audit)

There were no payments made to any former member of the SMT or former Police Ombudsman for the year ended 31 March 2023 (£Nil, for the year ended 31 March 2022).

Off Payroll Payments

(This section is subject to audit)

The Office had no off-payroll engagements during the year to 31 March 2023 (Nil, for the year ended 31 March 2022).

Police Ombudsman's Remuneration

The Police Ombudsman is remunerated on Judicial Scale 5.2. The Police Ombudsman's total remuneration, including benefits in kind, but excluding pension contributions, was £147,388 for the year ended 31 March 2023. The Police Ombudsman's remuneration during the year ended 31 March 2022 was £143,095.

The Police Ombudsman did not receive any benefits in kind during the year (£Nil, for the year ended 31 March 2022).

The Police Ombudsman is a member of the NICS Pension arrangements. For the year ended 31 March 2023, £50,407 was payable by the Office in respect of the Police Ombudsman's pension contributions (£45,898 for the year ended 31 March 2022).

Staff Costs

(This section is subject to audit)

	2022-23	2021-22
Amounts payable in respect of directly employed staff		
Wages and Salaries	4,766,270	4,430,947
Social Security Costs	521,380	501,421
Employer's pension costs	1,356,955	1,350,198
Total direct employee staff costs	6,644,605	6,282,566
Less recoveries of outward secondments	(29,597)	(39,405)
Total net costs	6,615,008	6,243,161
Amounts payable in respect of staff on secondment, agency workers, temporary and contract staff	1,482,393	1,476,435
Total Staff Costs	8,097,401	7,719,596

The Office meets all of the staff costs for staff who are seconded to it as they are incurred. Although costs are fully recharged to the Office, the seconding organisation remains the permanent employer with responsibility for the pay, allowances and pension of such staff.

The Office also recharges out in full the staff costs for those who are seconded to other organisations as they are incurred. Although these costs are fully recharged to the organisation to which staff are seconded, the Office remains the permanent employer with responsibility for the pay, allowances and pensions of such staff.

The NICS main pension schemes are unfunded multi-employer defined benefit schemes but the Office is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the

benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

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 for 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The DoF also commissioned a consultation in relation to the Cost Cap element of Scheme Valuations which closed on 25 June 2021.

The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. Following completion of the consultation process the 2016 Valuation has been completed and the final cost cap determined. Further information, including a copy of Unpause Cost Cap Valuation Report, can be found on the Department of Finance website <https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations>.

A case for approval of a Legislative Consent Motion (LCM) was laid in the Assembly to extend the Public Service Pensions and Judicial Offices Bill (PSP&JO) to Northern Ireland. Under the LCM agreed by the NI Assembly on 1 November 2021 provisions are included in the Act for devolved schemes in NI. A second LCM was laid in the Assembly to implement the CCM changes in the Westminster Bill for devolved schemes. The second LCM, as agreed by the Assembly on 31 January 2022, ensured the reformed only scheme design and the economic check will now be applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The PSP&JO Act received Royal Assent on 10 March 2022. The UK Act legislates how the government will remove the discrimination identified in the McCloud judgment. The Act also includes provisions that employees will not experience any detriment if the adjusted valuation costs breach the set cost cap ceiling but any breaches of the cost cap floor (positive employee impacts) in the completed valuations will be honoured.

For 2022-23, employers' contributions of £1,462,396 were payable to the NICS pension arrangements (2021-22, £1,493,911) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £51,612 (2021-22, £44,379) were paid to one or more of the panel of two appointed stakeholder pension providers. Employers' contributions are age-related and range from 8.0% to 14.75% (2021-22, 8.0% 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 £1,431, 0.5% (2021-22 £1,330, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £0. Contributions prepaid at that date were £0.

There were no ill-health retirements during the year to 31 March 2023 (2021-22, none).

Average number of persons employed

(This section is subject to audit)

The average number of whole time equivalent (WTE) persons employed during the year was:

	2022-23	2021-22
Directly employed permanent Police Ombudsman Staff		
Management and executive	5	5
Administrative and support	34	28
Complaints and Investigation	83	90
Seconded, agency worker, temporary and contract staff		
Management and executive	1	1
Administrative and support	7	4
Complaints and Investigation	17	19
Total Average number of WTE persons	147	147

During the year to 31 March 2023, the average number of persons employed by the Office was 147. Over the same period there were 33 leavers and 34 new starts. The staff turnover during the 2022-23 year was 21.6% (16% during the 2021-22 year). Of those leaving, 50% were employed for less than one year.

Grade of Staff

(This section is subject to audit)

The Police Ombudsman is remunerated on the Judicial Scales at Judicial Scale 5.2. The remuneration of members of staff in the Office is set within the NICS pay structures. The Chief Executive and Senior Director of Investigation are remunerated on SCS Pay Scales.

	2022-23	2021-22
SCS Payscale 2	1	1
SCS Payscale 1	1	1

Sickness Absence

For the year ended 31 March 2023, the Office had a target sickness absence of not greater than 4%. The actual rate of sickness absence for the year was 6.34%. This represented a small increase from 2021-22 absence rate which was 6.0%.

The NICS data on sickness absence, published in February 2023, refers to statistics for October 2022 – December 2022. The headline figure for October 2022 – December 2022 quarter was 3.3 days of absence per employee (average days lost per staff year equivalent). This represented 6.0% of the available working days during that quarter. In comparison, THE Office's absence statistics show absence to end of March 2023 represented 6.3% of the available working days for the year.

The target of 4% absence which has been in place for a number of years remains in place and the Office's HR team are proactively working alongside managers across the Office to ensure that sickness absence is effectively managed to ensure staff are supported to return to work when appropriate. A new Attendance Management Policy has been introduced by SMT for all employees.

Expenditure on Consultancy

The Office incurred expenditure of £nil (£nil for the year ended 31 March 2022) on consultancy during the year ended 31 March 2023,

Developing our people

The 2022-23 year saw a focus on mandatory training with an increase in access to CAL courses. Additional courses were identified and all staff advised to complete the e-learning/webinars.

Training for fire wardens was identified after a request for volunteers to undertake the role.

Work commenced on the preparation for the next Professionalising Investigations Programme (PIP) course which is earmarked to commence in April 2023. The modules will run over a 4-month period to enable staff to continue with their investigative work.

The Office has recognised the importance of managing mental health and several staff volunteered to be trained as mental health first aiders. Training will be commencing in due course.

Training and Development

A Learning & Development Plan 2022-23 was developed along with a Training Needs Analysis which highlighted the training needs of the staff for the year.

Training activity continued in 2022-23 with 71 training events being facilitated, including:

- Digital skills development (40 participants)
- RIPA and Open Sources investigation training (52 participants)
- Professional accreditation (7 staff)
- Bite size Law events (20 participants)
- Packaging and Exhibiting training (50 participants)
- Excel Training

As a member of Employers for Disability NI, the Office this organisation to deliver a training session on Invisible/Hidden Disabilities.

Additional mandatory e-learning training courses were identified for all staff and access to additional courses on the NICS CAL training interface was obtained.

Equal Opportunities/Disabled Persons

The Police Ombudsman is committed to promoting equality of opportunity and diversity in her Office. The Office provides equal opportunity for all job applicants and employees. Recruitment, promotion and training are based on merit and on individual skills and experience and where appropriate, ability and performance. It excludes any consideration of an applicant's/employee's religious beliefs, political opinion, gender, marital status or disability.

Recruitment and Selection training is provided to all those involved in recruitment panels within the Office. In addition, the Office has an established recruitment policy and as part of the Office's commitment to Equality of Opportunity, it makes provision for accessibility for people with disabilities, by offering a guaranteed interview to disabled candidates who have declared their disability and meet the essential criteria listed in the job specification. We are committed to ensuring that reasonable adjustments are made for staff who may become disabled to ensure that they can continue to be effectively employed in the Office. It is also committed to making reasonable adjustments for applicants who indicate that they have a disability.

In March 2022, the Police Ombudsman and Chief Executive submitted a revised Equality Scheme for the period 2022-2027 to the Equality Commission for Northern Ireland (ECNI). In addition, the Office submitted its annual monitoring return to the ECNI as required by the Fair Employment and Treatment (Northern Ireland) Order 1998.

Staff composition

The profile of staff at 1 January 2023 shows that excluding employees from a non-determined background 50.4% are Protestant and 49.6% are Roman Catholic. The profile of staff at 1 January 2022 showed that 52.8% were Protestant and 47.2% were Roman Catholic.

In relation to gender composition, the overall profile of staff at 1 January 2023 shows that 43.7% were male and 56.3% were female (43.2% were male and 56.8% were female at 1 January 2022). As at 1 January 2023, there were six members of SMT, two of whom were male (33%), four were female (67%).

As at the end of the financial year, there were two members of staff remunerated at SCS scale, the Chief Executive and the Senior Director of Investigation. The Police Ombudsman is remunerated on the Judicial Scale 5.2. The Police Ombudsman is female. One of those currently remunerated at SCS grade is male (50%), one is female (50%).

The most recent ECNI monitored workforce statistics for 2021 for community background are 43.5% Protestant and 43.4% Roman Catholic and for gender are 47.6% male, 52.4% female. Within the Northern Ireland Public Sector, the level of female representation was higher at 65.9% female and 34.1% male.

Employee Consultation and Involvement

The Police Ombudsman recognises the importance of good industrial relations and is committed to effective employee communications. Trade Union representation is open to all employees and the Office has an established Joint Negotiating Consultative Committee with formal recognition of two staff

unions, NIPSA and Unison. The Office also holds monthly informal JNC meetings with local representatives. In 2022-23 the Office also consulted with non-union represented staff on the draft Hybrid Working policy to ensure the views of all of the staff were considered as part of that consultation process.

In the early part of 2022-23 the Office received its most recent Investors in People (IiP) report and a wide-ranging staff engagement survey followed in November 2022. Any future IiP assessment has been deferred to allow actions identified in the report to be progressed, while an action plan is to be developed and implemented to address issues identified in the findings from the engagement survey.

Health and Safety

The Office is committed to providing for staff and visitors an environment that is as far as possible safe and free from risk to health and safety. A standing sub-committee on health and safety operates under the Joint Negotiating Consultative Committee. A quarterly health and safety report is also considered on the SMT agenda.

Mandatory Health and Safety Awareness and Fire Awareness training e-learning courses have been identified for all staff.

A request for fire wardens was issued to staff which resulted in volunteers coming forward. Fire Warden e-learning training is to be undertaken early in 2023-24.

Additional first aiders were sought within the Office and three staff have attended the first aid training with a further 3 due to attend the course.

Northern Ireland Assembly Accountability Report

Regularity of Expenditure

(This section is subject to audit)

There were no losses or special payments in the year ended 31 March 2023, none for the year ended 31 March 2022.

Fees and Charges

(This section is subject to audit)

No fees are chargeable by the Office for making a complaint about police officer conduct or about the service provided by the Office. All complaints received are investigated free of charge to the person making a complaint. Under the respective agreements in place, any costs incurred in the investigation of matters in relation to the NCA or the UK Borders Authority are recharged to the relevant authority on the basis of full cost recovery in order that all such investigations are cost neutral to the Office. There have been no cost recharges under these agreements to date.

Remote Contingent Liabilities

(This section is subject to audit)

In addition to contingent liabilities which are reported in Note 16 to the accounts on page xx within the meaning of IAS 37, the Office is also required to report liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. There were no such remote contingent liabilities for the year ended 31 March 2023, none for the year ended 31 March 2022.



Adrian Doherty
Interim Accounting Officer
Director of Corporate Services
5 July 2023

The Certificate 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 Ombudsman for Northern Ireland for the year ended 31 March 2023 under the Police (Northern Ireland) Act 1998 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Government Financial Reporting Manual.

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 Ombudsman for Northern Ireland's affairs as at 31 March 2023 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Police (Northern Ireland) Act 1998 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 and Department of Finance directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies 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 Police Ombudsman for Northern Ireland in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, 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

In auditing the financial statements, I have concluded that Police Ombudsman for Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Police Ombudsman for Northern Ireland's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly

The going concern basis of accounting for Police Ombudsman for Northern Ireland is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Interim Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited and my audit certificate and report. The Interim Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report I do not express any form of assurance conclusion thereon.

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 based on the work undertaken in the course of the audit:

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

Matters on which I report by exception

In the light of the knowledge and understanding of the Police Ombudsman for Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. 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
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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.

The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly

Responsibilities of the Interim Accounting Officer for the financial statements

As explained more fully in the Statement of Interim Accounting Officer Responsibilities, the Interim Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Interim Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ensuring the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the applicable financial reporting framework; and
- assessing the Police Ombudsman for Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Interim Accounting Officer anticipates that the services provided by Police Ombudsman for Northern Ireland will not continue to be provided in the future.

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 1998 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Police Ombudsman for Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included governing legislation and any other relevant laws and regulations identified;
- making enquires of management and those charged with governance on Police Ombudsman for Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly

- completing risk assessment procedures to assess the susceptibility of Police Ombudsman for Northern Ireland’s financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

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

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

7 July 2023

Statement of Comprehensive Net Expenditure for the year ended 31 March 2023

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.

	Notes	2022-2023 £	2021-2022 £
Income			
Other Operating Income	3	(29,597)	(39,914)
Total Operating Income		(29,597)	(39,914)
Expenditure			
Staff costs	5	8,126,998	7,759,001
Depreciation and revaluation/impairment charges	6	559,233	177,912
Provision expense	6	277,069	66,605
Other operating expenditure	6	2,072,002	2,403,453
Total Operating Expenditure		11,035,302	10,406,971
Net Expenditure for the year		11,005,705	10,367,057
Other Comprehensive Net Expenditure			
Items that will not be reclassified to net operating costs:			
Net (gain)/loss on revaluation of Property, Plant and Equipment	7	(41,895)	(5,491)
Net (gain)/loss on revaluation of Intangibles Assets	9	(31,921)	24,707
Comprehensive Net Expenditure for the year		10,931,889	10,386,273

Statement of Financial Position as at 31 March 2023

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

	Note	As at 31 March 2023 £	As at 31 March 2022 £
Non-current assets:			
Property, plant & equipment	7	523,073	590,506
Leasehold Right of Use Assets	8	781,695	-
Intangible assets	9	421,326	291,999
Trade and other receivables	10	4,323	983
Total non-current assets		1,730,417	883,488
Current assets:			
Trade and other receivables	10	178,899	235,851
Cash and cash equivalents	11	138,402	180,573
Total current assets		317,301	416,424
Total assets		2,047,718	1,299,912
Current liabilities:			
Trade and other payables	12	(639,985)	(583,117)
Provisions	13	(361,160)	(215,315)
Current lease liabilities	8	(352,534)	-
Total current liabilities		(1,353,679)	(798,432)
Total assets less current liabilities		694,039	501,480
Non-current liabilities:			
Non-current lease liabilities	8	(337,448)	-
Total assets less total liabilities		356,591	501,480
Taxpayers' equity and other reserves:			
Revaluation reserve		318,116	244,300
General reserve		38,475	257,180
Total equity		356,591	501,480



Adrian Doherty
Interim Accounting Officer
Director of Corporate Services
5 July 2023

The Notes on pages 73 to 90 form part of these Accounts.

Statement of Cash Flows for the year ended 31 March 2023

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Office of the Police Ombudsman for Northern Ireland during the reporting period. The statement shows how the Office of the Police Ombudsman for Northern Ireland 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 Office of the Police Ombudsman for Northern Ireland. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Office of the Police Ombudsman for Northern Ireland's future public service delivery.

	Note	2022-23 £	2021-22 £
Cash flows from operating activities			
Net Operating Expenditure		(11,005,705)	(10,367,057)
Adjustments for non-cash transactions	6	844,809	253,043
Payments in respect of lease liabilities	8	(356,923)	
(Increase)/Decrease in trade and other receivables	10	53,612	(6,580)
Movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure	10	(95,322)	-
Increase/(Decrease) in trade and other payables	12	56,868	(183,409)
Movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure	7, 8	41,711	(22,150)
Use of provisions	13	(131,224)	(4,910)
Net cash outflow from operating activities		(10,592,174)	(10,331,063)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(78,211)	(90,200)
Purchase of intangible assets	9	(158,787)	(13,920)
Net cash outflow from investing activities		(236,998)	(104,120)
Cash flows from financing activities			
Resource grants from the Department of Justice		10,580,000	10,269,000
Capital grants from the Department of Justice		207,000	130,000
Net financing		10,787,000	10,399,000
Net (Decrease)/increase in cash and cash equivalents in the period	11	(42,171)	(36,183)
Cash and cash equivalents at the beginning of the period	11	180,573	216,756
Cash and cash equivalents at the end of the period	11	138,402	180,573

The Notes on pages 73 to 90 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

This statement shows the movement in the year on the different reserves held by the Office of the Police Ombudsman for Northern Ireland, 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, to the extent that the total is not represented by other reserves and financing items

	General Fund £	Revaluation Reserve £	Taxpayers' Equity £
Balance at 31 March 2021	225,237	263,516	488,753
Resource grants from the Department of Justice	10,269,000	-	10,269,000
Capital grants from the Department of Justice	130,000	-	130,000
Comprehensive net expenditure for the year	(10,353,157)	(19,216)	(10,372,373)
Auditor's remuneration	(13,900)	-	(13,900)
Balance at 31 March 2022	257,180	244,300	501,480
Resource grants from the Department of Justice	10,580,000	-	10,580,000
Capital grants from the Department of Justice	207,000	-	207,000
Comprehensive net expenditure for the year	(10,991,505)	73,816	(10,917,689)
Auditor's remuneration	(14,200)	-	(14,200)
Balance at 31 March 2023	38,475	318,116	356,591

Notes to the Accounts

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2022-23 Financial Reporting Manual (FReM) issued by Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Office of the Police Ombudsman for Northern Ireland for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Office of the Police Ombudsman for Northern Ireland are described below. They have been applied consistently in dealing with items that are considered material to the accounts. See IAS 1 and IAS 8 for further guidance.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention modified to take account of the revaluation of property, plant and equipment and intangible assets.

The financial statements are stated in sterling, which is the functional and presentational currency.

1.2 Grant-in-Aid and capital grants

The Office of the Police Ombudsman for Northern Ireland was funded during the year to 31 March 2023 by Grant-in-Aid from the Department of Justice, Request for Resources A. All Grant-in-Aid received, which is used to finance activities and expenditure that support the statutory and other objectives of the Office, is treated as financing credited to the General Reserve, because it is regarded as contributions from a controlling party. Grant-in-Aid received towards the purchase of items of property, plant and equipment or intangible assets is also credited directly to the General Reserve.

1.3 Value Added Tax

The Office of the Police Ombudsman for Northern Ireland is not registered for VAT. All transactions are therefore stated inclusive of VAT.

1.4 Income

Income represents services provided to the Office of the Police Ombudsman's customers in the public sector as invoiced.

1.5 Property, plant and equipment

Property, plant and equipment comprises leasehold improvements to New Cathedral Buildings, fixtures and fittings and information technology equipment.

Items of property, plant and equipment are capitalised if they are intended for use on a continuous basis and their individual original purchase cost is £1,000 or more.

Items with an individual cost of less than £1,000 but, when taken together, represent a significant investment will be grouped. The materiality threshold for a group of items is £3,500. Items costing less than £1,000 that are not part of a group are written off in the year of purchase.

Leasehold improvement expenditure has been capitalised and is revalued to a depreciated value of the leasehold improvements in their existing use using professional valuations. Valuations are carried out each year by professional external valuers, employed by the Land and Property Services (Valuations), in accordance with the Appraisal and Valuation Manual prepared and published by the Royal Institution of Chartered Surveyors, as at 31 March 2023. The lease of the building was renewed on 1 July 2020 for a 10 year period with the option of a break clause after 5 years. It has been determined that the break clause will not be utilised so the lease will end on 30 June 2025. The valuation as at 31 March 2023 reflects this decision.

The Office of the Police Ombudsman for Northern Ireland's property, plant and equipment is revalued annually using indices compiled by the Office for National Statistics. Any surplus/loss on revaluation is treated as follows:

- An unrealised surplus arising from the revaluation of Property, Plant and Equipment is credited to the Revaluation Reserve unless it reverses a revaluation decrease of the same asset previously recognised to the Statement of Comprehensive Net Expenditure, to that extent.
- A loss arising from the revaluation of Property, Plant and Equipment is debited to the Revaluation Reserve to the extent that gains were recorded previously and, otherwise, to the Statement of Comprehensive Net Expenditure.

Property, Plant and Equipment is reviewed annually for impairment.

1.6 Depreciation

Items of Property, Plant and Equipment are depreciated on a straight-line basis in order to write off the valuation, less any residual value, over their expected useful economic lives.

The estimated useful lives of Property, Plant and Equipment, which are reviewed regularly are summarised under each category below:

Category:	Estimated useful lives:
Buildings - leasehold improvement expenditure	The remaining term of the lease
Furniture and fittings	3 - 10 years
Information Technology:	
- PCs, peripherals and other related equipment	4 – 7 years
- Servers	7 years

1.7 Intangible assets

Expenditure on intangible assets is recognised when the Office of the Police Ombudsman for Northern Ireland controls the asset; it is probable that future economic benefits attributable to the asset will flow to the Office and the cost of the asset can be reliably measured.

The Office's intangible assets consist of a bespoke information technology system for recording complaints (Case Handling System – CHS), and purchased software licences where expenditure is £1,000 or more. Intangible assets are revalued annually using appropriate indices compiled by the Office for National Statistics. Any surplus/loss on revaluation is treated as follows:

- An unrealised surplus arising from the revaluation of an intangible asset is credited to the Revaluation Reserve unless it reverses a decrease of the same asset previously recognised in the Statement of Comprehensive Net Expenditure, to that extent.
- A loss arising from the revaluation of an intangible asset is debited to the Revaluation Reserve to the extent that gains were recorded previously and, otherwise, to the Statement of Comprehensive Net Expenditure.

Amortisation is calculated on a straight line basis over the shorter of the term of the licence and the useful economic life (four to ten years). Intangible assets are reviewed annually for impairment.

1.8 Pension costs

Past and present employees are covered by the Northern Ireland Civil Service (NICS) Pension arrangements which are described in the Remuneration and Staff Report on pages 50 to 63. The defined benefit elements of the schemes are unfunded. The organisation recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Northern Ireland Civil Service Pension of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Northern Ireland Civil Service Pension. In respect of the defined contribution elements of the schemes, the organisation recognises the contributions payable for the year.

1.9 Leases

From 1 April 2022, a change in accounting policy means that leases are accounted for under IFRS 16 - Leases. From 1 April 2022, the Office of the Police Ombudsman for Northern Ireland recognises the assets and liabilities for leases with a term of more than 12 months. A Right of Use Asset is recognised to reflect the Office's right to use the leased asset and a lease liability to reflect the Office's obligation to make lease payments.

Depreciation on the Right of Use Asset and interest on the lease liability is charged to the Statement of Comprehensive Net Expenditure. Repayments of the lease liability are applied to the Statement of Cash Flows.

The rate used to determine the value of the lease liability that was recognised as at 1 April 2022 and to calculate interest on the lease liability is 0.95%.

1.10 Insurance

Insurance costs in respect of motor vehicles and buildings are charged to the Statement of Comprehensive Net Expenditure. No insurance is effected against the following: fire, explosion, common law, third party and similar risks.

1.11 Provisions

The Office of the Police Ombudsman for Northern Ireland provides for legal or constructive obligations which are of uncertain timing or amount at the reporting period date on the basis of the best estimate of the expenditure required to settle the obligation.

1.12 Financial instruments

Financial assets and liabilities are recognised when the Office of the Police Ombudsman for Northern Ireland becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the Office no longer has rights to cash flows, the risks and rewards of ownership or control of the asset.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. The Office of the Police Ombudsman for Northern Ireland does not hold any complex financial instruments.

1.12.1 Financial assets

Trade and other receivables

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

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.

Impairment of financial assets

The Office of the Police Ombudsman for Northern Ireland assesses at each reporting period date whether a financial asset or group of financial assets are impaired. Where there is objective evidence that an impairment loss has arisen on assets carried at amortised cost, the carrying amount is reduced with the loss being recognised in the Statement of Comprehensive Net Expenditure.

1.12.2 Financial liabilities

Trade and other payables

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount, less provision for impairment.

1.13 Employee benefits

Under IAS 19, an employing entity should recognise the undiscounted amount of short term employee benefits expected to be paid in exchange for service. The Office of the Police Ombudsman for Northern Ireland has therefore recognised both annual and flexi leave entitlements that have been earned by the reporting period end, but not yet taken. These costs are reflected in staff costs and current liabilities.

1.14 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 Office's accounting policies. The Office of the Police Ombudsman for Northern Ireland continually evaluates its estimates, assumptions and judgements 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 material adjustment to the carrying amount of assets and liabilities are discussed below.

1. Depreciation of plant, property and equipment

Depreciation is provided so as to write-down the respective assets to their residual values over their expected 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 shown in Note 1.6.

2. Amortisation of intangible assets

Amortisation is provided so as to write-down the respective assets to their residual values over their expected 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 shown in Note 1.7.

3. Provisions

Provisions for legal claims are made on the basis of all known claims, estimated based on legal advice. The amount which is provided is based on an expected probability basis, where the total probable cost is provided in full if the expected risk of failure is likely to exceed 50% and on full anticipated costs of defending legal actions, where no recovery of such costs is likely. Details of the legal provisions are shown in Note 12.

1.15 Accounting standards, amendments, interpretations or other updates that were issued and effective for the 2022-23 financial year

The Office has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for the Office's accounting periods beginning on or after 1 April 2022 or later periods, but which the Office has not adopted early. Other than as outlined below, the Office considers that these are not relevant or material to its operations.

Leases

Standard	Comments
IFRS 16 - Leases	<p>The IASB issued IFRS 16 - Leases in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application was permitted for those entities applying IFRS 15.</p> <p>IFRS 16 - Leases represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases, unless they qualify for low value or short-term exemptions. In addition, there are updated disclosure requirements.</p> <p>IFRS 16 - Leases replaces IAS 17. In line with the requirements of FreM, IFRS 16 was implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022. Hence, IFRS 16 - Leases has been applied in the financial statements of the Office for 2022-23.</p>

1.16 Accounting standards, interpretations and amendments to published standards not yet effective

The Office has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for the Office's accounting periods beginning on or after 1 April 2022 or later periods, but which the Office has not adopted early. Other than as outlined below, the Office considers that these Standards are not relevant or material to its operations.

Standard	IFRS 17 - Insurance Contracts
Effective date	January 2023
FRoM application	2023-24
Description of Revision	IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FRoM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2025.
Comments	It is not anticipated that IFRS 17 - Insurance Contracts will have a material impact on the financial statements of the Office, once adopted.

1.17 Financial reporting - future developments

The Office has considered the accounting initiatives identified by HM Treasury covering amendments or interpretations from the 2018-20 Annual improvement cycle, and projects where standards, amendments or interpretations are in development. The Office considers that these changes are not relevant or material to its operations.

2. Financial Targets

The Office of the Police Ombudsman for Northern Ireland has no formally agreed financial targets, however in accordance with the Management Statement and Financial Memorandum, the Office must not incur expenditure which exceeds its annual budget without prior approval from the Department of justice.

3. Income from Sale of Goods and Services

	2022-23	2021-22
	£	£
Other Operating Income		
Secondment income	(29,597)	(39,730)
Income from Services Provided	0	184
Total Income	(29,597)	(39,914)

Secondment income represents salary and travel costs of staff employed by the Office but seconded to other organisations.

4. Analysis of Net Operating Expenditure by Segment

	Core Office	Historic Investigations	Legacy Inquests	Total
	£	£	£	£
Gross Expenditure	8,816,288	2,022,144	196,870	11,035,302
Income from Secondments and services	(29,597)	-	-	(29,597)
Net Expenditure for 2022-23	8,786,691	2,022,144	196,870	11,005,705
Gross Expenditure	8,202,051	1,919,699	285,222	10,406,972
Income from Secondments	(39,914)	-	-	(39,914)
Net Expenditure 2021-22	8,162,137	1,919,699	285,222	10,367,058

The segments identified by the Office correspond with the normal segmental provision of information to SMT and is consistent with the funding provided by and reported to the sponsoring Department.

5. Staff Costs

	2022-23	2021-22
	£	£
Amounts payable in respect of directly employed staff		
Wages and salaries	4,766,270	4,430,947
Social security costs	521,380	501,421
Employer's pension contributions	1,356,955	1,350,198
Total direct employee staff costs	6,644,605	6,282,566
Amounts payable in respect of staff on secondment, agency/temporary staff and contract staff	1,482,393	1,476,435
Sub Total Staff Costs	8,126,998	7,759,001
Less recoveries in respect of outward secondments	(29,597)	(39,405)
Total net staff costs	8,097,401	7,719,596

Further details on staff costs can be found in the Remuneration and Staff Report on pages 50 to 63 of the Accountability Report.

6. Other Expenditure

	Note	2022-23 £	2021-22 £
Travel and subsistence		54,463	47,228
Training, recruitment and other personnel costs		377,901	426,924
Rates, maintenance, electricity and other accommodation costs		496,946	474,074
Consultancy		22,080	-
Legal costs & internal audit		33,155	15,032
Information and media		62,805	82,439
Printing, stationery, postage and office equipment		99,288	83,815
Direct case investigation costs		111,112	178,199
Computer support including maintenance and telecommunications		656,312	594,177
Other costs		63,745	64,676
Leases - buildings		67,834	406,380
Leases - other		3,654	8,083
Auditors remuneration and expenses		14,200	13,900
		2,063,495	2,394,927
Non-cash items:			
Provisions - provided in year	13	313,664	83,605
Provisions - released in year not required	13	(36,595)	(17,000)
Depreciation and amortisation of assets:			
Property, plant and equipment	7	172,423	123,427
Right of Use Assets - Leases	8	352,814	
Intangible assets	9	85,149	86,592
Revaluation of assets - (gains):			
Property, plant and equipment	7		4,246
Intangible assets	8		3,380
Interest expense on lease liability		7,717	
Revaluation gain to offset previous loss - Buildings, Leasehold Improvements	7	(38,692)	(39,733)
Revaluation Gain to offset previous loss - Furniture & Fittings		(7,396)	
Revaluation Gain to offset previous loss - Software licences		(5,065)	
Disposals of assets - write-off:			
Intangible assets - Software Licences	8	-	2,443
Tangible assets - IT hardware	7	790	6,083
		844,809	253,043
Total Other Expenditure		2,908,304	2,647,970

7. Property, Plant and Equipment

2022-23	Buildings, leasehold improvements £	Furniture & fittings £	Information technology £	Total £
Cost or valuation				
At 1 April 2022	306,618	435,193	661,845	1,403,656
Additions	(2,076)	19,873	-	17,797
Revaluations	(21,022)	44,594	22,864	46,436
Disposals	-	(46,994)	(144,361)	(191,355)
At 31 March 2023	283,520	452,666	540,348	1,276,534
Depreciation				
At 1 April 2022	-	365,409	447,741	813,150
Charged in year	94,344	20,390	57,689	172,423
Revaluations/Back log	(94,344)	37,329	15,468	(41,547)
Disposals	-	(46,994)	(143,571)	(190,565)
At 31 March 2023	-	376,134	377,327	753,461
Net book value at 31 March 2023	283,520	76,532	163,021	523,073
Net book value at 31 March 2022	306,618	69,784	214,104	590,506

2021-22	Buildings, leasehold improvements £	Furniture & fittings £	Information technology £	Total £
Cost or valuation				
At 1 April 2021	207,184	512,801	992,658	1,712,643
Additions	108,450	3,900	-	112,350
Revaluations	(9,016)	34,293	(15,108)	10,169
Disposals	-	(115,801)	(315,705)	(431,506)
At 31 March 2022	306,618	435,193	661,845	1,403,656
Depreciation				
At 1 April 2021	-	432,269	713,686	1,145,955
Charged in year	48,749	20,139	54,539	123,427
Revaluations/Back log	(48,749)	28,802	(10,862)	(30,809)
Disposals	-	(115,801)	(309,622)	(425,423)
At 31 March 2022	-	365,409	447,741	813,150
Net book value at 31 March 2022	306,618	69,784	214,104	590,506
Net book value at 31 March 2021	207,184	80,532	278,972	566,688

IAS 16 and IFRS 13 both require measurement at fair value. Management considers open market value to be the best available estimate of fair value. Leasehold improvements have been valued by the Land and Property Services (Valuations) on an existing use basis at £283,520 as at 31 March 2023 (£306,618 as at 31 March 2022). The open market valuation at that date was £nil (£nil at 31 March 2022).

All other assets were re-valued on the basis of the latest available indices, as at 31 March 2023. This has resulted in an overall increase in valuation/write down of impairment of £87,983 as at 31 March 2023, which has been analysed below.

Analysis of property, plant and equipment revaluations

	2022-23		2021-22	
	Revaluation Reserve	Comprehensive Expenditure Account	Revaluation Reserve	Comprehensive Expenditure Account
	£	£	£	£
Land and Buildings gain/(loss)	34,630	-	-	-
Fixtures & fittings gain/(loss)	7,265	-	5,491	-
Information technology gain/(loss)	-	-	-	(4,246)
	41,895	-	5,491	(4,246)

Analysis of property, plant and equipment write down of impairment

	2022-23		2021-22	
	Revaluation Reserve	Comprehensive Expenditure Account	Revaluation Reserve	Comprehensive Expenditure Account
	£	£	£	£
Land and Buildings	-	38,692	-	39,733
Information technology	-	7,396	-	-
	-	46,088	-	39,733

Analysis of tangibles payments

	Note	2022-23	2021-22
		£	£
Tangibles additions		17,797	112,350
(Increase)/Decrease in accruals related to tangibles	12	60,414	(22,150)
Total cash payments for tangibles		78,211	90,200

8. Leases

The Office of the Police Ombudsman for Northern Ireland's leases comprise a lease for its interest in its offices at New Cathedral Buildings, Belfast and in respect of vehicles.

8.1 Right of Use Assets

2022-23	Buildings £	Vehicles £	Total £
Balance at 1 April 2022	1,087,477	47,032	1,134,509
Depreciation expense	(334,608)	(18,206)	(352,814)
Balance at 31 March 2023	752,869	28,826	781,695

Additions to Right of Use Assets during 2022-23 totalled £1,134,509.

8.2 Lease Liabilities

	2022-23 £	2021-22 £
Buildings		
Not later than one year	338,650	-
Later than one year and not later than five years	338,650	-
Later than five years	-	-
	677,300	-
<i>Less: interest element</i>	(5,590)	-
Present value of lease obligations	671,710	-
Vehicles		
Not later than one year	18,273	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	18,273	-
<i>Less: interest element</i>	-	-
Present value of lease obligations	18,273	-
Total present value of lease obligations	689,983	-
Current Portion	352,535	-
Non-current portion	337,448	-
	689,983	-

8.3 Elements in the Statement of Comprehensive Net Expenditure

	2022-23	2021-22
	£	£
Variable lease payments not included in lease liabilities	-	-
Sub-leasing income	-	-
Expense related to short-term leases	71,488	414,463
Expense related to low value leases (excluding short-term leases)	-	-
	71,488	414,463

8.4 Cash flow for leases

	2022-23	2021-22
	£	£
Opening balance	-	-
Existing leases cutover at 1 April 2022	-	-
New leases in year	1,039,188	-
Interest on lease	7,717	-
Lease rental payments	(356,923)	-
Accrued rental payments	-	-
	689,982	-

9. Intangible Assets

The Office of the Police Ombudsman for Northern Ireland intangible assets comprise purchased software licences and a bespoke information technology system (Case Handling System – CHS).

	Information technology, case handling system	Software licences	Total
2022-23	£	£	£
Cost or valuation			
At 1 April 2022	1,923,118	577,084	2,500,202
Additions	112,560	64,930	177,490
Revaluations	70,323	19,936	90,259
Disposals	-	(43,143)	(43,143)
At 31 March 2023	2,106,001	618,807	2,724,808
Amortisation			
At 1 April 2022	1,777,344	430,859	2,208,203
Charged in year	39,720	45,429	85,149
Revaluation/Back log	38,402	14,871	53,273
Disposals	-	(43,143)	(43,143)
At 31 March 2023	1,855,466	448,016	2,303,482
Net book value at 31 March 2023	250,535	170,791	421,326
Net book value at 31 March 2022	145,774	146,225	291,999

	Information technology, case handling system	Software licences	Total
2021-22	£	£	£
Cost or valuation			
At 1 April 2021	1,960,511	799,798	2,760,309
Additions	-	13,920	13,920
Revaluations	(37,393)	(12,163)	(49,556)
Disposals	-	(224,471)	(224,471)
At 31 March 2022	1,923,118	577,084	2,500,202
Amortisation			
At 1 April 2021	1,745,668	619,440	2,365,108
Charged in year	44,362	42,230	86,592
Revaluation/Back log	(12,686)	(8,783)	(21,469)
Disposals	-	(222,028)	(222,028)
At 31 March 2022	1,777,344	430,859	2,208,203
Net book value at 31 March 2022	145,774	146,225	291,999
Net book value at 31 March 2021	214,843	180,358	395,201

Intangible assets are adjusted to their current value each year by reference to appropriate indices compiled by the Office for National Statistics as at 31 March 2023. This has resulted in an overall decrease in valuation/write down of impairment of £36,986 as at 31 March 2023, which has been analysed below.

Analysis of intangible revaluations

	Revaluation Reserve £	2022-23 Comprehensive Expenditure Account £	Revaluation Reserve £	2021-22 Comprehensive Expenditure Account £
Information technology (case handling system) gain/(loss)	31,921	-	(24,707)	-
	31,921	-	(24,707)	-

Analysis of intangible write down of impairment

	Revaluation Reserve £	2022-23 Comprehensive Expenditure Account £	Revaluation Reserve £	2021-22 Comprehensive Expenditure Account £
Software licences gain/(loss)	-	5,065	-	-
	-	5,065	-	-

Analysis of intangibles payments

	Note	2022-23 £	2021-22 £
Intangibles additions		177,490	13,920
(Increase)/Decrease in accruals related to intangibles	12	(18,703)	-
Total cash payments for intangibles		158,787	13,920

10. Trade Receivables, Financial and Other Assets

	2022-23 £	2021-22 £
Amounts falling due within one year:		
Prepayments and accrued income	178,899	235,851
Total	178,899	235,851
Amounts falling due after more than one year:		
Prepayments and accrued income	4,323	983
Total	4,323	983

Analysis of Trade Receivables, Financial and Other Assets

	2022-23	2021-22
	£	£
Prepayments in respect of lease payments not passing through the Statement of Comprehensive Net Expenditure	19,064	114,386
	19,064	114,386

11. Cash and Cash Equivalents

	2022-23	2021-22
	£	£
Balance as at 1 April	180,573	216,756
Net change in cash and cash equivalents	(42,171)	(36,183)
Balance at 31 March	138,402	180,573
The following balances at 31 March were held at:		
Commercial banks and cash in hand	138,402	180,573
Balance at 31 March	138,402	180,573

12. Trade Payables, Financial and Other Liabilities

	2022-23	2021-22
	£	£
Amounts falling due within one year:		
Trade payables	-	678
Employee benefit accrual	252,523	251,920
Accruals and deferred income	387,462	330,519
Total	639,985	583,117

Trade Payables, Financial and Other Liabilities includes £18,703 for capital creditors/accruals (£60,414 in 2021-22).

There are no trade payables falling due for payment after more than one year.

13. Provisions for Liabilities and Charges

	2022-23	2021-22
	£	£
Balance at 1 April	215,315	153,620
Provided in the year	313,664	83,605
Provisions not required written back	(36,595)	(17,000)
Provisions utilised in the year	(131,224)	(4,910)
Balance at 31 March	361,160	215,315

Provisions for legal claims are made on the basis of all known claims, estimated based on legal advice. The amount which is provided is based on an expected probability basis i.e. the provision is based on current estimates of costs to be incurred and the likely settlement (if any) where the expected risk of failure exceeds 50%.

At 31 March 2023, the Office had twenty nine ongoing cases with an overall provision of £361,160. The provision which has been calculated in respect of these matters is £145,500 for twelve Judicial Reviews, £138,500 for fifteen Civil Actions, £2,160 for one Public Statement and £75,000 for one employment matter. For the majority of these cases, the provision relates to the legal costs incurred in defending these matters. At 31 March 2022, the provision of £215,315 was in respect of four Judicial Reviews, nine Civil Actions and one employment issue.

Expenditure is likely to be incurred within one year and no re-imburement is likely to occur.

14. Capital Commitments

As at 31 March 2023, the Office of the Police Ombudsman for Northern Ireland had contracted capital commitments amounting to £53,859 (£nil as at 31 March 2022).

15. Other Financial Commitments

The Office of the Police Ombudsman for Northern Ireland has not entered into any non-cancellable contracts.

16. Contingent liabilities disclosed under IAS 37

At 31 March 2023, the Office of the Police Ombudsman for Northern Ireland had identified nine cases where, in the unlikely event that the Office should lose the cases, the estimate of maximum damages and further legal costs that could arise is £275,000 (31 March 2022, £155,000).

17. Related-Party Transactions

The Office of the Police Ombudsman for Northern Ireland is an Executive Non-Departmental Public Body sponsored by the Department of Justice during the year ended 31 March 2023.

The Department of Justice is regarded as a related party. During the year, the Office of the Police Ombudsman for Northern Ireland has had various material transactions with the Department and with one other entity for which the Department of Justice is regarded as the parent Department, namely Forensic Science Northern Ireland.

In addition, the Office of the Police Ombudsman for Northern Ireland has had various transactions with other Government Departments and some GB police forces.

During the year, none of the key management staff or other related parties has undertaken any material transaction with the Office.

18. Financial Instruments

Due to the non-trading nature of the activities of the Office of the Police Ombudsman for Northern Ireland and the way in which it is funded as an Executive Non-Departmental Public Body, financial instruments play a much more limited role in creating and managing risk than would apply to a non-public sector body. The Office has no powers to invest surplus funds, has limited end year flexibility and must obtain the approval of the sponsoring Department prior to entering into borrowing arrangements. The Office has no current borrowing. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Office in undertaking its activities. The majority of financial instruments relate to contracts to buy non-financial items in line with expected purchase and usage requirements and the Office is therefore exposed to little credit, liquidity or market risk.

19. Events after the Reporting Period

There have been no significant non-adjusting events since the end of the financial year which affect the financial statements.

Date of Authorisation for issue

The financial statements were authorised for issue by the Interim Accounting Officer on 7 July 2023.



Police Ombudsman for Northern Ireland

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