

Annual Report and Accounts



For the year ended 31 March 2010
Together with the Certificate and Report of the Comptroller
and Auditor General



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Published by TSO (The Stationery Office) and available from:



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ISBN 978-0-10-294879-0



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Glossary of Abbreviations

ACC	-	Assistant Chief Constable
ACU	-	Area Command Unit
AEP	-	Attenuated Energy Projectiles
C&AG	-	Comptroller and Auditor General
CETV	-	Cash Equivalent Transfer Value
CID	-	Criminal Investigation Department
CS Spray	-	CS Incapacitant Spray
DCU	-	District Command Unit
DOJ	-	Department of Justice
EFQM	-	European Foundation for Quality Management
FRS	-	Financial Reporting Standard
HET	-	Historic Enquiries Team
HIA	-	Head of Internal Audit
IFRS	-	International Financial Reporting Standard
IIP	-	Investors in People
NDPB	-	Non Departmental Public Body
NICS	-	Northern Ireland Civil Service
NIO	-	Northern Ireland Office
NIPB	-	Northern Ireland Policing Board
NIPSA	-	Northern Ireland Public Service Alliance
NISRA	-	Northern Ireland Statistics and Research Agency
PACE	-	Police and Criminal Evidence (Northern Ireland) Order 1989
PCSPS	-	Principal Civil Service Pension Scheme
PDP	-	Personal Development Plan
PPS	-	Public Prosecution Service (formerly DPP)
PSNI	-	Police Service of Northern Ireland
RUC	-	Royal Ulster Constabulary

Police Ombudsman for Northern Ireland

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010 Together with the Certificate and Report of the Comptroller and Auditor General

Laid before the Houses of Parliament by
the Secretary of State for Northern Ireland
in accordance with paragraph 12(2) of
schedule 3 to the Police (Northern Ireland)
Act 1998

14 July 2010

Authorised by the Chief Executive,
as Accounting Officer, to be issued
on 22 June 2010

Ordered by the House of Commons
to be printed 14 July 2010

HC 154 LONDON: The Stationery Office £19.75

Foreword



Dear Secretary of State

I have pleasure in submitting to you the enclosed Report which is my third report on my work as Police Ombudsman for Northern Ireland.

This Report provides a detailed account and commentary of the work and performance of my staff throughout 2009/10.

I am pleased to commend this Annual Report to you.

Yours sincerely

Al Hutchinson

Police Ombudsman for Northern Ireland

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ISBN: 9780102948790

Printed in the UK for the Stationery Office Limited
On behalf of the Controller of Her Majesty's Stationery Office
PC 2742 07/10

Printed on paper containing 75% recycled fibre content minimum.

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Report of the Police Ombudsman

TWO YEARS ON

I have now completed my second full year as the Police Ombudsman for Northern Ireland. The benefit of that added time has allowed a greater understanding of the respective strengths of the communities and police, as well as their competing challenges.

Although viewed through different lenses, the majority of communities, individuals and police share common goals. People simply want a safer and more prosperous future for themselves, their families and their children; an efficient and effective police service; and effective 'joined up' institutions within a justice system that can collectively deliver needed services within a rule-of-law society. It is fair to say that the Police Service wants the same thing.

Even though progress is slowly taking root, the obvious fact is that the common goals are not without challenge. For example, during the past year there has been a 14% increase in complaints. The past year complaint level of 3,528 represents the second highest number of complaints since the Office opened in 2000 and follows years of a reducing complaint pattern. Our increase in complaints appears to track Policing Board surveys that indicate declining levels of satisfaction with policing service.

Quite clearly the public that interact with the police are increasingly unhappy, and this is reflected in the increasing number of complaints. There needs to be a collective institutional and government response to challenge the trend.

MOVING FORWARD WITH DEVOLVED JUSTICE AND POLICING

The devolution of policing and justice powers, along with the creation of a Justice Department, a Justice Minister and Justice Committee, provide an opportunity for a collective response to policing with the community issues. For the Office of the Police Ombudsman, I have created three new corporate goals to reflect a more integrated justice approach.

The first goal is to Build Confidence which reflects not only confidence in our Office by the public and police, but the entire administration of justice domain. The second goal is Contributing to Improved Policing for the Community. It is important that we shift the perception that our role is solely to hold the police to account. While not abdicating our responsibility to hold the police to account, we must increasingly work with the police, the public and other institutions to improve policing for the community, through policy improvements, referrals to other appropriate agencies and providing publicly accessible information.

The third goal is Dealing with the Past. We are presently an Office with two separate statutory remits, or business lines. The first role is the regime of current complaints which, as I noted previously, have substantially increased. The second area relates to investigations involving serious allegations of police wrongdoing during the period 1968 to 1998. We currently have over 100 cases that involve deaths after contact with police, and they allege either a poor investigation or some involvement by police in the deaths.

It is a long standing issue for me that neither this Office nor the Historical Enquires Team (HET) are the best instruments to accommodate the societal desire for a better solution to the Past. The shadow of 'the Past' continues to hang over present day policing and is a barrier to sustained progress. Nonetheless, in the absence of any immediate solution emerging from the recommendations of The Consultative Group on the Past (the Eames/Bradley Report), it is my view that this Office must continue to contribute to some reconciliation for the families of the victims of the conflict.

I have recently submitted a revised business case to the new Minister of Justice, detailing the additional resources needed to bring a large number of our historical cases to a close in a more timely fashion. We have also created a new post of Director of Investigations (Historic) to provide more focus

to this area, as well as being in the process of establishing a small advisory group of victim representatives to provide advice to this Office. The theme must be that we continue to independently and impartially complete our investigative role, while also integrating our work with other agencies and networks that can assist in bringing some resolution to the differing needs and anguish of families.

ACTIVITY DURING THE PAST YEAR

The Chief Executive's report and pages that follow review in detail the work and performance of the Office. I am proud of the dedication, commitment and work that the Police Ombudsman's team has accomplished on behalf of the public. This has been in the context of complaints during the reporting period increasing by 14%, with the associated allegations up by 19%.

Despite coping with an increased incoming workload, the Office has managed to increase the number of formal reports submitted to the Secretary of State, Chief Constable and Policing Board. These are known as Regulation 20 reports and submitted reports have almost doubled, increasing from 9 to 17. Recommendations to the Public Prosecution Service (PPS) and the Chief Constable have also increased with 1,031 recommendations made to PPS and 411 recommendations made to the Chief Constable with respect to discipline. The number of officers recommended for criminal charges has dropped from 12 to 7, which is a positive trend. Additionally, the Office has made 67 recommendations for improvements in policing policy and practice.

I am pleased to report that surveys have continued to report high levels of confidence in our Office and also in the professionalism of our staff. This is from both the public and the police officers who have interacted with us. Equally, the complainant satisfaction with our service remains high and many respondents indicated that the service would be used again if needed.

The Office has demonstrated again its value in focusing on particular areas of public concern. As a matter of public confidence, it was agreed with the Chief Constable that all discharges of Taser would be reported to this Office and investigated. We had 8 such referrals during this reporting period and reported on three older cases. This year we took the decision to make public on our website brief details of all the critical incidents referred to us for investigation, including the use of Tasers, other police firearms and deaths involving police.

You will note that some 24% of our complaints were deemed suitable for 'informal resolution', which means they were viewed as less serious and not involving potential criminal wrongdoing or disciplinary issues. Some 77% of those complaints referred for informal resolution were successfully resolved after dialogue between the complainant and the police. I view these as 'quality of service issues' that should be dealt with by the police service in the first instance. Accordingly, early this year I dedicated staff and effort to a pilot project for 'local resolution'. The police and community, including DPPs have supported the effort and it will be publicly reported upon early in 2011. I am optimistic that we can apply the method to all of Northern Ireland and improve timely front-line police and public engagement on quality of service complaints.

COMMUNITY ENGAGEMENT

This Office has its own responsibility for public engagement and accountability. We take seriously our commitment to provide information to the community we serve, to listen to the views of that community and as a result to make changes to the service where possible.

During the year we provided on our website general information about complaints from each of the main police stations across Northern Ireland and also provided detailed findings from more than six major investigations carried out by the Office.

We also sought to visit people in their work places and communities. During the year we met and gave presentations to more than 20 groups across Northern Ireland and a similar number of presentations to groups of police officers.

Such meetings are very useful. It was during engagement with the Children's Law Centre and the Committee for the Administration of Justice that we identified an information gap for people who wanted to know more about our ongoing investigations. As I referred to earlier, we now post that information on our website.

A very useful series of meetings with Disability Action highlighted some ways in which we could further improve access to the police complaints system for people with disabilities. These have now been addressed. Indeed following a series of meetings with police officers and with members of the public we identified issues with the 'reception' area of our building in Belfast. As a result of what we were hearing, we undertook a complete refurbishment of our ground floor, remodelling it as a more welcoming, accessible and secure customer services area.

We are also part of the communities in which we live and serve. During the year, 10 colleagues went for a day to Age Concern's Meadowbank Care Home in Omagh to mow lawns, weed flowerbeds, plant flowers and vegetables and work to restore gardens for the use of its residents, some of whom have dementia.

I commend the following pages to you. Our staff at all levels remain committed to providing an excellent independent and impartial police complaints system to the public and the police, and thereby contribute to improving policing for the people of Northern Ireland.

Al Hutchinson

Police Ombudsman for Northern Ireland

Report of the Chief Executive



INTRODUCTION

I am pleased to report to the Police Ombudsman and through him to the Secretary of State on the business and performance of the Office for this past year. I appreciate the work of our Directors and staff in providing information and detail for this Report. I also appreciate the great effort of the Auditors in undertaking their audit work in time to meet the statutory requirement for this Report to be provided to the Secretary of State by 30 June and laid in Parliament in July. The work of all Directorates within the Office is illustrated in detail in the Review of the Work and Performance of the Office page 22 to 49. I also recommend that you visit our website for more detail on our work. www.policeombudsman.org.

STATUTORY DUTIES AND BACKGROUND

The Police Ombudsman for Northern Ireland was established under the Police (Northern Ireland) Act 1998, is accountable to Parliament through the Secretary of State for Northern Ireland and is required to have regard to any guidance given by the Secretary of State. The Office was established on 6 November 2000 by virtue of Statutory Rule 2000 No 399, Police (Northern Ireland) Act 1998 (Commencement) order (Northern Ireland) 2000. The Office is a Non Departmental Public Body (NDPB). It is not governed by a Board, but is headed by the Police Ombudsman as a Corporation Sole who is appointed by Royal Warrant and serves for a period of seven years. The Office of the Police Ombudsman is constituted and operated independently of the Northern Ireland Office, the Northern Ireland Policing Board and the Police Service of Northern Ireland.

DEVOLUTION

On 9 March 2010, the political parties in Northern Ireland agreed that policing and justice functions should devolve to the Northern Ireland Assembly on 12 April 2010. During the period up to the date of devolution, the Office complied with the corporate governance and accountability framework arrangements issued by the Northern Ireland Office and also the guidance issued by HM Treasury, including Managing Public Money.

This Annual Report and Accounts for the year ended 31 March 2010 relate entirely to the period before devolution and will be laid in Parliament. References continue to be made throughout this report to the Northern Ireland Office as the sponsoring Department during the reporting period. Further details are contained in note 19 on page 87.

When policing and justice functions in Northern Ireland were devolved to the Northern Ireland Assembly on 12 April 2010, the Department of Justice was established as a new Northern Ireland Department by the Department of Justice Act (Northern Ireland) 2010. From this date the Office became an NDPB of the Department of Justice. As such, it now complies with the corporate governance and accountability framework arrangements issued by the Department of Justice and also the guidance issued by the Department of Finance and Personnel, including Managing Public Money Northern Ireland. The Annual Report and Accounts for the years ended 31 March 2011 onwards will be laid in the Northern Ireland Assembly.

One of our strategic goals was to anticipate and plan for change in administrative arrangements in Northern Ireland. This was well progressed during the year. We will seek to respond and support our new Department and the Assembly in its policing and justice responsibilities and look forward to working within the new arrangements.

THE POLICE OMBUDSMAN FOR NORTHERN IRELAND IS:

- established by the Police (NI) Act 1998;
- accountable to Parliament through the Secretary of State;
- constituted and operated independently of the Northern Ireland Policing Board (NIPB) and the Chief Constable;
- required to have regard to any guidance given by the Secretary of State;
- an executive non-departmental public body financed by a Grant in Aid from the Northern Ireland Office

THE POLICE (NI) ACT 1998 DIRECTS THE POLICE OMBUDSMAN TO:

- exercise his powers in the way he thinks best calculated to secure
 - the efficiency, effectiveness and independence of the 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 against police officers;
- notify the Secretary of State, 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 Secretary of State annually.

THE POLICE (NI) ACT 2000 DIRECTS THE POLICE OMBUDSMAN TO:

- carry out inquiries as directed by the Secretary of State;
- supply statistical information to the NIPB.

THE POLICE (NI) ACT 2003 DIRECTS THE POLICE OMBUDSMAN TO:

- investigate a current practice or policy of the police if
 - the practice or policy comes to him attention under the Act,
 - and he has reason to believe that it would be in the public interest to investigate the practice or policy.

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 against the Police Service of Northern Ireland, the Belfast Harbour Police, the Larne Harbour Police, the Belfast International Airport Police and Ministry of Defence Police in Northern Ireland and the Serious Organised Crime Agency when its staff operates in this jurisdiction. There are continuing discussions with the Office by officials in the Borders and Immigration Agency regarding the investigation of criminal allegations against their staff while exercising the powers of constable here in Northern Ireland. The Police Ombudsman investigates complaints about the conduct of police officers and where appropriate makes recommendations in respect of criminal, disciplinary and misconduct matters. The Police Ombudsman also investigates matters of public interest, and all grave or exceptional matters referred to him and reports as appropriate. In addition the Police Ombudsman publishes reports and makes policy recommendations aimed at improving policing within Northern Ireland. He also provides statistical reports for management purposes to the Police Service of Northern Ireland, the Northern Ireland Policing Board and the Secretary of State.

CORPORATE BUSINESS PLANNING

The vision, mission, strategic goals, objectives, indicators and targets for the year 2009/10 were set by the Police Ombudsman in consultation with directors, managers and staff. Progress in relation to 2009/10 targets was reviewed quarterly by all Directorates and steps taken throughout the year to focus effort on those targets requiring attention. Quarterly reports were provided to the Permanent Secretary through the Northern Ireland Office Policing Operational Support Division. The 2010/11 Corporate Business Plan has now been agreed and is available on the Office website at www.policeombudsman.org.

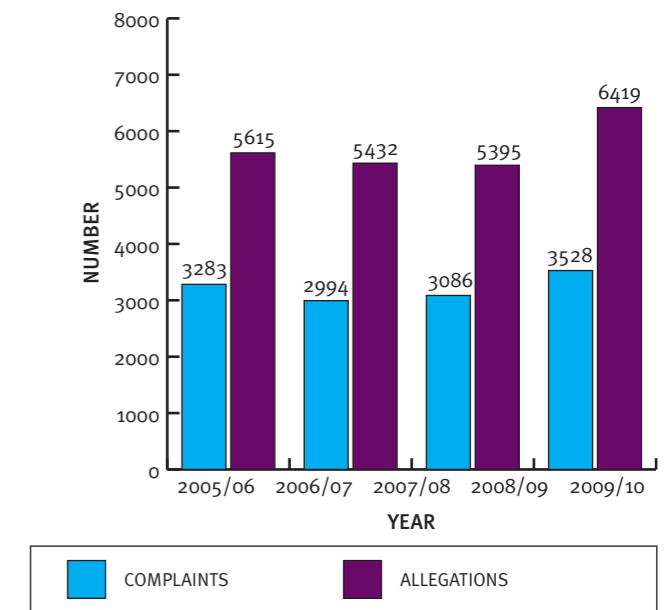
PROGRESS AND ACHIEVEMENT OF GOALS AND OBJECTIVES 2009/10

An overview of progress against key targets and indicators as set out in the Annual Business Plan for 2009/10 is set out on pages 48 to 49.

Substantial increase in new complaints

During the past year there has been a 14% increase in complaints received and the highest level of allegations (6,419) recorded in the history of the Office. The reasons for this increase are unclear but it has impacted on the workloads of complaint officers and investigation officers.

Number of complaints and allegations, 2006/07 to 2009/10



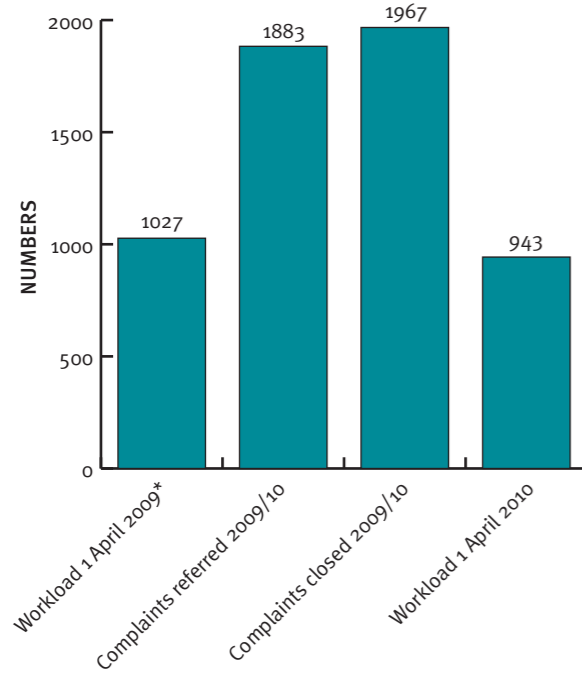
Closure of complaints and investigations

In addition to receiving and processing an increasing number of new complaints the Office has closed 3,532 complaints in the last year, an 8% increase on the previous year. This is a real achievement in terms of the output and performance of staff.

Managing workload

A key objective for the past year was to consolidate resources within the four investigation teams, and in particular in the investigation of core complaints. The gradual build-up in trained accredited investigators is now showing a good outcome in terms of a greater rate of management of investigations and closures within the year. The chart below shows that although investigation teams received 1,883 new complaints during the year, 1,967 investigations were closed. However, the immediate pressure on the Investigation directorate relates to the weight of difficult and complex investigations into matters of the past and also to current referrals from the Chief Constable involving deaths and other very serious matters which require intense deployment of resources.

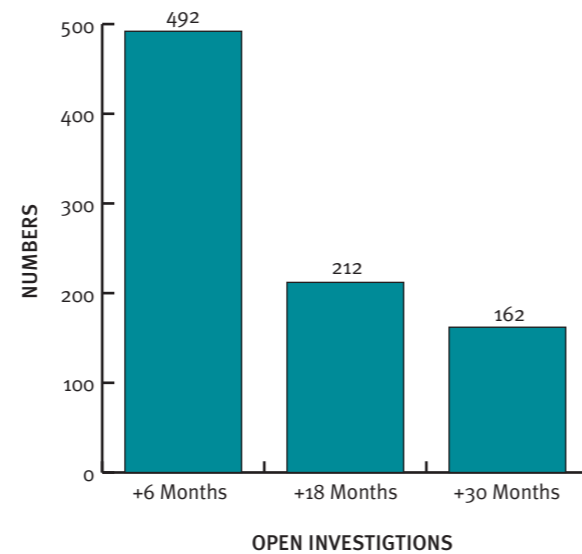
Workload in Investigations Directorate 2009/10



Delivering an effective and timely complaint handling investigation process

One of the Offices' main concerns relates to the delay in completing investigations and issuing of reports. Sixty six percent of complaints closed during the year were investigated within 120 working days with the current average time taken to complete an investigation being 109 working days. Directors have developed a weekly business analysis process of key investigations and issues in relation to workload and this process will continue to tackle systemic delays. However almost 492 cases are over six months within the system, 212 are over 18 months and 162 have been within the Office for over 30 months. While many of these delays are unavoidable due to decisions being awaited from external agencies, members of the public and police officers find the delays unacceptably long.

Open Investigations



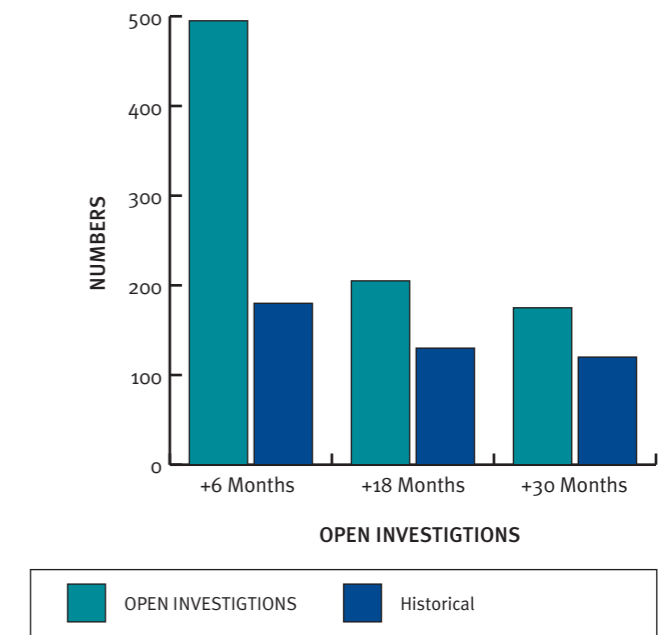
Coping with investigation of 'past' matters

The re-structuring and relocation of resources within the Investigations Directorate has been undertaken and the responsibilities of the Directorate now rest in two key areas; the investigation of current complaints and critical incidents; and the investigation of 'past' matters. The NIO had dedicated £931k for this latter area of work but the level of resource has been inadequate in terms of the volume and complexity of serious matters being investigated.

The major incidents and atrocities in Northern Ireland over the past 40 years which have remained unresolved have precipitated serious allegations against the police which the Police Ombudsman is legally bound to investigate. The main criticism has been that there have been ineffective investigations of the killings, that alleged suspects known to the Police were not prosecuted because of intelligence gathering methodology or the loss of vital evidence or witnesses over the years. Government is addressing these issues following the Lord Eames/Bradley enquiry but the Office and the PSNI continue to deal with these difficult and sensitive matters in relation to unresolved deaths.

After significant consultation, the Office has also agreed a policy which ensures that investigations into State-related killings or associated allegations are conducted in a manner that is compliant with Article 2 of the European Convention on Human Rights. We now have a Director, Senior Investigating Officer and Team managing this work but the number of cases outstanding is significant. You will note that while only 36% of the 492 cases which are over six months old relate to 'past' matters, 72% of those cases which are outstanding over 30 months are cases categorised as past or historical.

Open Investigations



REPORTS ON REFERRALS BY CHIEF CONSTABLE

One of the most important functions of the Police Ombudsman is to Report to the Policing Board, the Secretary of State and Chief Constable on matters of importance referred for investigation. The majority of matters referred come from the Chief Constable, a few from the Director of Public Prosecution and some called in by the Police Ombudsman. Once investigations are complete under Section 55 of the Act, a Regulation 20 report is issued. In the last year the Police Ombudsman issued 17 reports following investigations compared with 9 reports the previous year. Examples of matters covered are as follows:

Deaths and serious matters

A report was issued following an investigation of failure by the police to locate a body during a search of a domestic residence. The conclusion reached was that there were failings and the two Officers concerned were given advice and guidance in relation to the use of better procedures.

The Office found no evidence of police misconduct when it investigated the circumstances in which a man died less than two hours after having been released from Musgrave Street police station in Belfast. Similarly it found no evidence of police misconduct when it investigated an incident in which a member of the public, riding a motorcycle, collided with a police motorcyclist and died during a charity event near Larne.

Off duty officers reported

One matter related to an off-duty Police Officer drawing his firearm while off duty. The investigation resulted in criminal charges being recommended, however the Public Prosecution Service (PPS) directed no prosecution. The Report was then considered by the Chief Constable and a Superintendent's Warning was given.

Another matter involved an off-duty Police Officer allegedly shoplifting. Following our investigation criminal charges were recommended, however the PPS directed no prosecution. Again, on consideration of the Report to the Chief Constable, he proceeded with disciplinary charges and the Officer was found guilty and fined.

Tasers

The current policy and protocol between the PSNI and the Police Ombudsman is that all discharge of tasers are routinely investigated to establish that there were proper circumstances and procedures involved in the use of this weapon. Three matters of this nature previously referred were investigated and Regulation 20 Reports issued. In these matters the circumstances surrounding the use of the weapon by the PSNI officers were considered and it was concluded that the use of the weapon was justified.

Duty of care

The PSNI were urged to be more careful in the review of authorisations and assessment of suitability for police officers to carry personal firearms when there is clear concern about the mental health of an individual. The Police Ombudsman suggested that there should be consultation between an officer's General Practitioner and PSNI Occupational Health in all such matters.

Likewise in one matter where there was police contact with a person immediately prior to admission to hospital, no matters of criminality or misconduct were found. Arising from the investigation a recommendation was made by the Office that officers should be more rigorous in relation to a multi-agency approach when dealing with members of the public suffering from advanced effects of alcohol.

Perverting the course of justice

An investigation was conducted by the Office into the conduct of an officer reported for having attempted to pervert the course of justice. PPS directed no criminal prosecution, although it was substantiated that the officer had breached his Code of Ethics. The officer has since retired from PSNI.

Breach of data

A report was issued following an investigation in relation to unauthorised access to the police computer. Misconduct charges were recommended and an officer was found guilty and fined. PSNI were also urged to review their policies and procedures to minimise potential abuse of police data systems.

OUTCOME OF INVESTIGATIONS INTO ALLEGATIONS

Informal Resolution

Eleven percent of complaints were informally resolved by the PSNI.

Action Recommended

Four percent of all recommendations arising from allegations closed were in respect of criminal or disciplinary charges.

In a further 1% of allegations closed, the allegation was substantiated but no action was recommended.

Not substantiated, no charges or ill founded

Fifty five percent of the allegations closed were not substantiated, were sent to PPS with recommendation for no prosecution or were regarded as ill-founded.

Non-cooperation or withdrawal of complaint

In the early years of the Office, there was a high level of complaints registered but then not progressed because of a lack of cooperation of those making the complaints, for example 42% in 2002/03. This has decreased significantly and now only 20% of allegations were closed this year due to failure of the complainant to cooperate or assist in progressing the complaint.

RECOMMENDATIONS TO CHIEF CONSTABLE

During the year, 411 investigations resulted in recommendations going to the Chief Constable for action. Eight officers were required to face formal misconduct disciplinary charges. Three officers were found guilty and fined, four officers were found not guilty, and one officer received a Superintendent's Written Warning.

In 34 other cases, Superintendent's Written Warnings were issued and 12 officers had discussions with their managers in relation to issues in complaints.

The most notable increase over the years have been recommendations for advice and guidance, there have been 352 matters disposed of in this manner. Such recommendations are important in the sense that while an investigator considers that there are grounds to a complaint, the primary objective is that officers will learn from the experience and their practice will improve. However, in some circumstances, officers may regard this outcome as nothing more than a 'rap on the knuckles' or 'a word in the ear'.

Recommendations arising from allegations closed, 2009/10	Total	%
Informal Resolution Accepted	691	7%
Substantiated – Action recommended	404	4%
Substantiated – No action recommended	95	1%
To PPS No Criminal Charges Recommended	936	10%
Not Substantiated	4,041	41%
Ill founded	386	4%
Non Co-operation by Complainant	1,966	20%
Withdrawn by Complainant	601	6%
Outside Remit	550	6%
Other	157	2%
Total	9,827	100

DEVELOPMENTS IN COMPLAINT HANDLING

This report indicates, even in those circumstances where the Police Ombudsman considers that there is clear evidence to support or substantiate a complaint and makes a recommendation to the PPS or the Chief Constable, it is extremely difficult for those matters to be progressed in a way that provides a satisfactory outcome to the complainant. In reality, less than 1% of complaints made result in a conviction or formal disciplinary sanction. The nature of the complaints system as presently constituted requires extremely high levels of proof in support of allegations. The investigative process is rooted in the adversarial culture of our criminal justice system. The complaints system is not supportive of an ethos which is aimed at improving customer service or service delivery.

The system leads to frustration on the part of members of the public and police officers who have to comply with a bureaucratic and formal investigation processes. Recent reforms in England and Wales (known as the Taylor Reforms) have been aimed at a quicker, less bureaucratic and more informal process for complaints resolution which will improve learning and understanding by the Police Service and lead to a better experience for the member of the public and the police officers involved. The local resolution initiative by the Police Ombudsman is designed to test out the opportunity of doing something similar here and if successful to amend our regulations to make the system better fit for purpose.

IMPROVING POLICING

The police complaints system also exists to support District Commanders in taking note of issues which arise from investigations. A complaint may not be substantiated but the investigations nevertheless elicit recommendations for changes in police practices and policies. The experience of the Office is that PSNI consider positively the recommendations we make and in many cases adopt the proposals. For example;

- that the training of staff responsible for the storage and retention of CS Spray should be reviewed and the General Order enforced
- that PSNI put in place a Service Policy to provide police officers with protocols and guidance on best practice in relation to the disclosure of confidential and sensitive information

- that PSNI review the training syllabus provided to officers regarding use of their personal protection weapons in off duty situations, to ensure sufficient attention is paid to legality, necessity and proportionality for the use of force by police officers
- that PSNI clarify stop and search powers under Section 44 of the Terrorism Act when officers are deployed in civilian clothing
- that methods and processes applicable to the removal of Taser barbs is re-circulated by the PSNI Taser Training Group to medical organisations external to the police service.

NEW MATTERS REFERRED DURING 2009-2010

In this current year there have been 36 referrals of serious matters to the Police Ombudsman, and three instances when the Police Ombudsman called the Office in to investigate an incident about which no complaint had been made. Thirty-two of the referrals came directly from the Chief Constable, three from the Public Prosecution Service (PPS) and there was one referral from the Harbour Police. Eight matters involved deaths, eight incidents involving the discharge of taser and five incidents involving the discharge of firearms were referred for investigation. The majority of investigations on non complaint referrals remain ongoing.

The PPS referred three officers for attempting to pervert the course of justice. The Police Ombudsman called-in one further case on similar grounds. The Chief Constable also referred two officers for attempting to pervert the course of justice. Investigations into these matters are not complete but the number of such referrals is a worry.

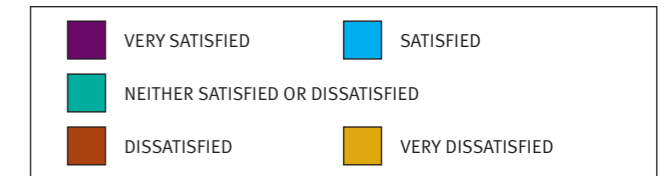
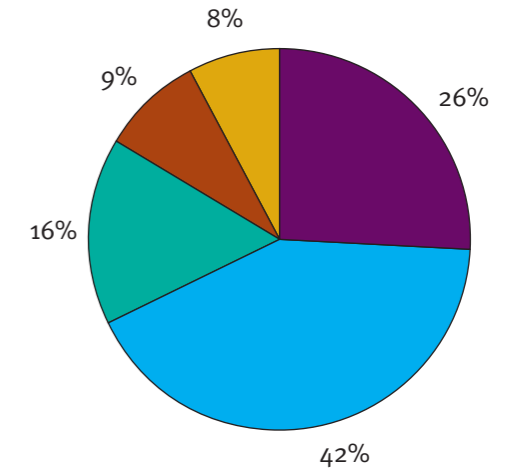
REPORTING ON TRENDS AND PATTERNS

The Office continues to provide significant information by way of statistics and reports on trends and patterns in complaints to the public through our website. It provides a specific service to the Policing Board and its Human Rights and Professional Standards Committee, to District Policing Partnerships and most of all to the Chief Constable and his District Commanders. The Office has also developed its capacity to provide detailed information on recommendations to improvements in police practice, increasing confidence in the accountability and good conduct of the PSNI across Northern Ireland.

SATISFACTION OF MEMBERS OF THE PUBLIC AND POLICE OFFICERS

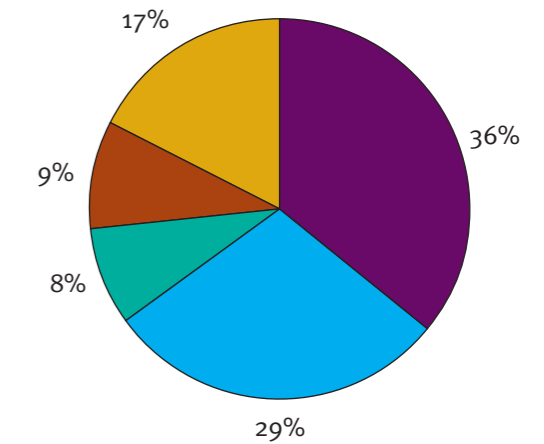
Members of the public who make a complaint have an opportunity to respond to a satisfaction questionnaire when their complaint is closed. During the year 65% of survey respondents expressed satisfaction with the service provided by the Office and 72% stated that they would use the complaints system again. Likewise police officers who were subject to investigation by the Office are sent a questionnaire giving them the opportunity to comment on the service provided. 68% of those returning the questionnaire stated they were either satisfied or very satisfied with the overall service provided by the Office.

Taking everything into account how satisfied or dissatisfied were you with the overall service you received 2009/10



Police officers

Overall, taking everything into account, how satisfied or dissatisfied were you with the services you received?

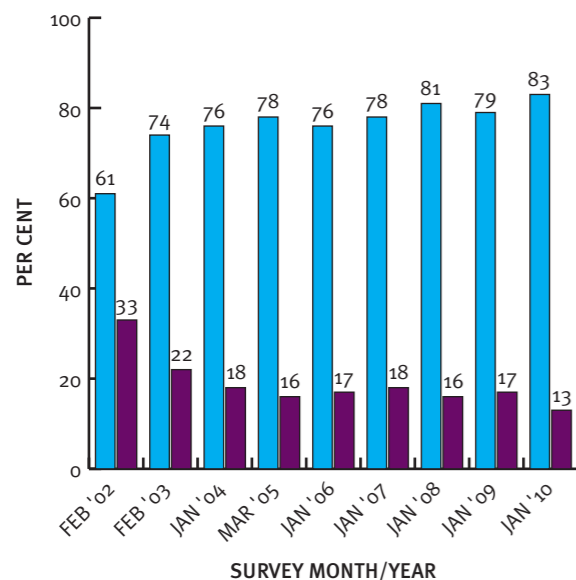


Complainants

CONFIDENCE IN THE POLICE OMBUDSMAN

The level of confidence of members of the public in the work of our staff remains one of the most significant achievements in the life of the Office. Members of the community, regardless of religious belief, view the Office positively. The Office is greatly encouraged that 83% of the community believe that investigations of public complaints are conducted in an impartial manner and that 80% consider the Office to be independent of police.

Confidence in the impartiality of the Police Ombudsman's Investigations, February 2002 - January 2010



ACCESSIBLE AND IMPARTIAL IN OUR OPERATIONS

The Office has prided itself in being open and accessible in its operation. We reach out to as many specific and diverse groups which make up our communities. Our monitoring of use made of the complaints system by all sections of the community provides reassurance that people know about the system and the use of the system is representative and vibrant. We have also worked to ensure that accessibility to the system is without unnecessary bureaucracy and making a complaint direct to the Office is easy. Over the life of the Office,

the number of people making a complaint directly to us rather than through solicitors, representatives or at a Police Station has grown from 34% in the first year of the Office to 67%, which is welcomed. The publishing of the Equality Monitoring Report in October 2009 was a significant achievement for the Research and Performance Directorate and it shows a high level of use of the police complaints system by all key groups across society.

MEDIATION ATTEMPTS FAILED

The development of a mediation process to deal with less serious complaints has not been successful. With the cooperation of PSNI, a pilot project was undertaken but in the final analysis, police officers and the public were sceptical as to the value of meeting face to face in an attempt to resolve complaints.

Given the commitment of the Police Ombudsman to give back ownership of dealing with less serious complaints to police, the Office has now engaged in a pilot local resolution project within D District which incorporates Newtownabbey, Antrim, Carrickfergus and Lisburn. It is hoped that the pilot will succeed in evidencing that less serious complaints can be dealt with locally and in an effective and timely manner to the satisfaction of complainants.

EXECUTIVE MANAGEMENT

The Police Ombudsman for Northern Ireland is supported by me as Chief Executive and a Senior Management Team. The executive management structure at 31 March 2010 was as follows:

- Mr A Hutchinson** Police Ombudsman
- Mr S Pollock** Chief Executive
- Mr J Coupland** Senior Director of Investigations
- Mrs O Laird** Director of Corporate Services
- Mr G Mullan** Director of Policy and Practice
- Mr T Gracey** Director of Information
- Mr J Kitson** Director of Legal Services
- Mr P Holmes** Director of Investigation (Historic)
- Ms A McShane** Acting Director of Investigation (Current)

Ms A McShane was appointed as Acting Director of Investigation on 26 October 2009. Mr P Holmes was appointed as Director of Investigation on 22 February 2010. Mr J Larkin, former seconded Director of Investigation ceased employment with the Office and returned to his home police force on 31 December 2009.

BUDGET AND RESOURCES

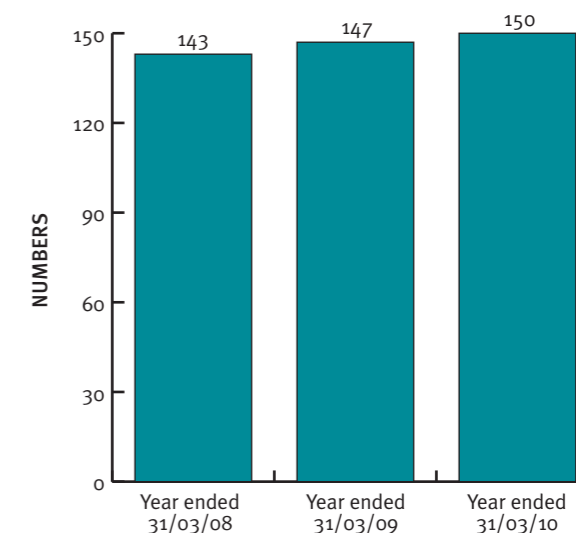
During the course of the financial year, the Office again demonstrated strong financial management of the resources made available to it. An easement of £200k was identified to the sponsoring Department from the overall resources early within the financial year. Expenditure in relation to the re-aligned budget has been tightly managed and was within 1% at the end of the financial year. This builds on previous years of strong financial management.

STAFFING

The key resource within the Office is the people it employs. Expenditure on staffing represents the largest area of spend by the Office. The Office is resourced mainly by directly recruited staff, but also by a number of individuals seconded from police services in England and Wales and from Civil Service organisations. The Office also used a number of agency investigators on short term contracts, though this has now ceased.

Expenditure on staff was £6,134k in the financial year (£5,962k for 2008/09). During the year to the end of March 2010, the Office employed close to its optimal staffing level within its available complement. An average full time equivalent (FTE) of 150 staff were employed across the year (147 in the year to 31 March 2009). Further information in respect of staff costs can be found on page 73 in note 5 to the Accounts.

Average FTE Staff in Post by Financial Year



The recruitment, training and development of competent staff is a primary element in a continuous improvement programme. The training delivered by the Office during the financial year specifically included accredited investigation officer training, accredited management training and ongoing investigative interviewing training. During the course of the year there were 546 training interventions delivered.

SICKNESS ABSENCE

The Office of the Police Ombudsman has consistently attained a low level of sickness absence relative to other public sector bodies. The level of sickness absence was 3.4% or 8.6 days for the year. (3.9% or 8.9 days for the year ended 31 March 2009). The level of sickness absence for the NICS is reported as 4.9% or 11 days for the year ended 31 March 2009.

DISABLED EMPLOYEES AND EQUAL OPPORTUNITIES

It is the policy of the Office to promote equality of opportunity. The Office will provide equal opportunity for all job applicants and employees. All recruitment, promotion and training will be based on a person's ability and job performance and will exclude any consideration of an applicant's/employee's religious beliefs, political opinion, sex, marital status or disability. During the year an awareness raising training programme was provided for staff.

The Office submitted an Equality Scheme in accordance with Section 75 of the Northern Ireland Act 1998. In line with its obligations, the Office has recently undertaken a review of the Equality Scheme under article 55 of the Fair Employment and Treatment (NI) Order 1998. The profile of staff at 1 January 2010 indicates that 47% are male and 53% are female and that 54% are Protestant, 36% are Roman Catholic and 10% are non-determined.

EMPLOYEE CONSULTATION AND INVOLVEMENT

The Office 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.

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. A standing sub-committee on health and safety operates under the Joint Negotiating Consultative Committee.

SOCIAL AND COMMUNITY ISSUES

The existence of the Office particularly in the context of Northern Ireland has centred on building confidence within and between communities in relation to an effective, efficient and accountable police service. Many complaints arise within communities in the context of difficult operational tensions for the police and where perceptions can be polarised and extreme. The administration and investigation of complaints must therefore help resolve misunderstandings and establish more awareness and appreciation of the complexity of policing duties and service to the public.

The information programme as well as the media and public awareness strategy of the Office, although a small function, is important to the current developments and progress in the stability of Northern Ireland institutions. It is also the case in that the context of crime in the community,

the impact on victims of crime as well as the families of those who commit crime brings staff face to face with the social consequences of crime. The Office has a vital role in supporting the expectation of an effective policing service working in the context of a fair, impartial and independent justice system. The training of staff and investigators must therefore take account of the very many social and community issues.

PARLIAMENTARY QUESTIONS

During the year the Office responded through the NIO to five Parliamentary Questions. Three of these questions related to the functions of the Office, two were general to all Departments. Following devolution of policing and justice powers on 12 April 2010, the Office will be required to respond to Assembly Questions through the Department of Justice.

FREEDOM OF INFORMATION

Since the introduction of the Freedom of Information Act 2000 in 2005, members of the public, journalists and police officers have used this new provision to obtain information. Over the year there have been 33 specific requests for information. 8 other questions related to Data Protection.

COMPLAINTS AGAINST THE OFFICE

Individuals who are not satisfied with any aspect of the Police Ombudsman's service or actions have a right to make a complaint either verbally or in writing. Complaints received are registered and acknowledged within three days and a response given in 20 days. During the year I received 17 new complaints against staff or the administration of complaints. Of these 11 were from members of the public who were dissatisfied with the outcome of complaints. Six of the complaints received were from serving or retired police officers in relation to the administration of investigations. In 5 cases I considered that there were mistakes or weaknesses in processes and issued explanations and/or apologies. In 3 cases, after enquiries were made, the matters were clarified or explanations provided and were resolved through correspondence. In 5 cases

I considered that the complaints had no foundation when examined and were either repetitive or of a vexatious nature. Four of the complaints received are still current and being considered.

IMPLEMENTATION OF THREE-YEAR ORGANISATIONAL DEVELOPMENT PROGRAMME

The progress of review and development of systems and processes within the Office is gathering pace. The Project is now in the second of a three year programme of change. The Business Improvement Group which crosses all Directorates considers specific issues or problems impacting on the effectiveness or efficiency of the organisation. The Project Manager presents proposals and recommendations for improvement to the Police Ombudsman, the Executive Board and Directors. It is still anticipated that the Office will enter a process of assessment in line with the European Foundation for Quality Management (EFQM) but significant work still needs to be progressed if the Office is to achieve this important standard.

REVIEW OF LEGISLATION PUT BACK

The previous Police Ombudsman had provided a review of key areas within the legislation which could be amended to make the complaints system better fit for purpose. The review was presented to NIO in 2007. The NIO in consultation with officials of the Office decided not to progress recommendations for changes which were designed to strengthen the Police Complaints system. Rather it has been agreed that a further review will be carried out at the anniversary of the 10th year of the working of the Office and a Report will be submitted by the Police Ombudsman to the Minister at that point.

WORKING WITH OTHER POLICE OVERSIGHT BODIES

There continues to be healthy communications and dialogue with the Garda Síochána Ombudsman Commission, the Scottish Police Complaints Commission and the Independent Police Complaints Commission in England and Wales. We work together in building strong accountable oversight mechanisms meeting the needs of our respective jurisdictions. In particular, the Research

and Performance Directorate is working with other oversight bodies in the area of benchmarking.

FUNDING AND FINANCIAL ACCOUNTABILITY

The Office operates under a management framework governed by the Police (Northern Ireland) Act 1998 as amended by the Police (Northern Ireland) Act 2000 and 2003. The Police Ombudsman was financed by a Grant in Aid from the Northern Ireland Office for the year ended 31 March 2010. The allocation from which this funding came is the NIO Request for Resources 1. The Permanent Secretary, who is the Principal Accounting Officer of the Northern Ireland Office, designated me as Chief Executive and Accounting Officer for the Office of the Police Ombudsman for Northern Ireland.

EXPENDITURE AND ACCOUNTS

The statutory authority to incur expenditure is Schedule 3, Paragraph 11 of the Police (Northern Ireland) Act 1998 and these accounts have been prepared in a form directed by the Secretary of State for Northern Ireland in accordance with Schedule 3, Paragraph 12 of the Police (Northern Ireland) Act 1998.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Office of the Police Ombudsman for Northern Ireland, in line with other publicly funded bodies, has made the transition to International Financial Reporting Standards (IFRS's). As such the presentation of the Financial Statements has changed to reflect the requirements of IFRS. Full details of the changes arising as a result of First Time adoption of IFRS is included on page 72 in note 3 to the Notes to the Accounts.

FINANCIAL POSITION AS AT 31 MARCH 2010

The financial position at the end of the financial year is set out in the Net Expenditure Account and Statement of Financial Position on pages 61 and 62 respectively. The Office incurred a net operating expenditure after cost of capital for the year of £8,956,648. The net operating expenditure after

cost of capital for the year ended 31 March 2009 was £8,680,486 as restated to reflect changes in IFRS transition. Full details of the changes arising from the transition to IFRS are included on page 72 in note 3 of the Notes to the Accounts.

The Office draws cash resource from the sponsoring Department 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 £226,248 (£244,491 restated for IFRS transition for the year ended 31 March 2009). The Office continues to be funded through its sponsor Department (now the Department of Justice) and the financial statements have been prepared on a going concern basis.

REMUNERATION AND PENSIONS

Full details of the executive management remuneration and pension interests for the year ended 31 March 2010 are contained in the Remuneration Report on pages 50 to 54. Pensions are provided to staff through the Principal Civil Service Pension Scheme. Further details in respect of pensions can be found in the Remuneration Report on pages 50 to 54 in note 1.7 to the Accounts.

REGISTER OF INTERESTS

A register of interests is maintained within the Office of the Police Ombudsman for all members of the Senior Management team. No interests were identified which may cause a conflict of interests with management responsibilities.

RISK MANAGEMENT AND REGISTER

Within the executive processes of the Office, there is now embedded a corporate Risk Register in line with HM Treasury guidance. Currently nine high levels are identified, assessed in terms of likelihood of occurrence and impact and then ranked in terms of risk. The most significant risk attached to the business of the Office remains that of maintaining confidence and credibility in running the police complaints system. The risk register is reviewed by Senior Management normally at quarterly intervals, but more frequently where appropriate.

Directors consider signs or warning of risks, examine existing controls to reduce or manage risks and if necessary take additional action.

PROMPT PAYMENTS

From December 2008, Government bodies are required to pay suppliers as soon as possible, with the aim of bringing forward payment following the receipt of a properly rendered invoice to within 10 days. The Office revised its payments processes in July 2009 in order to ensure that as far as possible the 10 day payment could be met. The level of achievement of payment within 10 days since payment processes were changed, to the end of March 2010 was 98.6%. The level of achievement for the year to 31 March 2010 was 74.5% (15% for the 4 months to the 31 March 2009).

DATA HANDLING

I am required to report personal data related incidents which occurred during the year ended 31 March 2010. Personal data includes any information that links one or more identifiable living person with information about them whose release would put them at significant risk of harm or distress or any source of information about 1000 or more identifiable individuals, other than information sourced from the public domain. There were no such personal data related incidents during the year ended 31 March 2010 nor in prior years. Information risk is managed within the Office within the context of the risk management framework to which I refer in my Statement on Internal Control.

ENVIRONMENTAL MATTERS

The Office, despite its small scale, is concerned to ensure that it minimises its environmental impact. In 2005, the Office introduced recycling of paper, plastic, cardboard and cans, reducing by 50% the amount of waste that is disposed of to landfill. Additionally in monitoring on a monthly basis the use of vehicles in business journeys managers encourage sharing of cars. This contributes to reductions in emissions as well as efficient use of resources.

PROPERTY PLANT AND EQUIPMENT

Assets are valued at cost, adjusted as appropriate to reflect current replacement costs. The leasehold interest in respect of leasehold improvements carried out to New Cathedral Buildings has been capitalised under land and buildings and valued on the basis of existing use value at £700,000 at 31 March 2010 (£700,000 at 31 March 2009). The open market value of the leasehold interest in New Cathedral Buildings has been valued at £nil at 31 March 2010 (£nil at 31 March 2009). Details of the movement of property plant and equipment are set out in note 7 to the Accounts.

EVENTS AFTER THE REPORTING PERIOD

Other than as outlined in note 19 to the accounts on page 87, there have been no significant events since the end of the financial year which would affect the results for the year or assets and liabilities at the year end.

FUTURE DEVELOPMENTS

As noted above, the 2010/11 Corporate Business Plan has now been agreed and is available on the Office website at www.policeombudsman.org.

The Office has already faced the challenge of finding £500k savings within its budget for the 2010/11 financial year, however the further impending pressures from Government in relation to public service funds will be the primary challenge facing the Office over the next three years. Directors are already planning for implications in further decreasing resources. For the first time in the history of the Office, the number of posts has been reduced in the incoming year and further redundancies may be inevitable.

Currently the Police Ombudsman has a business case with the DOJ for further resources to address the challenge of historical work. Any decision with regards to this will have an impact on the ability of the Office to progress this work in a timely manner.

AUDITORS

The financial statements are audited by the Comptroller and Auditor General, (C & AG). His certificate and report are reproduced on pages 59 and 60.

The audit fee for the work performed by his staff during the reporting period was £19,625. Of this £15,000 relates to the audit of these financial statements and £4,625 to the audit of the IFRS shadow Accounts for the year ended March 2009 which was completed in December 2009. The audit fee for the year ended 31 March 2009 was £17,875 in total represented by £15,000 for the audit of the 2008/09 financial statements and £2,875 to the audit of IFRS Trigger point 2 which was undertaken in order to assess the level of preparedness of the Office to deliver restated Accounts for the year ended 31 March 2009 in line with International Financial Reporting Standards.

The C & AG may also undertake other work that is not related to the audit of the Office of the Police Ombudsman's Accounts. No such activity was undertaken by the C & AG during the year.

DISCLOSURE OF AUDIT INFORMATION

As Accounting Officer I am required to ensure that all relevant audit information is provided to the auditors. I have taken all reasonable steps to make myself aware of any relevant audit information and have ensured that all such information is available to the auditors. I would also confirm that there is no relevant audit information about which I am aware that the auditors have not been informed about.

I provide this report of the work of the Office with great appreciation for the efforts and commitment of all my staff.

Samuel Pollock, OBE

BSc (Hons), Dip. App. Soc. Studies,
Chief Executive

14 June 2010

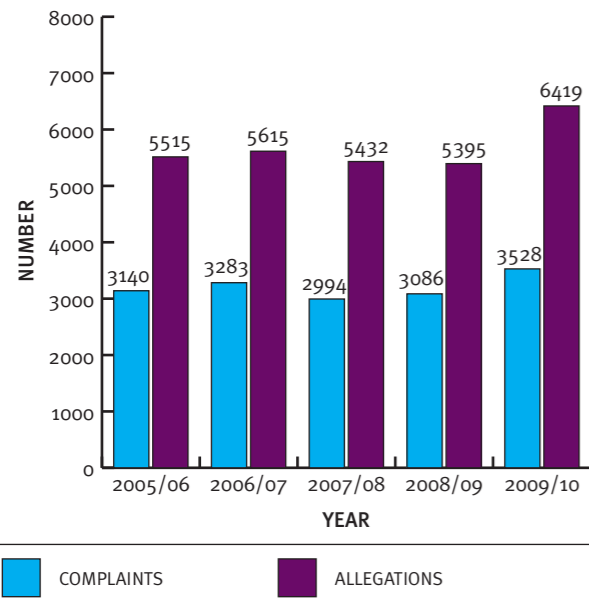
Review of the Work and Performance of the Office*

NEW COMPLAINTS AND ALLEGATIONS RECEIVED

In 2009/10 the Office received 3,528 complaints, a 14% increase compared to the previous year. Similarly the volume of allegations received during 2009/10 rose by 19% to 6,419. In addition to these complaints and associated allegations against PSNI officers, the Office received one complaint against a designated civilian, one involving the Airport Police and one non-complaint referral was received from the Belfast Harbour Police.

Complaints and Allegations received 2009/10	
Complaints	3,528
Allegations	6,419

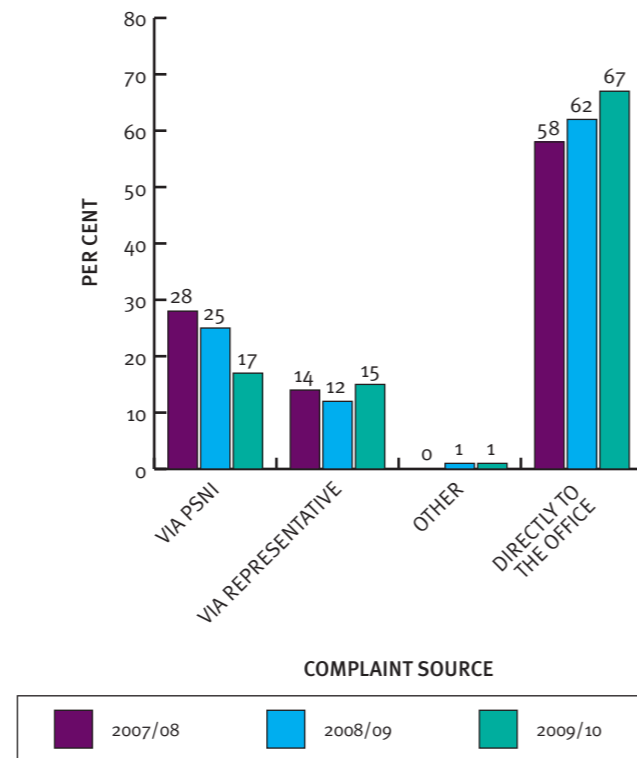
Number of complaints and allegations, 2005/06 to 2009/10



SOURCES OF COMPLAINTS

The percentage of complaints made directly to the Office continues to rise.

Source of complaints/non-complaint matters 2007/08 - 2009/10



NON-COMPLAINT MATTERS

Chief Constable, Public Prosecution Service Referrals and Police Ombudsman Call Ins

By virtue of Section 55 of the Police (Northern Ireland) Act 1998 the Police Ombudsman can investigate matters about which no complaint has been made.

During 2009/10, 40 Section 55 non-complaint matters were recorded by the Office. Of these, 33 were matters referred to the Office by the Chief Constable. Three matters were referred by the Public Prosecution Service and three were matters which the Police Ombudsman decided to investigate in the public interest (Police Ombudsman Call In). There was also one non-complaint matter referred for investigation by the Harbour Police.

Section 55 matters ¹	
Section 55 (Chief Constable Referral)	33
Section 55 (Police Ombudsman Call In)	3
Section 55 (PPS Referral)	3
Section 55 (Harbour Police Referral)	1
Section 55 (Secretary of State Referral)	0
Total	40

¹ Tables and charts included hereafter refer solely to complaints and allegations made against PSNI officers, unless otherwise stated.

UNDERLYING FACTORS IN SECTION 55 NON-COMPLAINT MATTERS

Section 55 (Chief Constable Referral)	Number
Discharge of Taser	9
Discharge of firearm	5
Discharge of AEP	3
Failure in duty	3
Fatal road traffic collision involving police vehicle	3
Attempting to pervert the course of justice	2
Inappropriate police conduct	2
Collusion	1
Death at domestic residence	1
Death following contact with police	1
Death in custody	1
Off duty conduct	1
Use of excessive force	1
Sub-total	33
Section 55 (Police Ombudsman Call In)	Number
Attempting to pervert the course of justice	1
Fatal RTC	1
Death following contact with police	1
Sub-total	3
Section 55 (PPS Referral)	Number
Attempting to pervert the course of justice	3
Sub-total	3
Section 55 (Harbour Police Referral)	Number
Criminal Behaviour	1
Sub-total	1
TOTAL	40

* Please note percentages may not always add to 100% due to the effect of rounding.

Section 55 Regulation 20 Reports submitted to the Chief Constable, Secretary of State and Northern Ireland Policing Board

At the conclusion of any investigation of a matter investigated under Section 55 of the Police (Northern Ireland) Act 1998, the Police Ombudsman is required to send a copy of the investigation report (Regulation 20 Report) to the Chief Constable, Secretary of State and Northern Ireland Policing Board. Seventeen Regulation 20 Reports were issued during 2009/10.

Section 55 (Regulation 20 Reports) submitted 2009/10	
Referral	Number
Attempted murder of a police officer	1
Discharge of Taser	3
Inappropriate use of police information and communication facilities	1
Use of personal protection weapon by off-duty officer	2
Death of a civilian following police contact / custody	3
Failure to locate human body during house search	1
Unlawful disclosure of information	1
Alleged shoplifting whilst on duty	1
Alleged aggressiveness towards a witness	1
Related to handling of intelligence	1
Alleged unlawful interference in an investigation	1
Police contact with a critically injured person	1
Total	17

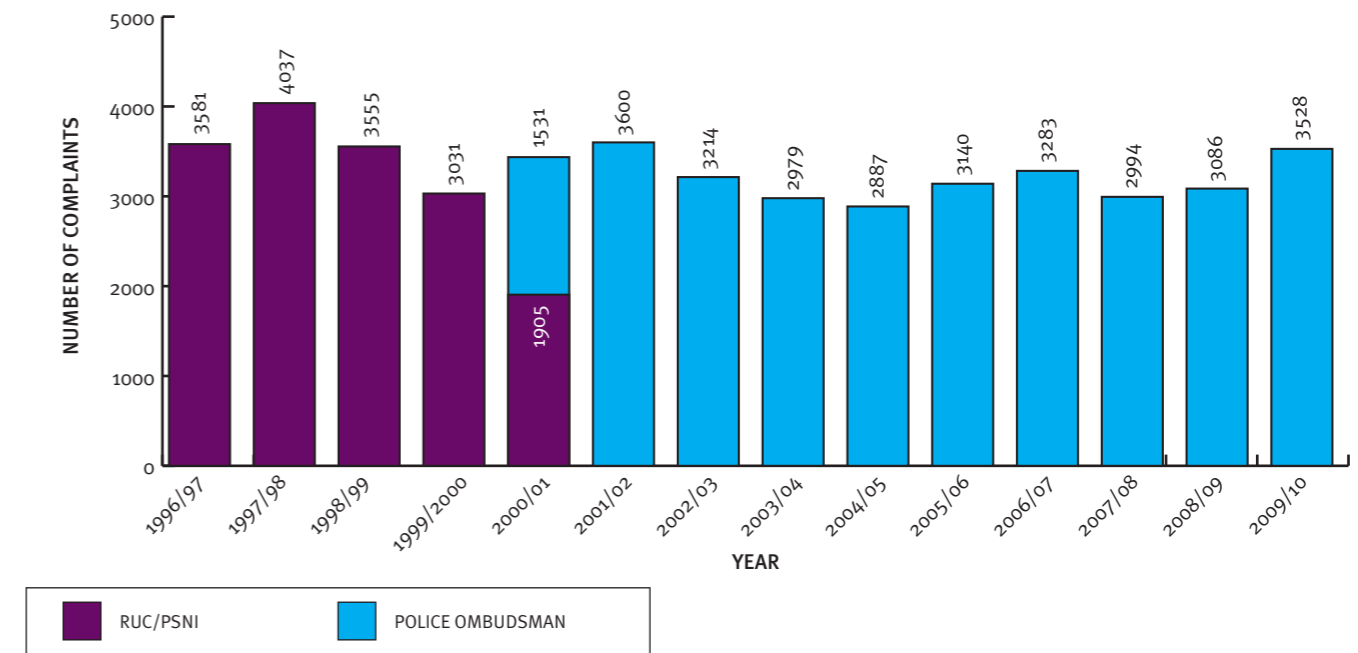
CASE STUDY: OFFICER DID NOT GIVE BREATH TESTS

A police officer was disciplined after failing to conduct preliminary breath tests on two drivers who had been involved in a traffic collision. Police were called to the scene after a woman's car was in collision with a lorry and she had said she could not communicate with the driver as he was a foreign national. The woman subsequently made a complaint to the Police Ombudsman's Office that the failures of the police at the scene had prevented her from being able to make a claim on her insurance. One of the officers who attended the accident scene told Police Ombudsman investigators that she had recorded information about the lorry in a personal notebook and had given those details to the female driver. However, she admitted failing to record the name of the driver. She also admitted failing to check whether he was insured, failing to issue collision care packs, and failing to conduct preliminary breath tests on each driver. The officer explained that she had not carried out the breath tests as she did not suspect either driver of having taken alcohol. However police policy requires breath tests to be taken at the scene of any accident they attend, whether anyone is injured or not. The complaint was upheld and the officer has since been disciplined in respect of these failings.

TRENDS IN LEVEL OF COMPLAINTS RECEIVED OVER 14 YEARS

With the exception of its first full year in operation the number of complaints received during 2009/10 were the highest recorded by the Office in any one year.

Complaints received, 1996/97 - 2009/10



PROCESSING OF NEW COMPLAINTS RECEIVED

Of the 3,528 complaints received by the Office during 2009/10, 1,800 (51%) were referred for investigation. The remaining 1,728 (49%) were dealt with within the Complaints Office.

COMPLAINTS AND ALLEGATIONS CLOSED

The number of complaints closed during 2009/10 was 3,532, 0.1% more than the number of complaints received in the year and 8% more than were closed in 2008/09. There were 6,491 allegations closed in the year.

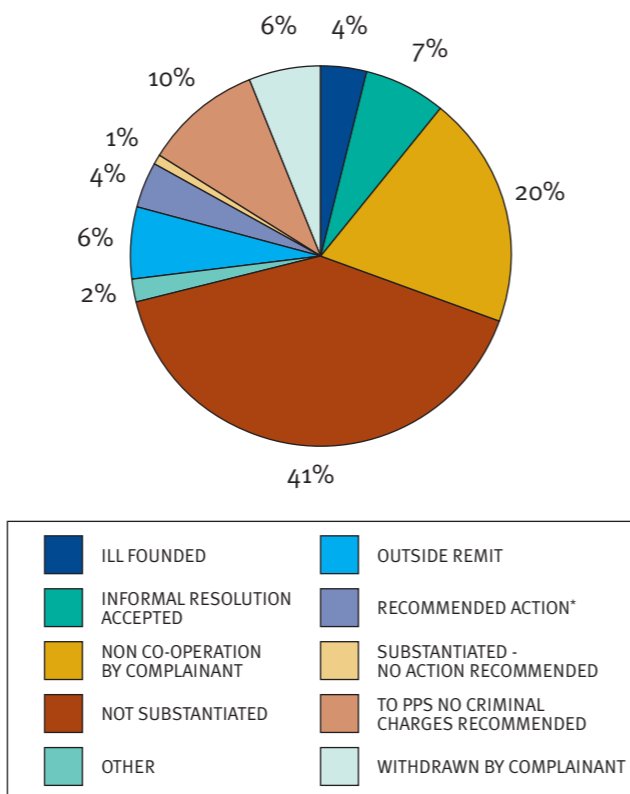
RECOMMENDATIONS ARISING FROM ALLEGATIONS CLOSED

When the investigation of an allegation is complete a recommendation for allegation closure is made.

The table below sets out the recommendation types for allegations closed during 2009/10. It should be noted that one allegation may have more than one associated recommendation, for example, when there are a number of police officers linked to an allegation.

Recommendations arising from allegations closed, 2009/10	Total	%
Ill founded	386	4%
Informal Resolution Accepted	691	7%
Non Co-operation by Complainant	1966	20%
Not Substantiated	4041	41%
Outside Remit	550	6%
Recommended Action	404	4%
Substantiated - No action recommended	95	1%
To PPS - No Criminal Charges Recommended	936	10%
Withdrawn by Complainant	601	6%
Other	157	2%
Total	9827	100%

Recommendations arising from allegations closed



*Includes action such as Criminal Charges, Disciplinary Charges, Superintendent's Written Warning and Advice and Guidance.

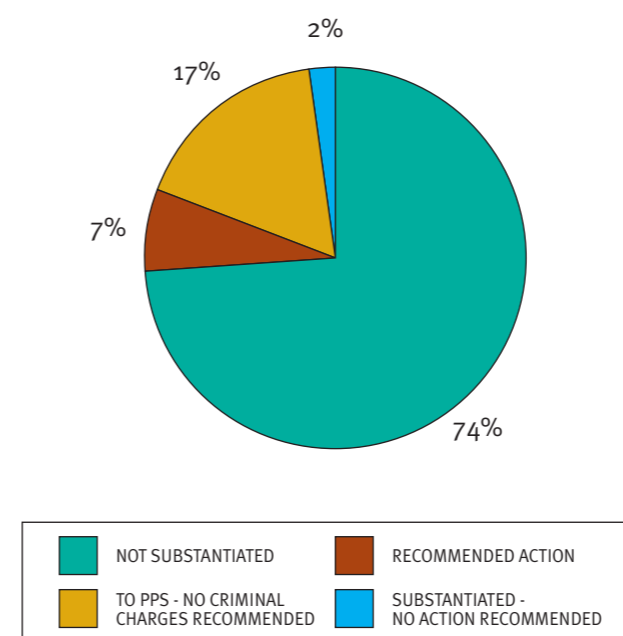
2009/10 was the first full year of statistical reporting using an allegation based Case Handling System which went live on 1 December 2008.

RECOMMENDATIONS FOLLOWING INVESTIGATION

Recommendations arising from investigations completed by the Office during 2009/10 were as follows:

- 74% not substantiated due to insufficient evidence
- 7% with specific action recommended
- 2% substantiated but with no action recommended
- 17% were referred to the Public Prosecution Service recommending 'No Prosecution'

Recommendations following investigation



CASE STUDY: MEASURES TO SECURE CS CANISTERS FOLLOWING INVESTIGATION

A Police Ombudsman investigation resulted in the PSNI introducing measures to prevent CS Spray canisters becoming lost by falling off police officers' belts. The need to safeguard the canisters was identified following a complaint from a woman who reported that her daughter had found a canister in her home, following a police search of the property. The woman stated that the child had sprayed it in her face, causing her serious discomfort. Police Ombudsman investigators traced the officer to whom the canister had been issued, and he readily admitted that he had failed to properly account for it. The Police Ombudsman recommended that the officer be disciplined and submitted a recommendation to the PSNI that steps should be taken to prevent a recurrence. The PSNI subsequently informed the Police Ombudsman's Office that lanyards would be fitted to CS Spray canisters to ensure that they were not lost even if they did become detached from officers' belts.

RECOMMENDATIONS MADE TO THE PUBLIC PROSECUTION SERVICE

During 2009/10 the Office made 1,032 recommendations to the PPS in respect of ongoing and closed investigations.

Recommendations to the Public Prosecution Service, 2009/10	
Recommendations for no prosecution	1027
Recommendations for prosecution	5
Number of charges recommended	7

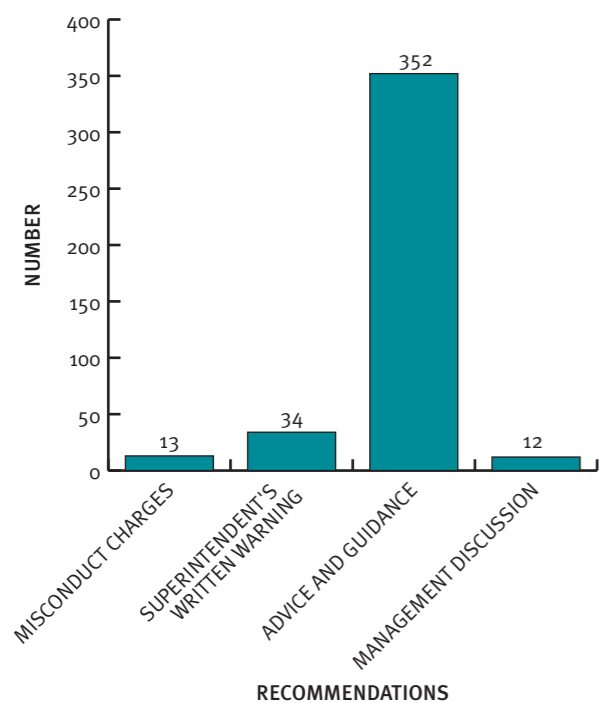
Nature of charges	Number of charges
Assault occasioning actual bodily harm	1
Perjury	2
Common Assault	2
Perverting the course of justice	1
Misconduct in a public office	1
Total	7

RECOMMENDATIONS MADE TO THE CHIEF CONSTABLE

During 2009/10 the Office made 411 recommendations to the Chief Constable relating to individual police officers in respect of ongoing and closed investigations.

Recommendations to Chief Constable, 2009/10	
Misconduct Charges	13
Superintendent's Written Warning	34
Advice and Guidance	352
Management Discussion	12
Total	411

Recommendations to Chief Constable



During 2009/10, 11 misconduct charges, arising from complaint matters, involving eight officers were heard at PSNI Disciplinary hearings.

Formal misconduct charges, arising from complaints heard 2009/10			
Nature of Misconduct Charges	Officers involved	Charges involved	Sanction
Professional Duty	2	4	SWW*, 2 x Fine
Equality	1	1	SWW**
Use of Force	2	2	2 x Not guilty
Detained Persons	1	1	Not guilty
Integrity	1	2	Caution, not guilty
Police Investigations	1	1	Fined
Total	8	11	

* Superintendent's Written Warning by ACC to cover 2 charges, hearing not run

** Officer prepared to accept Superintendent's Written Warning instead of contesting matter at hearing

CASE STUDY: NEW PROCEDURES RECOMMENDED AFTER WARRANT MISTAKE

The Police Ombudsman recommended that police introduce new administrative procedures after a man was arrested twice on the basis of one warrant. The man lodged a complaint that he had been arrested and held – initially at a police station and then at a prison – for the same offence. He complained that police had failed in their duty to ensure that the original warrant was removed from circulation. The man advised Police Ombudsman investigators that he repeatedly told the second arresting officer that he had already been investigated for the offence, but the officer ignored him. The Police Ombudsman investigation established that the man's story was true. As a result, the disciplinary charges were recommended against the first arresting officer, for failing to ensure that the warrant was removed from active circulation, and against the second officer who failed to make adequate checks despite being repeatedly told that the warrant had already been executed. The Police Ombudsman also recommended that a new computerised system, accessible to all police officers be introduced to track warrants and prevent a recurrence.

CASE STUDY: OFFICERS FAILED TO PROVIDE ADEQUATE CARE

Two police officers were disciplined for failing to provide an adequate level of care to a woman following a domestic argument. Police were called to a property after an argument between the woman, a foreign national, and her former partner. The woman said the officer escorted her off her former partner's property, and when she asked if they could take her to a friend's house, the officer told her to get a taxi. She also alleged that when the officers left the scene, she was standing at the side of the road in the dark in the early hours of the morning. She said she was crying as she did not feel safe. The woman complained that the officers had failed to take any action against her partner for assaulting her, left her in danger when they left the scene and they treated her differently as she was a foreign national. When interviewed by Police Ombudsman investigators, the officers denied that the woman had alleged being assaulted and also denied that her nationality had influenced their handling of the situation. In the absence of corroborating evidence these allegations were not upheld. However, the Police Ombudsman did find that the officers had failed to adequately care for the woman. The two officers have since been disciplined.

CASE STUDY: DELAY IN RETURN OF PROPERTY

A member of the public contacted the Police Ombudsman's office to make a complaint after he received a letter from the Public Prosecution Service advising him that he was not to be prosecuted arising from a police referral. In the course of the police investigation a number of items had been seized and the complaint concerned the failure to return these. The complainant alleged that he had made specific arrangements with an officer for the return of his property, but that the officer had repeatedly not kept or had changed the arrangements.

A Senior Police Officer met the complainant, who stated that he would be happy if the property was returned and the officer concerned spoken to. The Senior Police Officer subsequently met the police officer involved, who stated that due to his work schedule and prioritisation he had been unable to return the property. The officer was advised in relation to treating people fairly and respectfully at all times and accepted this advice. The Senior Police Officer then arranged to meet the complainant again, who confirmed that his property had now been returned and he was satisfied with the action taken to resolve the matter.

CASES REFERRED TO PSNI FOR INFORMAL RESOLUTION

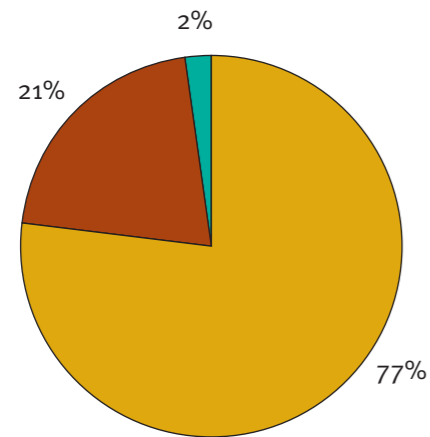
Of the 3,528 complaints received during 2009/10, 849 (24% of all complaints received) were deemed suitable for Informal Resolution. When contacted by the Office, 571 (67%) complainants agreed to engage in the informal resolution process, which involves a senior police officer speaking to both the officer(s) involved and the complainant with a view to reaching satisfactory resolution of the complaint. The remaining 278 (33%) complainants declined the offer to participate in the informal resolution process.

Consent levels for complaints suitable for Informal Resolution, 2009/10		
	Number	%
Complaints with consent given	571	67%
Complaints with consent not given	278	33%
Total Complaints suitable for IR	849	100%

OUTCOME OF COMPLAINTS REFERRED FOR INFORMAL RESOLUTION

During 2009/10, 398 (77%) complaints referred for informal resolution were successfully resolved. In 108 (21%) complaints, the Informal Resolution process failed and these matters were referred for formal investigation. The remaining eight (2%) complaints were withdrawn during the informal resolution process.

Outcome of Informal Resolution



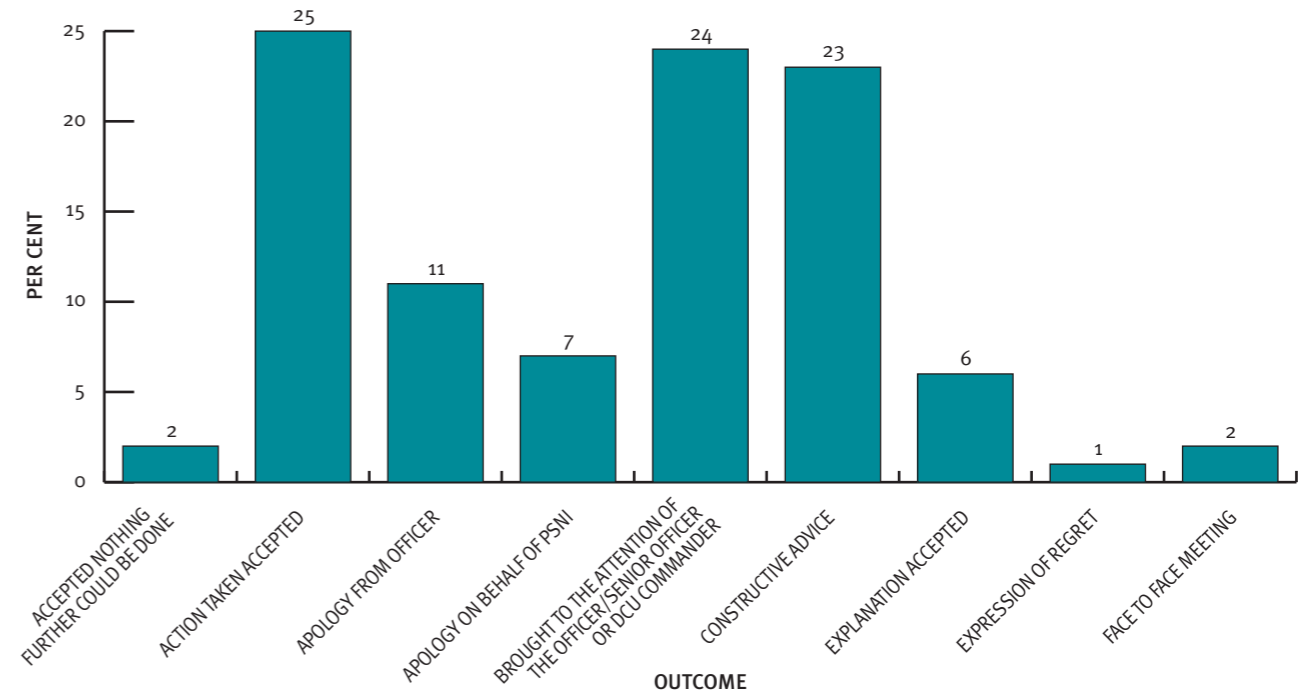
SUCCESSFUL RESOLUTIONS

One hundred and ninety-five (49%) complaints were successfully resolved when, either the action proposed by the PSNI Appointed Member was accepted or when complainants stated that they would be satisfied if their complaint was brought to the attention of the officer concerned or a more senior officer. In a further 23%, constructive advice led to the successful resolution of complaints. Expressions of regret on behalf of the officer concerned, and face to face interaction between the complainant and the officer resulted in successful Informal Resolution in a small percentage of cases.

Outcomes of Informal Resolution, 2009/10	Number	%
Accepted nothing further could be done	7	2%
Action taken accepted	100	25%
Apology from officer	43	11%
Apology on behalf of PSNI	27	7%
Brought to attention of officer (s) / senior officer or DCU Commander	95	24%
Constructive advice	92	23%
Explanation accepted	23	6%
Expression of regret	2	1%
Face to face meeting with officer	9	2%
Total	398	100%

OUTCOME OF INFORMAL RESOLUTION

Outcome of Informal Resolution



Local Resolution

Following on from the Office's Mediation Pilot Project in 2008 and 2009 and in line with the Police Ombudsman's strategic objective of finding new and innovative ways of dealing more efficiently and effectively with 'quality of service' type complaints, the Office has decided to run a pilot project looking at the introduction of a local resolution process in the complaints handling environment. Local resolution within the context of complaints against serving PSNI members will mean that much of the responsibility for resolving less serious complaints will be handed back to police at an early juncture. The Office will continue to monitor the process, as is the case currently with Informal Resolution (Section 53, Part VII of The Police (Northern Ireland) Act 1998) and a report shall be generated by police at the conclusion of each local resolution.

PSNI District D (Antrim, Carrickfergus, Lisburn and Newtownabbey) is the chosen district for the pilot study and this has been agreed between the Office and the Deputy Chief Constable. The project was initiated in February 2010 with the actual pilot study running from June to November 2010 and a final report will be published providing details on how the project progressed and what lessons were learned from it. This report will also contain recommendations relating to the future of local resolution in the police complaints system.

It is hoped that by giving police the opportunity to deal with less serious complaints almost as soon as they arise, a resolution will be reached quickly, with less bureaucracy and to the complainant's satisfaction. The Office hopes to report on the outcome of the Local Resolution Project early in 2011.

RECOMMENDATIONS MADE BY THE OFFICE FOR IMPROVEMENTS IN POLICING POLICY AND PRACTICE

During the year the Office made 67 recommendations to the police in respect of improving policy and practice. Examples of such recommendations are that:

- the training of staff responsible for the storage and retention of CS Spray should be reviewed and the General Order enforced
- in order to remind custody staff of the updated policy, notices detailing items that must be removed from detainees be displayed prominently around custody suites
- PSNI put in place a Service Policy to provide police officers with protocols and guidance on best practice in relation to the disclosure of confidential and sensitive information
- Custody Officers receive training and guidance in the level of cell supervision appropriate to detainees who have been subjected to a Taser discharge
- PSNI liaise with relevant organisations to ensure that statements, relating to the same incident from bodies other than police, use clear terminology to avoid confusion in the description of exhibits during judicial proceedings
- PSNI review the training syllabus provided to officers regarding use of their personal protection weapons in off duty situations, to ensure

sufficient attention is paid to legality, necessity and proportionality for the use of force by police officers

- PSNI adopt a multi-agency approach in dealing with persons found suffering from the effects of alcohol, particularly those lacking family or other support
- PSNI create a Service Policy to deal with the specific problem of stray or wandering horses, thus creating one central reference point and ensuring consistency of approach throughout Northern Ireland
- PSNI clarify stop and search powers under Section 44 of the Terrorism Act when officers are deployed in civilian clothing
- a review be undertaken of those officers allowed to access CS canisters and the CS register, and that this should be outlined in the General Force Order
- methods and processes applicable to the removal of Taser barbs is re-circulated by the PSNI Taser Training Group to medical organisations external to the police service
- officers who are required to use ICIS receive written guidance or refresher training on completing other appropriate fields when performing searches for other police officers.

CASE STUDY: POLICE SHOULD REVIEW THEIR INSURANCE COVER

The Police Ombudsman recommended that the PSNI should review the legislation under which it operates to remove any ambiguity about the situations in which its activities are covered by insurance. The issue came to light after a member of the public crashed a digger-type vehicle, having been authorised to move it from a dangerous position by a police officer. The man told the Police Ombudsman's Office that he had been led to believe that the damage caused during the accident would be covered by police insurance, yet the PSNI later refused to accept liability. The man believed that he should never have been authorised to move the vehicle. The Officer involved was subsequently interviewed by Police Ombudsman investigators and accepted that he had allowed the complainant to move the digger as it

was causing an obstruction. He believed that anyone acting in such a way would be covered by police insurance. However, the Police Ombudsman's investigation established that while this would previously have been the case, the relevant legislation had since been repealed. Nevertheless, the Police Ombudsman accepted that the issue was ambiguous as a section of the RUC Code, parts of which still apply, states: "in these circumstances a member of the force, or a person directed to drive the vehicle by a member, is covered by third party insurance". The Police Ombudsman has since recommended that the PSNI should address the ambiguity, either by repealing the Code or adjusting its insurance cover to reflect the content of the Code.

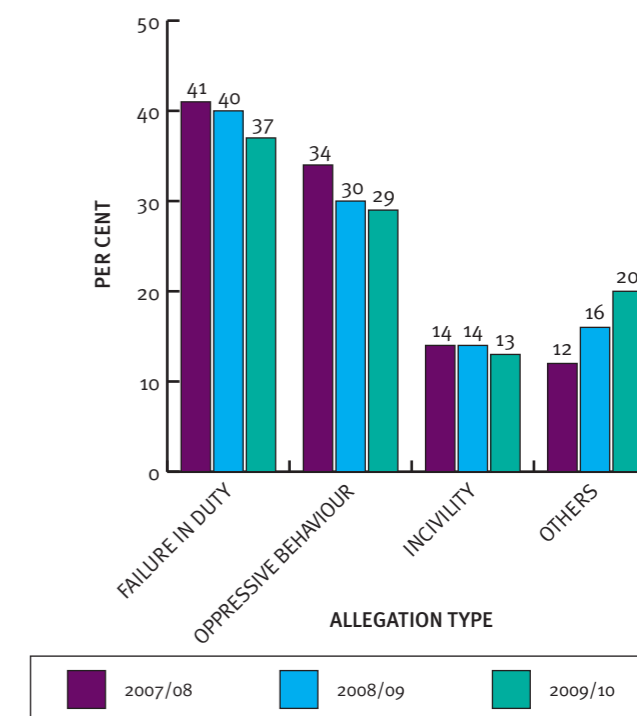
CASE STUDY: RECOMMENDATION TO REVISE SEARCH POLICY

The Police Ombudsman recommended that PSNI search teams should be made aware of the limitations to their powers to search individuals. The recommendation arose after a complaint about a police search of a house for stolen goods. The officers conducted the search of the property on the basis of a warrant issued under Section 25 of the Theft Act. The householder subsequently made a complaint to the Police Ombudsman's Office which comprised a number of allegations. The Office found no evidence to support some of the allegations which had been made but did identify issues with the police decision to search each of the occupants of the house. Officers reported that these searches were conducted under the Police and Criminal Evidence Order. However that Order provides police with the power to search individuals who are not under arrest in only two scenarios – either in connection with a search for drugs, or in connection with a search for knives or other weapons. The Police Ombudsman's investigation also established that police should not have searched the two cars parked outside the house, as these were not covered by the terms of the warrant. The Police Ombudsman has since issued a policy recommendation to the PSNI that search teams should be made aware of the limitations to the powers to search individuals provided for by the Order. Two police officers have received formal disciplinary action as a result of the complaint.

NATURE OF ALLEGATIONS

Failure in duty made up the largest proportion of allegations during the year.

Allegation types, 2007/08 - 2009/10



Allegations by type and sub-type, 2009/10			
Allegation Type	Allegation Sub-type	Total	%
Discriminatory Behaviour	Disability discriminatory behaviour	2	0%
	Gender discriminatory behaviour (including sexist remarks)	3	0%
	Homophobic discriminatory behaviour	10	0%
	Racially discriminatory behaviour	25	0%
	Sectarian discriminatory behaviour	25	0%
	Other religious discriminatory behaviour	1	0%
	Trans-phobic discriminatory behaviour	0	0%
	Other discriminatory behaviour	7	0%
	Sub-total		73
Failure in Duty ²	Conduct of police investigations	263	4%
	Denied access to legal advice	22	0%
	Denied access to medical attention	26	0%
	Detention, treatment and questioning	98	2%
	Failure to investigate	564	9%
	Failure to update	279	4%
	Identification procedures	6	0%
	Improper disclosure of information	91	1%
	Procedural irregularity	55	1%
	Other failure in duty	990	15%
Sub-total		2,394	37%
Incivility	Incivility at domestic residence	162	3%
	Incivility at police station	127	2%
	Incivility by officer on the telephone	124	2%
	Incivility to person under 18 years	20	0%
	Incivility when stopped for a traffic offence	134	2%
	Other incivility	278	4%
	Sub-total		845
Malpractice	Corrupt practice	33	1%
	Irregularity re evidence/perjury	111	2%
	Sub-total		144
Mishandling of property	Mishandling of property	66	1%
	Sub-total		66

Allegation Type	Allegation Sub-type	Total	%	
Oppressive Behaviour	Harassment (series of like incidents)	212	3%	
	Oppressive conduct (not involving assault)	711	11%	
	Serious non-sexual assault	31	0%	
	Sexual assault	24	0%	
	Other assault	900	14%	
	Sub-total		1,878	29%
	Search	Damage to property	21	0%
Irregularity regarding search of premises		119	2%	
Irregularity regarding stop/search of person		71	1%	
Irregularity regarding stop/search of vehicle		39	1%	
Seizure of property		31	0%	
Sub-total		281	4%	
Section 55 Referral	Section 55 (Chief Constable Referral)	33	1%	
	Section 55 (Police Ombudsman Call In)	3	0%	
	Section 55 (PPS Referral)	3	0%	
	Section 55 (Harbour Police Referral) ³	1	0%	
	Sub-total		40	1%
Traffic	Driving of police vehicle	62	1%	
	Other traffic irregularity	6	0%	
	Sub-total		68	1%
Unlawful/Unnecessary Arrest/Detention	Unlawful/Unnecessary Arrest/Detention	229	4%	
	Sub-total		229	4%
Other	Police Ombudsman Call In/Out - NFA	9	0%	
	Other – insufficient detail	134	2%	
	Other allegation	259	4%	
	Sub-total		402	6%
Total 2009/10		6,420³	100%	
Total 2008/09		5,395	-	

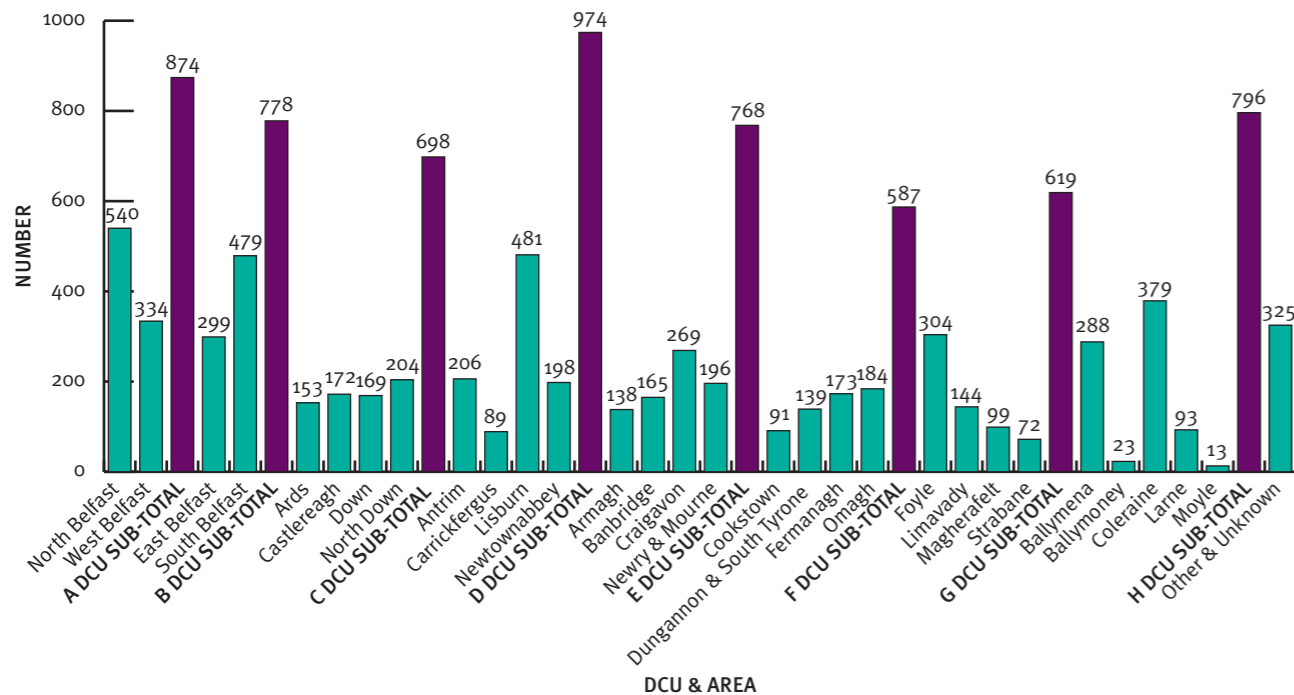
² Whilst the total number of allegations assigned to 'other failure in duty' appears to have almost doubled since 2008/09, it is important to note that the allegation sub-type of 'Failure in Duty' as produced in the 2008/09 Annual Report has since been removed from the Office's Case Handling System. Thus, the total number of allegations which are now classed as 'other failure in duty' has actually fallen in the past year. In addition, the Office has taken steps to minimise those allegations classed as 'other failures in duty' by adding a further four allegation sub-types for the new financial year, 2010/11.

³ Includes one Harbour Police Referral.

ALLEGATIONS BY DCU AND AREA

The greatest number of allegations arose from incidents in D District. Within DCUs the area with the greatest number of allegations was North Belfast.

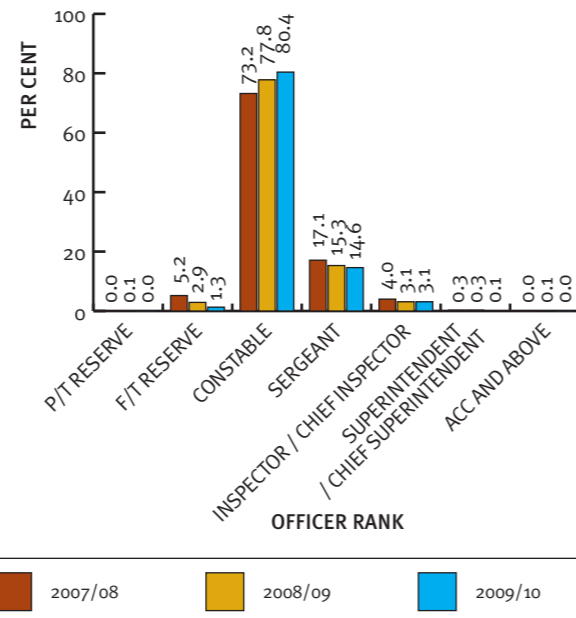
Allegations by DCU & Area



RANK OF OFFICERS SUBJECT OF COMPLAINTS

Constables continue to attract most complaints whereas complaints against other ranks have decreased.

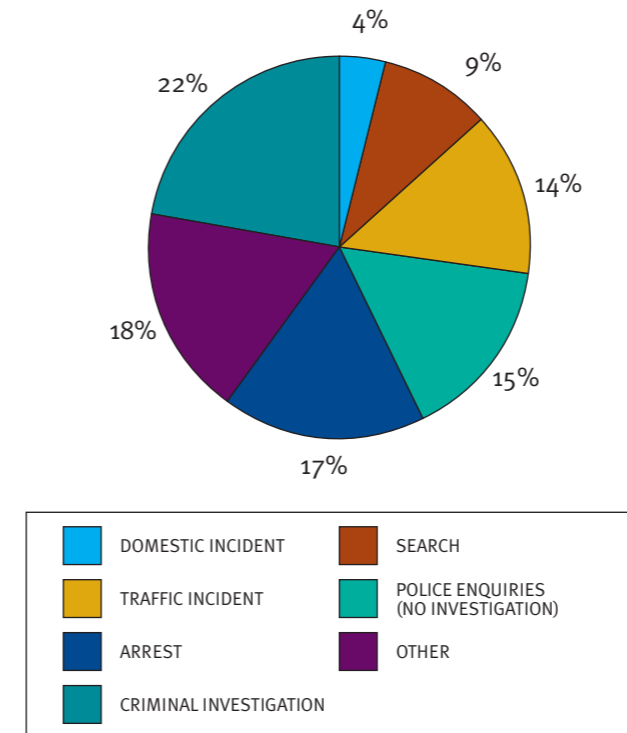
Rank of officers complained about 2007/08 - 2009/10



FACTORS UNDERLYING COMPLAINTS

The Office records details of the factors underlying complaints. As was the case in the past number of years, the manner in which police conducted criminal investigations was the most significant factor underlying complaints (22%). Of the other factors identified, almost one fifth (17%) involved arrest, whilst police enquiries resulting in no investigations comprised a further 15%.

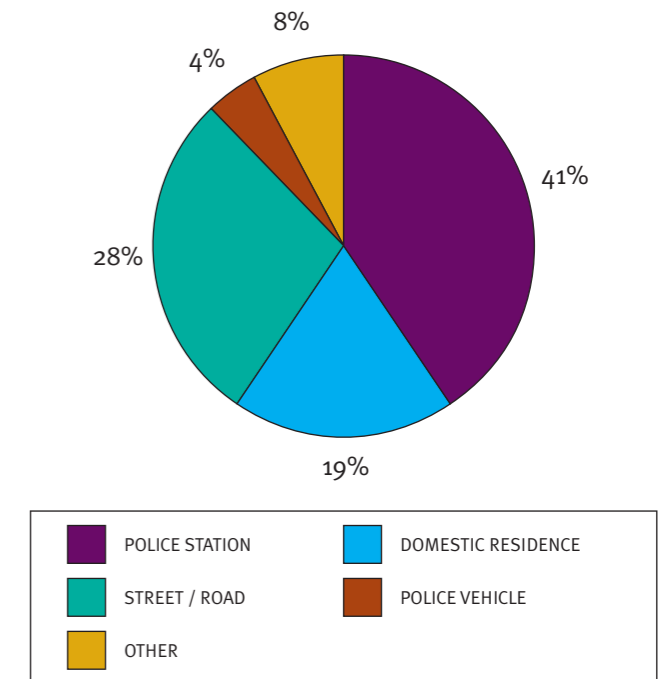
Factors underlying complaints



ALLEGATION LOCATION

Similar to last year, over two fifths (41%) of all allegations received related to incidents occurring at police stations. A further twenty-eight percent occurred on a street or road, whilst almost one fifth (19%) arose from incidents at domestic residences.

Allegation location



REPORTING ON TRENDS AND PATTERNS IN POLICE COMPLAINTS

The Office provides PSNI with regular management information in a variety of formats detailing numbers and types of allegations arising from each Area / District Command Unit. In addition, the Office furnishes District Commanders with details of those officers who attract three or more complaints within a rolling 12 month period.

POLICE AREA / DISTRICT REPORTS

Production of the Policing Area / District reports continued throughout 2009/10. The format of these reports changed in September 2009 following consultation with the PSNI Professional Standards Department (PSD) and District Discipline Champions. This resulted in a more streamlined version of the report which continues to provide the management information requested by police.

'Report easy to read... provides good deal of information'.

Discipline Champion

The main aim of these reports has always been to provide PSNI management with an overview of the number of complaints and allegations within a particular policing Area / District. The type of information in the reports includes; the types of complaints and allegations, the location of incidents, the factors behind complaints and those allegations that have involved the use of weapons / police equipment.

'...Highlights valuable information regarding the management of complaints'.

District Commander

As well as the information provided in the reports which tracks the numbers of complaints and allegations these reports also provide detailed information on individual complaints associated with officers who have attracted multiple complaints during a specific time period.

'The individual complaint detail is most useful when discussing with supervisors'.

Discipline Champion

PSNI Professional Standards and PSNI management have continued to encourage the production of these reports as they provide management information in a user friendly format. The information provided is also a valuable management tool.

'I value the DCU report'.

Discipline Champion

The Office intends to continue producing these reports on a regular basis. The Office continues to meet with PSD and the District Discipline Champions in order to obtain feedback on these reports. This allows updates or revisions to be made to the reports in order to reflect changes in policing structure and individual Area / District needs and demands.

DISTRICT POLICING PARTNERSHIP (DPP) REPORTS

In 2009/10 the Office issued a separate report on trends and patterns in complaints and allegations to each of the 29 DPPs in Northern Ireland. The objective of these reports is to provide each of the DPPs with information on the number of complaints and allegations within their relevant policing area. The information provided includes; the types of complaints and allegations made, allegations that involved weapons/police equipment, factors behind complaints and the location of the incidents. Each of the reports also provides an overview of complainant profile by including information on age, gender and religious background of those individuals who have made complaints within the DPP area.

EQUALITY MONITORING

A number of complainant characteristics are monitored as a means of fulfilling the obligations laid upon the Police Ombudsman by Section 75 of the Northern Ireland Act 1998. Most of the information collected is extracted from monitoring forms issued to all complainants once they have made a complaint. Nine hundred and fifty seven monitoring forms were returned, representing a 27% sample of complainants.

GENDER

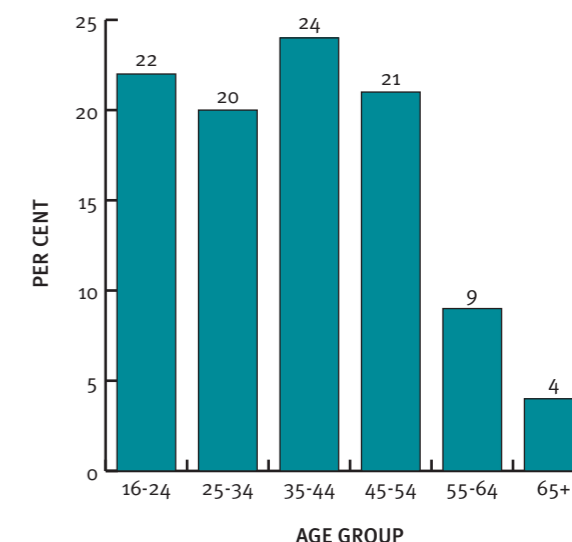
Of those complainants whose gender was known (3,489 - gender is also inferred from complainants' titles or salutations), 68% were male (69% in 2008/09) and 31% were female (31% in 2008/09). The gender of the complainant is not applicable in 1% of complaints, for example in Police Ombudsman call-ins or Chief Constable Referrals.

Gender of Complainants		
Gender	Number	%
Male	2,374	68
Female	1,065	31
Not Applicable	50	1
Total	3,489	100

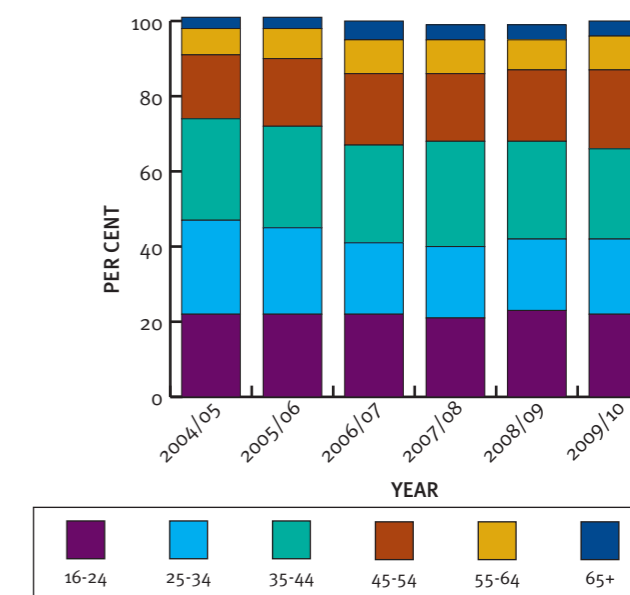
AGE

Of those complainants whose age was known, 24% fell within the 35-44 age group. The percentage of complainants aged under 25 is now 22%, similar to the 23% reported last year and 22% in 2007/08. However, it is still lower than that recorded in previous years (35% in 2002/03; 27% in 2003/04; 24% in 2004/05).

Complainant age



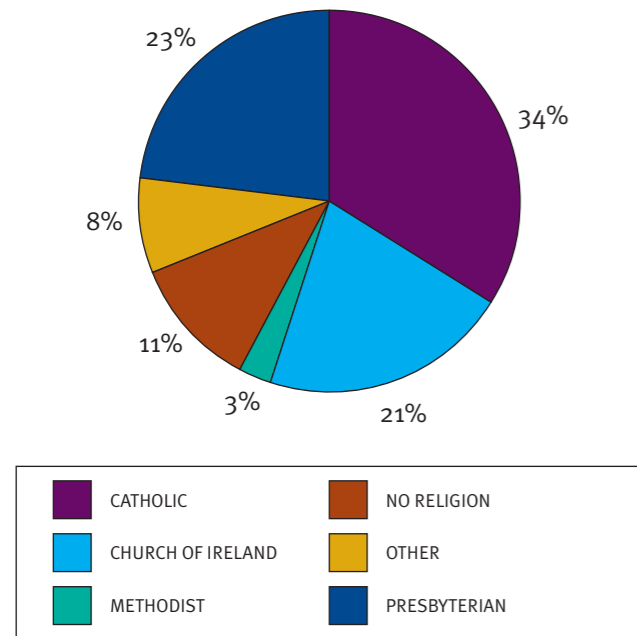
Complainant age 2004/05 - 2009/10



RELIGIOUS BELIEF

Of the 942 complainants who provided information about their religious belief, 34% said they were Catholic (39% in 2008/09), and 47% identified their background as Presbyterian, Church of Ireland or Methodist (44% in 2008/09). Nineteen per cent identified themselves as having an other religion or no religion (16% in 2008/09).

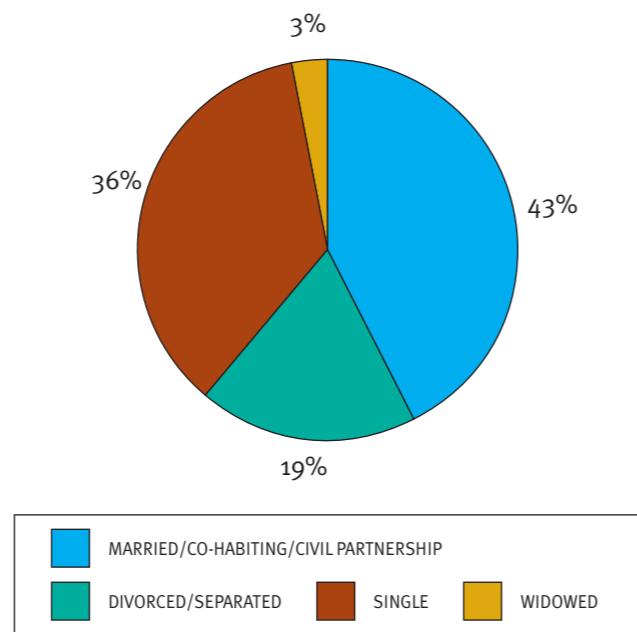
Complainant religious belief



MARITAL STATUS

The largest proportion of complainants (43%) described themselves as being either married, cohabiting or in civil partnership. Thirty six per cent said that they were single, while 19% said that they were either separated or divorced.

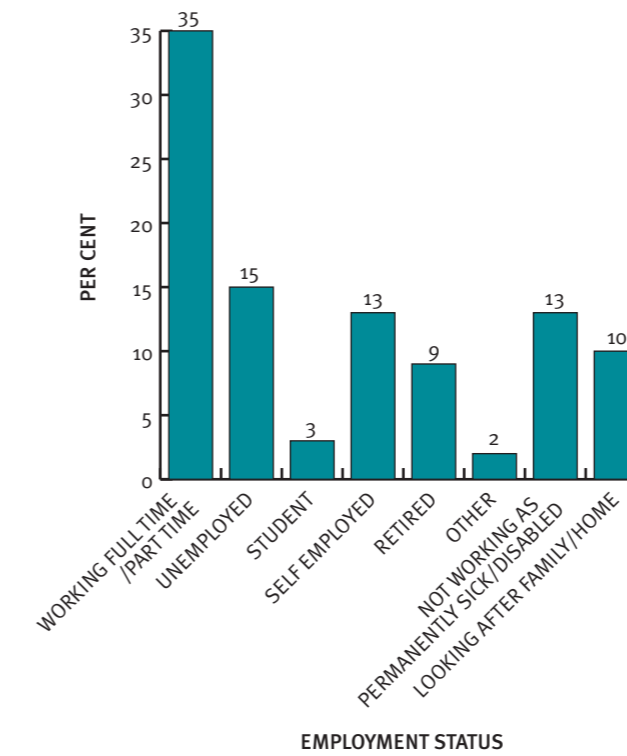
Complainant marital status



EMPLOYMENT STATUS

Forty eight per cent of respondents said that they were working full or part time or self employed, while 15% of respondents said that they were unemployed.

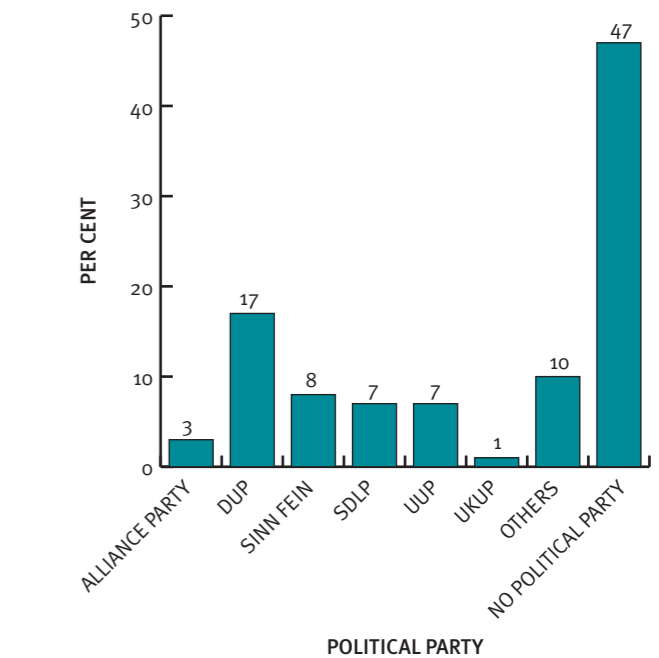
Complainant employment status



POLITICAL OPINION

Of the 739 complainants who provided information about their political opinion, 3% supported the Alliance Party, 17% the DUP, 7% the SDLP, 8% Sinn Fein, 1% the UKUP, 7% the UUP and 10% others. Forty seven per cent of complainants who provided information reported that they supported no political party.

Complainant political opinion



PUBLIC ATTITUDES TO THE OFFICE OF THE POLICE OMBUDSMAN

The Northern Ireland Statistics and Research Agency (NISRA) collected data for this independent report. Interviews took place during January and February 2010. Over 1,200 persons participated in the survey.

AWARENESS OF THE POLICE OMBUDSMAN

88% of respondents said they had heard of the Police Ombudsman.

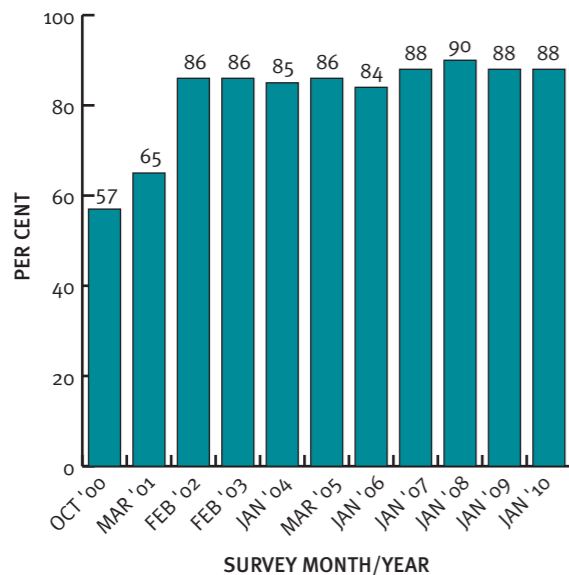
Similar proportions of men and women had heard of the Police Ombudsman (89% men compared to 87% women).

Awareness was greater among Protestants (91%) than Catholics (87%).

Respondents aged 25 or less showed lower levels of awareness of the Police Ombudsman than older age groups.

The source of information about the Police Ombudsman most frequently cited by respondents was television (86%).

Proportions of respondents aware of the Police Ombudsman, October 2000 - January 2010



AWARENESS OF INDEPENDENCE OF THE POLICE OMBUDSMAN

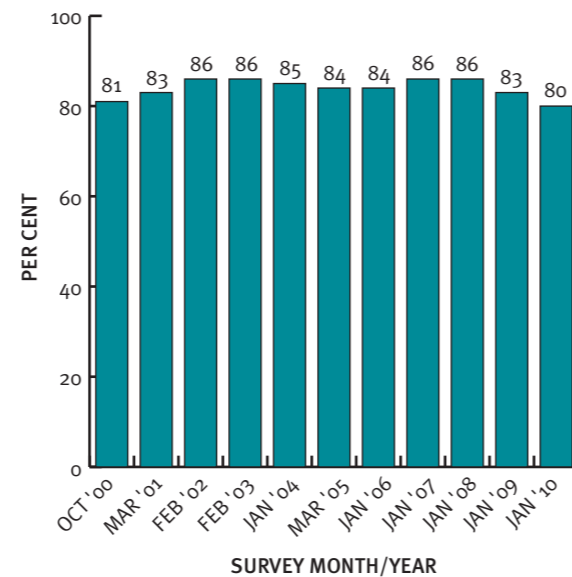
80% of those respondents who had heard of the Police Ombudsman thought the Office was independent of the police.

17% thought that the Police Ombudsman was part of the police.

Similar proportions of men (82%) and women (79%) thought the Police Ombudsman was independent of the police.

Catholic and Protestant respondents were equally likely to think the Police Ombudsman was independent of the police.

Proportions of respondents aware of the independence of the Police Ombudsman, October 2000 - January 2010



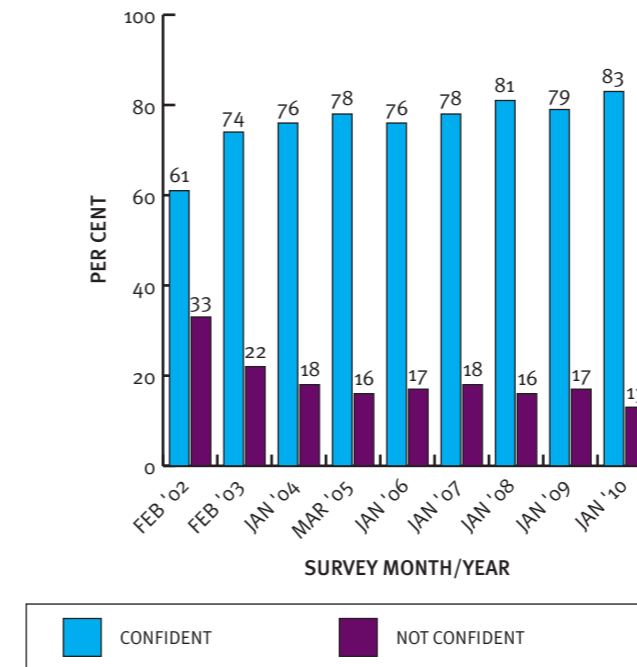
IMPARTIALITY OF INVESTIGATION

83% of respondents were confident that the Police Ombudsman investigates complaints in an impartial manner.

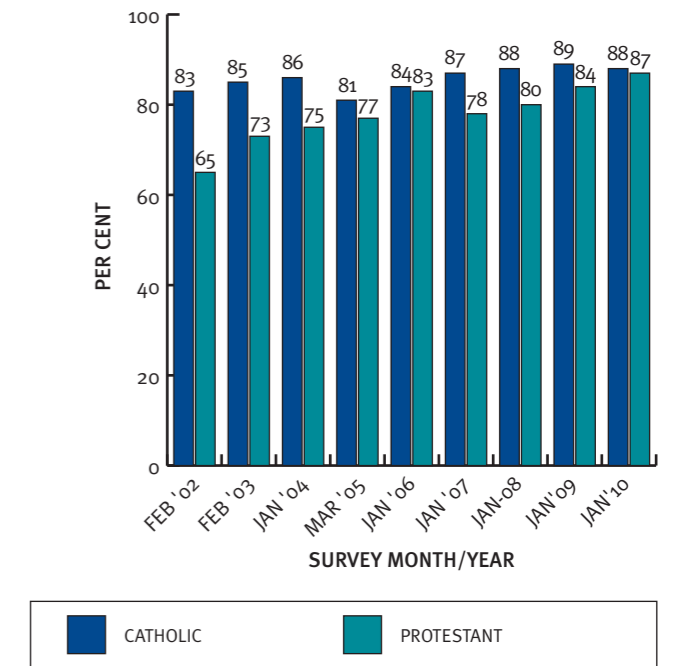
Women were more confident than men (87% of women compared to 79% of men).

There was little difference in the level of confidence among Catholics (82%) and Protestants (85%).

Confidence in the impartiality of the Police Ombudsman's investigations, February 2002 - January 2010



Proportions of Catholic and Protestant respondents thinking that the Police Ombudsman would help the police do a good job, February 2002 - January 2010



EFFECT OF POLICE OMBUDSMAN ON POLICING

87% of respondents thought the Police Ombudsman would help ensure that the police do a good job.

Similar levels of males and females held this view.

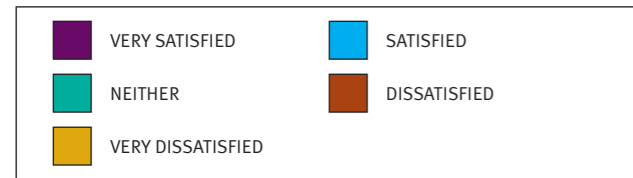
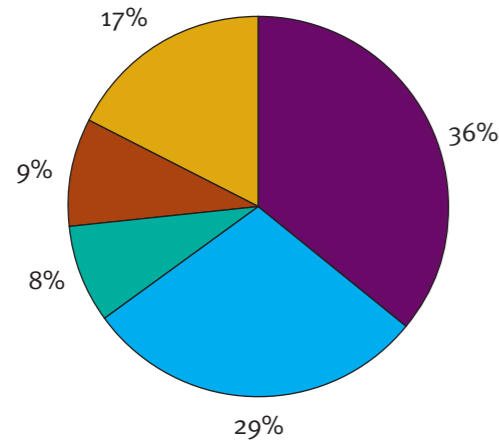
Catholics and Protestants were equally likely to think that the Police Ombudsman would help ensure the police do a good job.

COMPLAINANT SATISFACTION

A complainant satisfaction survey questionnaire was issued to 3,268 complainants following closure of their complaints. Respondents were presented with 23 statements, 13 of which were yes/no answers, 9 were on a scale very satisfied to very dissatisfied, and 2 were open-ended statements. A total of 557 questionnaires were returned giving a response rate of 17%.

A total of 65% of respondents, taking everything into account, were satisfied with the service they received. This includes 36% who were very satisfied.

Overall, taking everything into account, how satisfied or dissatisfied were you with the services you received?



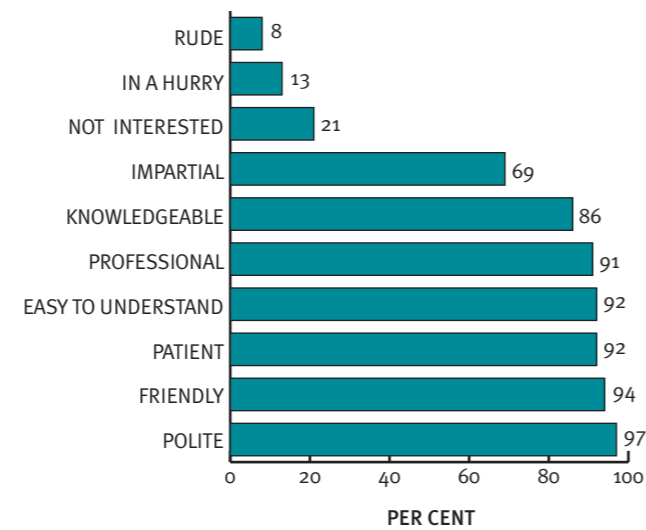
72% of respondents stated they would use the complaints system again.

Of the 90% of complainants who had spoken to a member of staff from the Police Ombudsman's Office:

- 97% thought staff were polite.
- 91% thought staff were professional.
- 86% thought staff were knowledgeable.
- 69% thought staff were impartial.

"Very pleased with all the dealings. Treated in a fair manner and would certainly use again if required."
(Complainant)

How did the staff seem to you ?



"The lady dealing with my complaint was exceptional, she made me feel that I was not a time waster."
(Complainant)

82% of respondents were satisfied with how long the Office took to reply after making their complaint.

61% of respondents were satisfied with how long the Office took to resolve their complaint.

77% of respondents were satisfied with how clearly the process was explained to them.

"Service was brilliant and the complaint was dealt with informally."
(Complainant)

POLICE OFFICER SATISFACTION WITH INVESTIGATIONS

Since October 2005 the Office of the Police Ombudsman has issued satisfaction questionnaires to police officers subject to formal Police Ombudsman investigation.

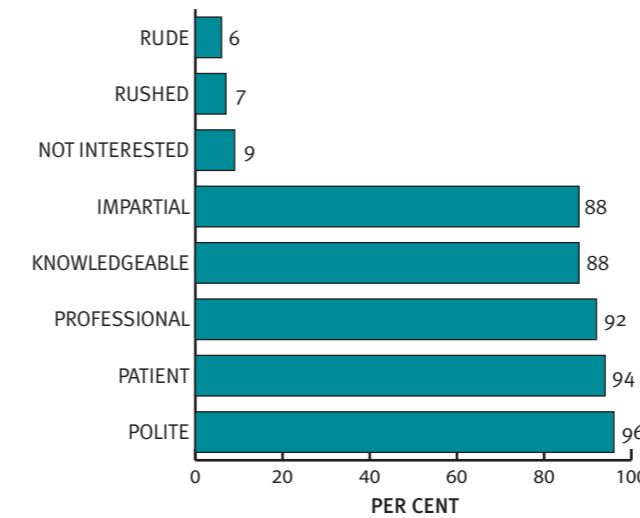
During 2009/10 a total of 2,778 questionnaires were issued to police officers subject to Police Ombudsman investigation. A total of 548 (20%) questionnaires were returned.

LEVELS OF POLICE OFFICER SATISFACTION WITH POLICE OMBUDSMAN'S INVESTIGATION STAFF

Of the 89% of police officers who spoke to a Police Ombudsman investigating officer:

- 92% thought Police Ombudsman investigators acted professionally.
- 88% thought Police Ombudsman investigators acted impartially.
- 94% thought Police Ombudsman investigators were patient.
- 88% thought Police Ombudsman investigators were knowledgeable.
- 96% thought Police Ombudsman staff were polite.

Police Officer satisfaction with Police Ombudsman investigating staff

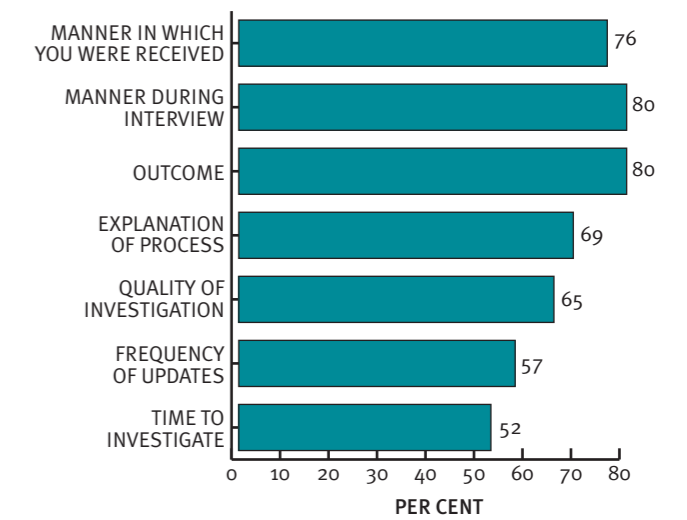


82% of police officers investigated thought they were treated fairly.

LEVELS OF SATISFACTION WITH INVESTIGATION PROCESS

Officers subject to Police Ombudsman investigation were asked on a scale ranging from very satisfied to very dissatisfied to express views on the investigation process. The graph below shows the results.

Police officer satisfaction with investigation process



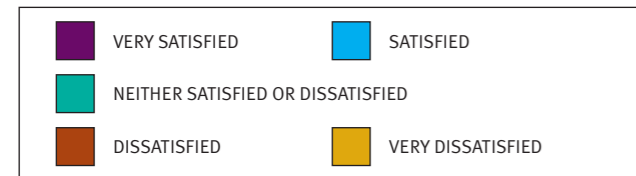
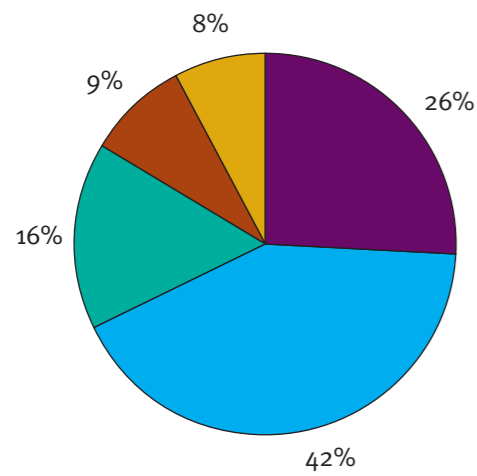
"Both interviewing officers were professional and polite while remaining impartial. I was updated via e-mail at regular intervals"
(Police Officer)

"I was very happy throughout the process. The investigator was excellent at keeping me up to date at all times and was always professional."
(Police Officer)

OVERALL POLICE OFFICER SATISFACTION WITH SERVICE

68% of police officers investigated by Police Ombudsman investigators said they were satisfied or very satisfied with the overall service they received from the Office.

Taking everything into account how satisfied or dissatisfied were you with the overall service you received

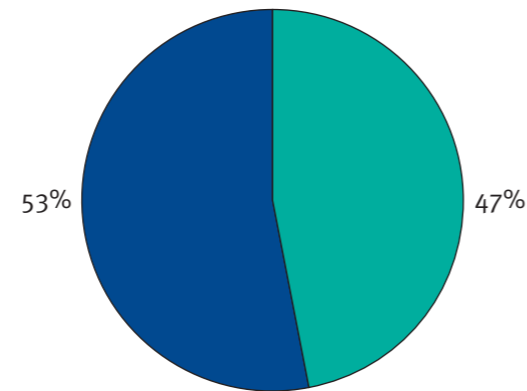


“Service could be improved by reviewing certain complaints that could be dealt with immediately at local PSNI level instead of PONI investigation”.
(Police Officer)

STAFF PROFILE

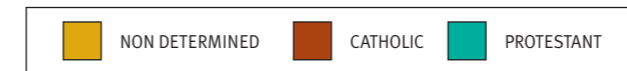
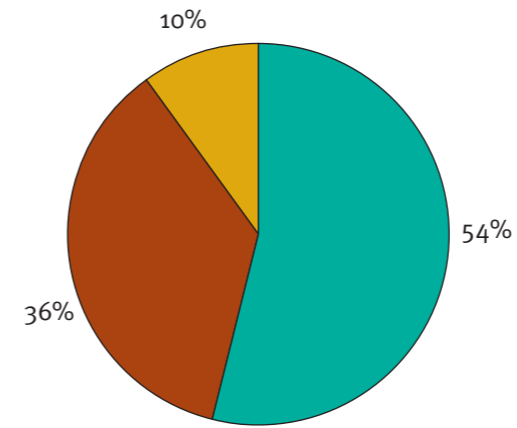
Information taken from the Fair Employment Monitoring Return made by the Office as at 1 January 2010 indicates that 47% of the staff employed in the Office are male and 53% are female.

Staff profile by gender as at 1 January 2010



The community background of staff indicates that 54% of staff employed are Protestant, 36% Catholic and 10% not determined.

Staff Profile by community background as at 1 January 2010



KEY PERFORMANCE INDICATORS 2009/10

Key Performance Indicators	Targets (2009/10)	Performance against targets 2009/10	Performance against targets 2008/09
Level of complaints registered	Resource and action all complaints and related allegations registered	3528 complaints – 14% increase from 2008/09 6419 allegations – 19% increase from 2008/09	3081 complaints – 3% increase from 2007/08 5296 allegations – 2% decrease from 2007/08
Responsiveness, prompt service and timely processes	Register all appropriate matters reported to the Police Ombudsman within 3 working days of receipt	92% achievement	90% achievement
	90% of all complaints to be actioned within 5 working days of being received	89% achievement	92% achievement
	All telephone calls to the Office to be responded to within 10 seconds	99% achievement	100% achievement
	95% of complainants calling to the Office to be seen within 5 minutes	85% achievement	88% achievement
	85% of complainants to be updated every 6 weeks	87% achievement	87% achievement
	85% of police officers to be updated every 6 weeks	81% achievement	76% achievement
	90% of complaints, not subject of investigation or Informal Resolution, to be dealt with within 40 working days	93% achievement	79% achievement
	90% of complaints suitable for Informal Resolution to be referred within 3 working days of complainant consent being obtained	99% achievement	97% achievement
	90% of complainants to be contacted by the Investigating Officer within 3 working days (of the complaint being allocated to that officer)	95% achievement	96% achievement
	Average time to complete investigations, apart from grave and exceptional matters - 120 working days	109 working days	115 working days
Respond (24/7) within 1.5 hours to serious incidents referred in Belfast and 3 hours outside Belfast	100% achievement	100% achievement	
Quality and effective investigations, levels of satisfaction and confidence in police complaints system	60% of complainants being satisfied or very satisfied with service received	65% achievement	59% achievement
	75% of complainants willing to use the service again	72% achievement	69% achievement
	75% of police officers subject of investigation to be satisfied with the service provided by the Police Ombudsman	68% achievement	68% achievement
	Maintain over 80% public awareness and confidence in the police complaints system	88% achievement	88% achievement

KEY BUSINESS TARGETS 2009/10

Business Targets	Performance against Targets (2009/10)
• Publish Corporate Business Plan (June 2009)	ACHIEVED
• Make Annual Report available to the Secretary of State (June 2009)	ACHIEVED
• Report on Complainant Satisfaction (July 2009)	ACHIEVED
• Report on Public Attitude Survey (August 2009)	ACHIEVED
• Report on Police Officer Satisfaction (September 2009)	ACHIEVED
• Report on Equality Monitoring of Complainants (September 2009)	ACHIEVED
• Conduct detailed post implementation review of Case Handling System (July 2009)	NOT ACHIEVED – Commenced November 2009
• Complete Annual Fair Employment Monitoring Return (May 2009)	ACHIEVED
• Complete Annual Equality Scheme Progress Report (August 2009)	ACHIEVED
• Make available reports on trends and patterns in complaints within agreed time lines	ACHIEVED

Remuneration Report

REMUNERATION POLICY

The Police Ombudsman is remunerated in line with judicial scales. The Chief Executive and Directors of Investigations are remunerated as senior civil servants. The level of remuneration and performance award element is set by the Prime Minister following independent advice from the Senior Salaries Review Body.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits;
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at www.ome.uk.com.

The remuneration of other members of the Senior Management Team within the Office is set within the sponsoring Department pay structures. The Office is not involved in Departmental pay negotiations. A non consolidated performance bonus element is included within the sponsor Department's pay structures. Performance is appraised by line managers of achievement against agreed objectives and targets. Directors have excluded themselves from consideration for these bonuses.

APPOINTMENTS

Appointments are 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.

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.

Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

The appointment of the Police Ombudsman is for a maximum of seven years as provided within schedule 3 paragraph 1(4) of the Police (Northern Ireland) Act 1998. Mr A Hutchinson, the Police Ombudsman was appointed on 6 November 2007.

Mr E Simpson and Mr RST Ewing were appointed on 30 June 2004 as Independent Non-Executive members of the Audit Committee in the Office. They are remunerated on the basis of hours employed at a rate of £38 per hour. A process to appoint new Independent Non-Executive members of the Audit Committee has recently concluded and Mr Simpson and Mr Ewing have recently completed their tenure with the Office.

SALARY AND PENSION ENTITLEMENTS

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

Remuneration	AUDITED INFORMATION			
	2009-10		2008-09	
	Salary (£'000)	Benefits in kind (to nearest £100)	Salary (£'000)	Benefits in kind (to nearest £100)
Mr Al Hutchinson <i>Police Ombudsman</i>	140 – 145	28,200	135 – 140	29,300
Mr Samuel Pollock <i>Chief Executive</i>	90 – 95	-	85 – 90	-
Mr James Coupland <i>Senior Director of Investigations</i>	80 – 85	-	80 – 85	-
Mrs Olwen Laird <i>Director of Corporate Services</i>	55 – 60	-	55 – 60	-
Mr Greg Mullan <i>Director of Policy and Practice</i>	55 – 60	-	50 – 55	-
Mr Tim Gracey <i>Director of Information</i>	55 – 60	-	50 – 55	-
Mr Jim Kitson <i>Director of Legal Services</i>	50 – 55	-	50 – 55	-
Mr John Larkin¹ <i>Director of Investigation Until 31 December 2009</i>	60 – 65	-	75 – 80	-
Ms Anne McShane² <i>Acting Director of Investigation From 26 October 2009</i>	25 – 30	-	N/A	-
Mr Paul Holmes³ <i>Director of Investigation From 22 February 2010</i>	5 – 10	-	N/A	-
Mr Edward Simpson <i>Non Executive Audit Committee Member</i>	0 – 5	-	0 – 5	-
Mr RST Ewing <i>Non Executive Audit Committee Member</i>	0 – 5	-	0 – 5	-

1 Figure quoted is for the period 1 April 2009 to 31 December 2009. The full year equivalent is £75 – 80k

2 Figure quoted is for the period 26 October 2009 to 31 March 2010. The full year equivalent is £60 – £65k

3 Figure quoted is for the period 22 February 2010 to 31 March 2010. The full year equivalent is £60 – £65k

PENSION BENEFITS

	AUDITED INFORMATION					
	Accrued pension at pension age as at 31/3/10 and related lump sum £'000	Real increase in pension and related lump sum at age 60 £'000	CETV at 31/3/10 £'000	CETV at 31/3/09 £'000	Real increase in CETV £'000	Employer contribution to partnership pension account (Nearest £100)
Mr Al Hutchinson <i>Police Ombudsman</i>	5 – 10	2.5 – 5	120	65	47	N/A
Mr Samuel Pollock <i>Chief Executive</i>	10 – 15 plus lump sum of 30 – 35	0 – 2.5 plus lump sum of 2.5 – 5.0	238	207	30	N/A
Mr James Coupland <i>Senior Director of Investigation</i>	0 – 5	0 – 2.5	48	24	19	N/A
Mrs Olwen Laird <i>Director of Corporate Services</i>	10 – 15	0 – 2.5	134	116	9	N/A
Mr Greg Mullan <i>Director of Policy and Practice</i>	15 – 20 plus lump sum of 55 – 60	0 – 2.5 plus lump sum of 0 – 2.5	435	393	17	N/A
Mr Tim Gracey <i>Director of Information</i>	10 – 15 plus lump sum of 30 – 35	0 – 2.5 plus lump sum of 0 – 2.5	232	206	14	N/A
Mr John Larkin <i>Director of Investigation</i>	N/A	N/A	N/A	N/A	N/A	N/A
Mr Jim Kitson <i>Director of Legal Services</i>	0 – 5	0 – 2.5	51	39	7	N/A
Mr Paul Holmes <i>Director of Investigation</i>	15 – 20 plus lump sum of 15 – 20	0 – 2.5 plus lump sum of 0 – 2.5	85	80	5	N/A
Ms Anne McShane <i>Acting Director of Investigation</i>	15 – 20 plus lump sum of 15 – 20	0 – 2.5 plus lump sum of 2.5 – 5.0	94	72	22	N/A
Mr Edward Simpson <i>Non Executive Audit Committee Member</i>	N/A	N/A	N/A	N/A	N/A	N/A
Mr RST Ewing <i>Non Executive Audit Committee Member</i>	N/A	N/A	N/A	N/A	N/A	N/A

SALARY

'Salary' includes gross salary; performance pay or bonuses; 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.

This report is based on payments made by the Office and thus recorded in these accounts.

BENEFITS IN KIND

The monetary value of benefits in kind covers any expenditure incurred by the Office and treated by HM Revenue and Customs as a taxable emolument. Further information regarding the nature of the benefits in kind is provided in note 5 to the Accounts.

CIVIL SERVICE PENSIONS

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. 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.

Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. 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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

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 figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

REAL INCREASE IN CETV

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

Samuel Pollock, OBE

BSc (Hons), Dip. App. Soc. Studies,
Chief Executive

14 June 2010

Statement of the Police Ombudsman for Northern Ireland and Chief Executive's Responsibilities

Under paragraph 12 of Schedule 3 of the Police (Northern Ireland) Act 1998 the Police Ombudsman for Northern Ireland is required to prepare a statement of accounts for each financial year in the form and on the basis directed by the Secretary of State.

The accounts are prepared on an accruals basis and must include a Net Expenditure Account, a Statement of Financial Position, a Statement of Cash Flows, and a Statement of Changes in Taxpayers' Equity. The accounts are required to give a true and fair view of the net expenditure for the financial year and the financial position at the year end.

In preparing the accounts the Office of the Police Ombudsman for Northern Ireland is required to:

- observe the accounts direction issued by the Northern Ireland Office, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis.

The Accounting Officer of the Northern Ireland Office has designated the Chief Executive as Accounting Officer of the Office of the Police Ombudsman for Northern Ireland. The Chief Executive's relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in chapter 3 of *Managing Public Money* issued by HM Treasury.

Statement on Internal Control

1. SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Office of the Police Ombudsman's policies, aims and objectives, as set out in the Annual Business Plan and agreed with the Northern Ireland Office, whilst safeguarding the public funds and the Office's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in my letter of designation as Accounting Officer. In addition I am required to report on progress towards business objectives, financial objectives, staffing and other matters on a quarterly basis to the Permanent Secretary of the sponsoring Department which was the Northern Ireland Office for the year to 31 March 2010.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the Office, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This system of internal control has been in place in the Office of the Police Ombudsman for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

3. CAPACITY TO HANDLE RISK

The Office of the Police Ombudsman considers all of its business and corporate responsibility in terms of its risk management framework and in line with the policies of the Department. Responsibility for

implementing the risk management process rests with me, as Accounting Officer, supported by my Directors and is incorporated into the Corporate Planning process. A risk management policy, strategy and register has been established and has been communicated to all staff and is available on the internal website of the Office. Internal Audit periodically review risk management practice as part of their programme of work. An audit of risk management and corporate governance is planned within the forthcoming financial year.

4. THE RISK AND CONTROL FRAMEWORK

The Office has an organisational risk register which includes key risks prioritised by likelihood and impact. On a quarterly basis, or more frequently if required, Directors review and consider the risks facing the Office in the achievement of its aims and objectives. Any additional risks identified are considered and assessed in terms of likelihood and impact. Further, any additional actions required to fully address new or existing risks are identified and assigned to an individual with responsibility for ensuring that appropriate measures are undertaken within an agreed timescale. The risk register and actions are regularly reviewed by the Audit Committee of the Office.

Management and Control of Information Risk

Information risk has become an area of increasing concern within the public sector over the past number of years. During the year to 31 March 2010, the Office specifically identified data handling and information risk as a separate risk within the organisational risk register and has documented a range of controls already in place to mitigate against this risk resulting in failure to achieve organisational aims and objectives. Additionally a number of further actions have been identified which will, once implemented, further mitigate this risk. I am satisfied that the Office has controls in place to ensure that information risk is effectively managed.

5. REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Office of the Police Ombudsman who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letters and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee and a plan to ensure continuous improvement of the system is in place. The system of internal control is based on a framework of regular management information, financial and administrative procedures including the segregation of duties, management supervision and a system of delegation and accountability. In particular the system includes:

- business planning and objective setting processes, including the setting of targets to measure financial and other performance;
- the operation of a performance management system for staff;
- financial planning and budgeting systems;
- internal audit arrangements and an audit committee;
- financial accounting systems and administrative procedures, including delegated levels of authority;
- capital investment control guidelines.

AUDIT COMMITTEE

The Audit Committee continues to provide an essential oversight of the controls and good governance of the Office. The Committee is self standing with a terms of reference and comprises representatives of the Office of the Police Ombudsman, representatives from the sponsoring Department and two independent non-executive members who co-chair the Committee. The independent non-executive members have been in post throughout the financial year and a process to appoint replacement non executive Audit Committee members has recently been concluded. The Committee is also attended by the Internal and External Auditor. I am required to report to this Committee quarterly or more often if required. The Audit Committee receives all audit reports and keeps under review the progress by the Office with regards to the implementation of any recommendations made.

INTERNAL AUDIT

The Office of the Police Ombudsman for Northern Ireland has an internal audit service, which operates to standards defined in the Government Internal Audit Manual. The work of the internal audit service is informed by the risk management process and the internal audit plans are based on the risk register. The analysis of risk and the internal audit plans are endorsed by the Police Ombudsman's Audit Committee and approved by me. The internal audit programme for the year ended 31 March 2010 focussed on assessing the controls in respect of the following areas: complaints and investigations; purchasing and procurement; payroll, pensions and travel expenses; and fixed assets, income and bank and cash.

The Head of Internal Audit (HIA), is required to provide me at least annually with a report on internal audit activity in the Office. I have been provided with an annual internal audit assurance report which includes the HIA's independent opinion on the adequacy and effectiveness of the Office's system of internal controls which note that in the opinion of the HIA, the Office's internal control systems were adequate and operated effectively, thereby providing satisfactory assurance regarding the effective and efficient achievement of the Office's objectives.

The HIA however drew attention to one significant issue in relation to instances of exceptions to the Office's hospitality policy, including retrospective approval or re-imburement of hospitality by senior officers. Steps are being taken to implement all the recommendations made and specifically those arising in respect of hospitality.

During the year, an Internal Audit was also completed by the Northern Ireland Office Internal Audit in respect of aspects of the financial control system including: payments and receipts; travel and subsistence; gifts and hospitality; petty cash and procurement. The NIO Internal Audit report also noted issues in respect of re-imburement of hospitality, the recommendations from which are being progressed. The report provides a satisfactory assurance rating.

ASSURANCE

I am content that these assurances build on reviews of systems carried out in previous years and in the light of all of the information available to me, I remain satisfied and assured that the system of controls in place in the Office is effective.

Samuel Pollock, OBE

BSc (Hons), Dip. App. Soc. Studies,
Chief Executive

14 June 2010

Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Office of the Police Ombudsman for Northern Ireland for the year ended 31 March 2010 under the Police (Northern Ireland) Act 1998. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Police Ombudsman for Northern Ireland, the Chief Executive and Auditor

As explained more fully in the Statement of the Police Ombudsman for Northern Ireland and Chief Executive's Responsibilities, the Police Ombudsman for Northern Ireland and the Chief Executive as Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Office of the Police Ombudsman for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Office of the Police Ombudsman for Northern Ireland; and the overall presentation of the financial statements.

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

Opinion on Regularity

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

Opinion on Financial Statements

In my opinion:

- the financial statements give a true and fair view, of the state of the Office of the Police Ombudsman for Northern Ireland's affairs as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Police (Northern Ireland) Act 1998 and directions made thereunder by the Secretary of State for Northern Ireland.

Opinion on Other Matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Police (Northern Ireland) Act 1998 and directions made thereunder by the Secretary of State for Northern Ireland; and
- the information given in the Report of the Chief Executive for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General

22 June 2010

National Audit Office
157-197 Buckingham Palace Road
Victoria, London
SW1W 9SP

Net Expenditure Account for the year ended 31 March 2010

	Note	2009-10 £	2008-09 Restated £
Expenditure			
Staff costs	5	6,133,954	5,962,468
Depreciation/Amortisation	6	497,954	312,477
Other operating costs	6	2,264,670	2,343,171
Net operating expenditure for the year		8,896,578	8,618,116
Cost of Capital	6	60,070	62,370
Net expenditure for the year after cost of capital		8,956,648	8,680,486
The notes on the pages 66 to 87 form part of these accounts			

Figures for 2008-2009 have been restated in line with International Financial Reporting Standards

Statement of Financial Position as at 31 March 2010

	Note	2009-10 £	2008-09 Restated £	01 April 2008 Restated £
Non-current assets:				
Property, plant & equipment	7	1,153,824	1,052,187	1,231,378
Intangible assets	8	1,144,007	1,077,298	969,736
Trade and other receivables	9	2,777	5,142	3,443
Total non-current assets		2,300,608	2,134,627	2,204,557
Current assets:				
Trade and other receivables	9	181,656	178,806	138,892
Cash and cash equivalents	10	156,748	156,787	148,457
Total current assets		338,404	335,593	287,349
Total assets		2,639,012	2,470,220	2,491,906
Current liabilities:				
Trade and other payables	11	(564,652)	(580,084)	(625,476)
Total current liabilities		(564,652)	(580,084)	(625,476)
Total assets less current liabilities		2,074,360	1,890,136	1,866,430
Non current liabilities:				
Provisions	12	(105,249)	(113,161)	(124,750)
Total non-current liabilities		(105,249)	(113,161)	(124,750)
Assets less liabilities		1,969,111	1,776,975	1,741,680
Taxpayers' Equity:				
General reserve		779,185	580,301	678,817
Revaluation reserve		32,365	107,219	128,303
Government grant reserve		1,157,561	1,089,455	934,560
		1,969,111	1,776,975	1,741,680

The notes on the pages 66 to 87 form part of these accounts

Figures for 2008-2009 have been restated in line with International Financial Reporting Standards.

Samuel Pollock, OBE

BSc (Hons), Dip. App. Soc. Studies, Chief Executive

14 June 2010

Statement of Cash Flows for the year ended 31 March 2010

	Note	2009-10 £	2008-09 Restated £
Cash flows from operating activities			
Net expenditure after cost of capital		(8,956,648)	(8,680,486)
Adjustment for non-cash transactions	6	392,597	407,079
(Increase)/Decrease in trade and other receivables	9	(485)	(41,613)
Increase/(Decrease) in trade payables	11	(15,432)	(45,392)
less movements in payables relating to items not passing through the NEA	7	37,498	(35,684)
Use of provisions	12	(125,107)	(63,899)
Net cash outflow from operating activities		(8,667,577)	(8,459,995)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(315,900)	(50,054)
Purchase of intangible assets	8	(25,562)	(288,621)
Net cash outflow from investing activities		(341,462)	(338,675)
Cash flows from financing activities			
Grant-in-aid to fund resource expenditure		8,806,000	8,452,000
Grant-in-aid to fund capital expenditure		203,000	67,600
Capital grant to fund capital expenditure		0	287,400
Net financing		9,009,000	8,807,000
Net increase in cash and cash equivalents in the period	10	(39)	8,330
Cash and cash equivalents at the beginning of the period	10	156,787	148,457
Cash and cash equivalents at the end of the period	10	156,748	156,787

The notes on the pages 66 to 87 form part of these accounts

Figures for 2008-2009 have been restated in line with International Financial Reporting Standards

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2010

	Note	General Reserve £	Revaluation Reserve £	Government Grant Reserve £	Total Reserves £
Balance as at 31 March 2008		835,617	128,303	934,560	1,898,480
Effect of changes under IFRS's	3	(156,800)	0	0	(156,800)
Restated balance at 01 April 2008		678,817	128,303	934,560	1,741,680
Changes in Taxpayers' Equity for 2008-09					
Net (loss) on revaluation of property, plant and equipment	7	0	(21,084)	0	(21,084)
Release of reserves to the net expenditure account:					
- Amortisation of intangible assets (CHS)	8	0	0	(50,176)	(50,176)
- Loss on revaluation of intangible asset (CHS)	8	0	0	(82,329)	(82,329)
Non cash charges - cost of capital		62,370			62,370
Net expenditure cost for the year		(8,680,486)	0	0	(8,680,486)
Total recognised expenses for 2008-09		(8,618,116)	(21,084)	(132,505)	(8,771,705)
Grant-in-aid to fund resource expenditure		8,452,000	0	0	8,452,000
Grant-in-aid to fund capital expenditure		67,600	0	0	67,600
Capital grant to fund capital expenditure		0	0	287,400	287,400
Total recognised funding for 2008-09		8,519,600	0	287,400	8,807,000
Balance at 31 March 2009		580,301	107,219	1,089,455	1,776,975
Changes in Taxpayers' Equity for 2009-10					
Net unrealised gain on revaluation of property, plant and equipment	7	0	11,608	0	11,608
Net unrealised gain on revaluation of intangible assets	8	0	0	257,218	257,218
Release of reserves to the net expenditure account:					
- Amortisation of intangible assets (CHS)				(189,112)	(189,112)
Transfers between reserves		86,462	(86,462)		0
Non cash charges - cost of capital		60,070			60,070
Net expenditure cost for the year		(8,956,648)			(8,956,648)
Total recognised expenses for 2009-10		(8,810,116)	(74,854)	68,106	(8,816,864)
Grant-in-aid to fund resource expenditure		8,806,000			8,806,000
Grant-in-aid to fund capital expenditure		203,000			203,000
Capital grant to fund capital expenditure					0
Total recognised funding for 2009-10		9,009,000	0	0	9,009,000
Balance at 31 March 2010		779,185	32,365	1,157,561	1,969,111

The notes on the pages 66 to 87 form part of these accounts

Figures for 2008-2009 have been restated in line with International Financial Reporting Standards

The General Reserve serves as the chief operating fund and is used to account for all financial resources except those required to be accounted for in another fund.

The Revaluation Reserve accounts for the unrealised gain or loss on revaluation of assets. During the year £86,462 was transferred from the Revaluation Reserve to the General Reserve. This transfer relates to previous revaluations in the valuation of the leasehold interest in New Cathedral Buildings, which were charged to the Net Expenditure Account.

The Government Grant reserve relates to a specific capital grant received to purchase the Case Handling System and accounts for the unrealised gain or loss on the revaluation of the Case Handling System and amortisation of the asset.

Notes to the Accounts

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Accounts Direction issued by the Secretary of State for Northern Ireland and in line with the 2009-10 Financial Reporting Manual issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the 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 (for the reportable activity) are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

IFRS 1 - First Time Adoption

The Office of the Police Ombudsman for Northern Ireland date of transition is 1 April 2008. IFRS 1 First Time Adoption of International Financial Reporting Standards allows entities adopting IFRS for the first time to take certain exemptions from the full requirements of IFRS in the year of transition (i.e. 2008-09). The Office elected not to take any exemptions.

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 2010 by Grant-in-Aid from the Northern Ireland Office, request for resources 1. 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.

Capital Grants, whether from a sponsor department or from other sources, relating to capital expenditure used to acquire specific capital items are credited to a Government Grant Reserve and released to the Net Expenditure Account over the useful life of the asset in amounts equal to the depreciation/amortisation charge of the asset and any impairment. The Office has one specific intangible asset that is funded by Capital Grant, namely its Case Handling System.

1.3 Value Added Tax

The Office of the Police Ombudsman for Northern Ireland is not registered for Value Added Tax, (VAT). All transactions are therefore stated inclusive of VAT.

1.4 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 restated at current cost 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. The unexpired term in respect of the lease for New Cathedral Buildings is five years, with an option to extend it for a further ten years.

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:

- Unrealised surplus arising from revaluation of property, plant and equipment is credited to the Revaluation Reserve unless it reverses a revaluation decrease of the same asset previously charged to the Net Expenditure Account;
- Losses arising from the revaluation of property, plant and equipment are debited to the Revaluation Reserve to the extent that gains were recorded previously, and otherwise to the Net Expenditure Account.

All property, plant and equipment is reviewed annually for impairment.

1.5 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 - Servers	4 – 7 years 7 years

1.6 Intangible assets

Expenditure on intangible assets is recognised when the Office of the Police Ombudsman for Northern Ireland controls the asset, is probable that future economic benefits attributable to the asset will flow to the Office and the cost of the assets 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:

- Unrealised surplus arising from assets funded by Grant-in-Aid is credited to the Revaluation Reserve unless it reverses a revaluation decrease of the same asset previously recognised in the Net Expenditure Account;
- Unrealised surplus arising from assets funded by Capital Grant is credited to the Government Grant Reserve;
- Losses on revaluation arising from assets funded by Grant-in-Aid are debited to the Revaluation Reserve to the extent that gains were recorded previously, and otherwise to the Net Expenditure Account.
- Losses on revaluation arising from assets funded by Capital Grant are debited to the Net Expenditure Account and amounts equal to the amortisation/diminution in the asset are released from the Government Grant Reserve.

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

1.7 Pension costs

Past and present employees are covered by the provisions of the Civil Service Pension Schemes which are described in the Remuneration Report on pages 50 to 54 and in note 5.4. 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 Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the organisation recognises the contributions payable for the year. The Police Ombudsman is covered by the provisions of a Broadly by Analagous (BBA) scheme, the details of which are described in note 5.3.

1.8 Capital charge

A charge, reflecting the cost of capital utilised by the Office of the Police Ombudsman for Northern Ireland, is included in other operating expenditure. This non cash expenditure is reversed out of the accounts through the General Reserve. The charge is calculated at the real rate set by HM Treasury, currently 3.5% (2008-09: 3.5%), on the average carrying amount of all assets less liabilities, except for cash balances held at commercial banks and cash in hand.

1.9 Leases

Leases are classified as operating leases where substantially all of the risks and rewards are held by the lessor. The total cost of operating leases is charged to other expenditure on a straight-line basis over the period of the lease.

1.10 Insurance

Insurance costs in respect of motor vehicles and buildings are charged to the Net Expenditure Account. 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 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 Net Expenditure Account.

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 1.5.
- (2) Amortisation of intangible assets
Amortiation 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.
- (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, interpretations and amendments to published standards adopted in the year ended 31 March 2010

The Office of the Police Ombudsman for Northern Ireland implemented IFRS 1 First-time Adoption of International Financial Reporting Standards (IFRS) with the date of transition to IFRS being 1 April 2008 for the purposes of preparing the opening IFRS statement of financial position. The following standard had a material impact on the financial statements:

IAS 19 Employee Benefits

Details of the financial impact of this standard is contained in note 3 on page 72. Any adjustments arising from differing accounting policies resulting from the application of IFRS for the first time have been taken through the General Reserve.

The Office has adopted IFRS 8 Operating Segments - Amendments earlier than required. Early adoption of this standard has resulted in the disclosure by segment of net operating expenditure only and not by net assets as these are not regularly reported to the Accounting Officer as the Chief Operating Decision Maker.

The Office has reviewed the remaining standards, interpretations and amendments to published standards that became effective during 2009-10 and which are relevant to its operations. The adoption of these standards has not had a significant impact on its financial position.

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

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Office's accounting periods beginning on or after 1 April 2010 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 to its operations.

Standard and description of revision	Application Date	Comments
IAS 7 Statement of Cash Flows (Amendments resulting from April 2009 Annual Improvements to IFRS's)	Annual periods beginning on or after 1 January 2010	Unlikely to lead to change - clarification regarding classification of certain cashflows as investing activities.
IAS 17 Leases (Amendments resulting from April 2009 Annual Improvements to IFRS's)	Annual periods beginning on or after 1 January 2010	Leases of land to be classified according to general principles of the standard rather than assumed to be operating leases.
IAS 24 Related Party Disclosures (Revised definition of related parties)	Annual periods beginning on or after 1 January 2011	Inclusion of a partial exemption for government related entities. Unlikely to have a significant impact.

In addition the Office has considered the additional or revised accounting standards and new (or amendments to) interpretations contained within the Government Financial Reporting Manual (FRM) 2010-11. Other than as outlined below, the Office considers that these changes are not relevant to its operations.

FRM Chapter and area affected	Description of Revision	Comments
Chapter 8 - Impairments	Adaption of IAS 36 to allow charging of all impairments caused by consumption of economic benefit to the Net Expenditure Account	Clarification around budgetary treatment required. Unlikely to have a significant impact.
Chapter 11 - Income and Expenditure	The removal of the Cost of Capital charge from the accounts	Will apply to all public sector bodies. No impact on the Office other than disclosure.

The application date for these FRM changes is 1 April 2010.

2. FINANCIAL TARGETS

The Office of the Police Ombudsman for Northern Ireland has no formally agreed financial targets.

3. First-time adoption of IFRS

	General Reserve £	Revaluation Reserve £	Government Grant Reserve £	Total £
1. Reconciliation of UK GAAP reported reserves to IFRS at the date of transition 1 April 2008				
Taxpayers' Equity at 31 March 2008 under UK GAAP	835,617	128,303	934,560	1,898,480
Adjustments for: IAS19 Employee Benefits - accrued untaken paid leave	(156,800)	-	-	(156,800)
Taxpayers' Equity at 1 April 2008 under IFRS	678,817	128,303	934,560	1,741,680
2. Reconciliation of UK GAAP reported reserves to IFRS at the end of final UK GAAP reporting period 31 March 2009				
Taxpayers' Equity at 31 March 2009 under UK GAAP	774,101	107,219	1,089,455	1,970,775
Adjustments for: IAS19 Employee Benefits - accrued untaken paid leave	(193,800)	-	-	(193,800)
Taxpayers' Equity at 1 April 2009 under IFRS	580,301	107,219	1,089,455	1,776,975
3. Reconciliation of UK GAAP reported net operating expenditure to IFRS for the year ended 31 March 2009				
Net operating expenditure for 2008-09 under UK GAAP				8,581,116
Adjustments for:				
Movement in accrued untaken paid leave 2008-09				37,000
Net operating expenditure for 2008-09 under IFRS				8,618,116

The adoption of IFRS has no impact on the cash position of the Office of the Police Ombudsman for Northern Ireland. No reconciliation is therefore required for prior year cash flow.

4. ANALYSIS OF NET EXPENDITURE BY SEGMENT

	Core Investigations £	Historical Enquiry Investigations £	Total £
Net operating expenditure 2009-10	8,113,315	783,263	8,896,578
Net operating Expenditure 2008-09	7,741,699	876,417	8,618,116

The segments identified by the Office correspond with the normal segmental provision of information to the Chief Executive and is consistent with the separate funding provided by and reporting requirement to the sponsoring Department.

5. STAFF NUMBERS AND RELATED COSTS

5.1 Staff costs incurred during the period were as follows:

	2009/10 £	2008/09 Restated £
Amounts payable in respect of directly employed staff		
Wages and salaries	4,002,948	3,661,238
Social security costs	296,915	277,764
Employer's pension contributions	715,275	700,272
Total direct employee staff costs	5,015,138	4,639,274
Amounts payable in respect of staff on secondment, agency/temporary staff, and contract staff		
	1,118,816	1,323,194
Total staff costs	6,133,954	5,962,468

Figures for 2008-09 have been restated in line with International Financial Reporting Standards.

The Office of the Police Ombudsman for Northern Ireland meets all of the staff costs for seconded staff as these are incurred. Although these costs are fully re-charged to the Office, the seconding organisation remains the permanent employer with responsibility for their pay, allowances and pension.

5.2 The average number of full time equivalent persons employed during the period were as follows:

	2009/10 No.	2008/09 No.
Directly employed Police Ombudsman staff		
Management and executive	7	7
Administrative and support staff	35	35
Complaints and investigation staff	90	83
Seconded, agency/temporary and contract staff		
Management and executive	1	1
Administrative and support staff	4	4
Complaints and investigation staff	13	17
Total average number of full time equivalent persons	150	147

5.3 Police Ombudsman's Remuneration

During the year the Police Ombudsman's total remuneration, including benefits in kind, but excluding pension contributions, was £168,453. The comparative figure for the year ended 31 March 2009 was £167,745.

The monetary value of the Police Ombudsman's benefit in kind during the year was £28,157 which comprised £14,977 in relation to return flights to Canada for the Police Ombudsman and his spouse and £13,180 for the related tax and national insurance payments on this benefit which is paid by the Office on the Police Ombudsman's behalf. The Police Ombudsman and his spouse is entitled to up to three return flights per year under the terms and conditions of his appointment. The comparative total for the year ended 31 March 2009 was £29,345.

The Police Ombudsman is a member of a pension scheme which is by-analogous to the NUVOS Principal Civil Service Pension Scheme (PCSPS). For the year ended 31 March 2010, £31,176 was payable to the Northern Ireland Office (£32,232 for the year ended 31 March 2009). The Northern Ireland Office has responsibility for the Broadly by Analogy (BBA) pension schemes of public appointments within its Departmental boundary and also entities for which it retains lead policy responsibility. A BBA pension arrangement entitles the recipient to benefits similar to comparable schemes in the PCSPS. The Office and the Police Ombudsman are obliged to make contributions in line with this scheme. Further details on the PCSPS NUVOS scheme can be found in the remuneration report on page 50 to 54.

5.4 Pensions

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. The Office of the Police Ombudsman for Northern Ireland is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For the year ended 31 March 2010, employers' contributions of £684,099 were payable to the PCSPS (£668,040 for the year ended 31 March 2009) at one of four rates in the range 16.7% to 24.3% per cent of pensionable pay (17.1% to 25.5% for the year ended 31 March 2009), based on salary bands. The scheme's Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2009/10 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account which is a stakeholder pension with an employer contribution. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. Additionally 0.8% of pensionable pay is payable to the PCSPS to cover the cost of the future provision of lump sum benefits of death in service and ill health retirements of these employees. There were no employer's contributions paid to the appointed stakeholder pension providers during the year (£nil for the year ended 31 March 2009).

The Remuneration Report on pages 50 to 54 contains detailed pension information.

6. OTHER EXPENDITURE

	Note	2009-10 £	2008-09 £
Travel and subsistence	193,577	218,476	
Training, recruitment and other personnel costs	443,278	457,998	
Rates, maintenance, electricity and other accommodation costs	460,110	472,721	
Consultancy and legal costs	30,066	36,083	
Information and media	125,947	140,609	
Printing, stationery, postage and office equipment	117,970	121,846	
Direct case investigation costs	185,261	114,303	
Computer support including maintenance and telecommunications	358,750	293,184	
Other costs	132,860	85,318	
Operating leases - photocopying machines	13,548	9,338	
Operating leases - other (rent & car leases)	349,105	343,188	
External audit fee	19,625	17,875	
		2,430,097	2,310,939
Non cash items:			
Cost of capital charge	60,070	62,370	
Provisions - provided in year	12 134,718	77,000	
Provisions - released in year not required	12 (17,523)	(24,690)	
Depreciation and amortisation of assets:			
Property, plant and equipment	7 257,976	223,354	
Intangible assets	8 239,978	89,123	
Revaluation of assets - (gains)/losses:			
Property, plant and equipment	7 (69,603)	20,491	
Intangible assets	8 (23,907)	91,936	
Release from government grant reserve	(189,112)	(132,505)	
		392,597	407,079
Total other expenditure		2,822,694	2,718,018

7. PROPERTY, PLANT AND EQUIPMENT

2009/10	Buildings, leasehold improvements New Cathedral Buildings £	Furniture & fittings £	Information technology £	Total £
Cost or Valuation				
At 1 April 2009	700,000	336,235	695,001	1,731,236
Additions	122,360	37,095	118,947	278,402
Disposals	0	0	(86,923)	(86,923)
Revaluation	(122,360)	14,792	108,486	918
At 31 March 2010	700,000	388,122	835,511	1,923,633
Depreciation				
At 1 April 2009	0	196,955	482,094	679,049
Charged in year	116,667	45,291	96,018	257,976
Disposals	0	0	(86,923)	(86,923)
Revaluations/Back log	(116,667)	3,184	33,190	(80,293)
At 31 March 2010	0	245,430	524,379	769,809
Net Book Value At 31 March 2010	700,000	142,692	311,132	1,153,824
Net Book Value At 31 March 2009	700,000	139,280	212,907	1,052,187

2008/09	Buildings, leasehold improvements New Cathedral Buildings £	Furniture & fittings £	Information technology £	Total £
Cost or valuation				
At 1 April 2008	850,000	286,205	989,289	2,125,494
Additions	0	39,843	45,895	85,738
Disposals	0	(4,983)	(313,390)	(318,373)
Revaluation	(150,000)	15,170	(26,793)	(161,623)
At 31 March 2009	700,000	336,235	695,001	1,731,236
Depreciation				
At 1 April 2008	0	159,131	734,985	894,116
Charged in year	121,429	35,124	66,801	223,354
Disposals	0	(4,983)	(313,390)	(318,373)
Revaluations/Back log	(121,429)	7,683	(6,302)	(120,048)
At 31 March 2009	0	196,955	482,094	679,049
Net book value at 31 March 2009	700,000	139,280	212,907	1,052,187
Net book value at 31 March 2008	850,000	127,074	254,304	1,231,378

The Office of the Police Ombudsman for Northern Ireland owns all its assets and has no finance leases.

IAS 16 requires 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 the existing use basis at £700,000 as at 31 March 2010 (£700,000 as at 31 March 2009). The open market valuation at that date was £nil (£nil at 31 March 2009). All other assets were re-valued on the basis of the latest available indices as at 31 March 2010. This has resulted in an increase in valuation of £81,211 as at 31 March 2010, £69,603 of which has been transferred to the Net Expenditure Account and £11,608 to the Revaluation Reserve, as analysed below.

Analysis of property, plant and equipment revaluations	2009/10		2008/09	
	Revaluation Reserve £	Net Expenditure Account £	Revaluation Reserve £	Net Expenditure Account £
Buildings - leasehold improvements	0	(5,693)	(28,571)	0
Fixtures & fittings	11,608	0	7,487	0
Information technology	0	75,296	0	(20,491)
	11,608	69,603	(21,084)	(20,491)

Analysis of property, plant and equipment payments	Note	2009/10 £	2008/09 £
Property, plant and equipment additions		278,402	85,738
(Increase)/decrease in accruals related to property, plant & equipment	11	37,498	(35,684)
Total cash payments for property, plant and equipment		315,900	50,054

8. 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).

2009/10	Information technology, case handling system £	Software licences £	Total £
Cost or valuation			
At 1 April 2009	1,053,705	253,712	1,307,417
Additions	0	25,562	25,562
Disposals	0	0	0
Revaluation	270,079	61,488	331,567
At 31 March 2010	1,323,784	340,762	1,664,546
Amortisation			
At 1 April 2009	50,176	179,943	230,119
Charged in year	189,112	50,866	239,978
Disposals	0	0	0
Revaluation/Back log	12,861	37,581	50,442
At 31 March 2010	252,149	268,390	520,539
Net book value at 31 March 2010	1,071,635	72,372	1,144,007
Net book value at 31 March 2009	1,003,529	73,769	1,077,298

2008/09	Information technology, case handling system £	Software licences £	Total £
Cost or valuation			
At 1 April 2008	851,160	347,081	1,198,241
Additions	284,874	3,747	288,621
Disposals	0	(78,201)	(78,201)
Revaluation	(82,329)	(18,915)	(101,244)
At 31 March 2009	1,053,705	253,712	1,307,417
Amortisation			
At 1 April 2008	0	228,505	228,505
Charged in year	50,176	38,947	89,123
Disposals	0	(78,201)	(78,201)
Revaluation/Back log	0	(9,308)	(9,308)
At 31 March 2009	50,176	179,943	230,119
Net book value at 31 March 2009	1,003,529	73,769	1,077,298
Net book value at 31 March 2008	851,160	118,576	969,736

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 2010. This has resulted in a increase in valuation of £281,125 as at 31 March 2010, of which £23,907 has been transferred to the Net Expenditure Account and £257,218 to the Government Grant Reserve, as analysed below.

Analysis of intangible revaluations	2009/10		2008/09	
	Government Grant Reserve £	Net Expenditure Account £	Government Grant Reserve £	Net Expenditure Account £
Information technology (case handling system)	257,218	0	-	(82,329)
Software licences	0	23,907	-	(9,607)
	257,218	23,907	-	(91,936)

9. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2009/10 £	2008/09 £	As at 1 April 2008 £
Amounts falling due within one year:			
Deposits and advances	3,600	1,475	3,075
Prepayments and accrued income	178,056	177,331	135,817
	181,656	178,806	138,892
Amounts falling due after more than one year:			
Prepayments and accrued income	2,777	5,142	3,443
Total	184,433	183,948	142,335

10. CASH AND CASH EQUIVALENTS

	2009/10 £	2008/09 £
Balance as at 1 April	156,787	148,457
Net changes in cash and cash equivalents	(39)	8,330
Balance at 31 March	156,748	156,787
The following balances were held at:		
Commercial banks and cash in hand	156,748	156,787
Balance at 31 March	156,748	156,787

11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2009/10 £	2008/09 Restated £	As at 1 April 2008 Restated £
Amounts falling due within one year:			
Trade payables	6,439	82,152	20,761
Other taxation and social security	27,494	26,121	43,642
Employee benefit accrual	209,370	193,800	156,800
Accruals and deferred income	321,349	278,011	404,273
Total	564,652	580,084	625,476

Figures for 2008-09 have been restated in line with International Financial Reporting Standards.

Trade payables include a nil amount (£37,498 in 2008-09) for property, plant and equipment which has been properly accrued as asset additions in note 7, but against which payment and grant funding will be made/received in the following financial year.

Trade payables and other current liabilities include an Inter-Governmental balance of £42,865 (£3,067 in 2008-09) with Forensic Science Northern Ireland (FSNI) and of £13,043 (£16,463 in 2008-09) with the Department of Finance and Personnel (DFP).

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

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2009/10 £	2008/09 £
Balance at 1 April	113,161	124,750
Provided in the year	134,718	77,000
Provisions not required written back	(17,523)	(24,690)
Provisions utilised in the year	(125,107)	(63,899)
Balance at 31 March	105,249	113,161

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.

At 31 March 2010 the Office had ongoing five cases. The provision which has been calculated in respect of these matters is £8,750 for Judicial reviews, £82,499 for civil actions and £14,000 for employment actions. For three of these cases the provision relates to the legal costs to be incurred in defending these matters, as the expected risk of failure is estimated at less than 50%. For the two other cases the provision relates to both legal fees and damages as the expected risk of failure is likely to exceed 50%. At 31 March 2009 the provision of £113,161 was in respect of two Judicial review matters and four civil actions.

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

13. CAPITAL COMMITMENTS

	2009/10 £	2008/09 £
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment	0	10,950
Intangible assets	0	0
Total	0	10,950

14. COMMITMENTS UNDER LEASES

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

	2009/10 £	2008/09 Restated £
Obligations under operating leases comprise:		
Buildings		
Not later than one year	314,195	307,510
Later than one year and not later than five years	1,125,043	1,151,016
Later than five years	0	257,600
Photocopiers and vehicles:		
Not later than one year	27,401	27,878
Later than one year and not later than five years	18,034	30,760
Later than five years	0	0
Total	1,484,673	1,774,764

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 2010, the Office of the Police Ombudsman for Northern Ireland had two civil action cases and one employment case which are expected to be successfully defended. In the unlikely event that the Office should lose these cases, the estimate of maximum damages and further legal cost that could arise is £70,000 (31 March 2009: £15,000).

17. RELATED-PARTY TRANSACTIONS

The Office of the Police Ombudsman for Northern Ireland is an executive Non-Departmental Public Body sponsored by the Northern Ireland Office during the year ended 31 March 2010.

The Northern Ireland Office 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 Northern Ireland Office 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

On 12 April 2010, policing and justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the Department of Justice came into existence as a new Northern Ireland Department. From this date, the lead policy responsibility for the Office of the Police Ombudsman for Northern Ireland transferred from the Northern Ireland Office to the Department of Justice.

The 2009-10 financial statements have been prepared on the basis that the Office of the Police Ombudsman for Northern Ireland was an NDPB of the Northern Ireland Office for the entire financial year and these will be laid in Parliament. There is no impact on the 2009-10 financial statements arising from the transfer of functions to the Northern Ireland Assembly on 12 April 2010.

Making a Complaint

If you have a complaint about a police officer, you should contact us. You can;

- Write to us at the address given below;
- Call in at the Office between 9am and 5pm Monday to Friday;
- Phone the Office at any time on 0845 601 2931 or 028 9082 8600; telephone calls to this Office may be monitored for training, equality assurance and other lawful purposes.
- Send us a fax at any time on 028 9082 8659; E-mail us at info@policeombudsman.org ; or
- Visit our website at www.policeombudsman.org .

You do not have to pay to make a complaint

Police Ombudsman for Northern Ireland
New Cathedral Buildings
St Anne's Square
11 Church Street
BELFAST BT1 1PG

Tel: 028 9082 8600

Fax: 028 9082 8615

Textphone: 028 9082 8756

Web: www.policeombudsman.org

If you have a complaint about the Office of the Police Ombudsman

If you are not satisfied with any aspect of the Police Ombudsman's services or actions, you have a right to complain. You can make a complaint verbally (by telephone or by calling at our Office) or in writing (by letter, fax or e-mail).

Your complaint will be registered and acknowledged within three days and a response given to you within 20 working days.

The Office of the Police Ombudsman is independent and its decisions are final. Any complaints about its service should be referred to the Police Ombudsman. If, having raised a complaint of maladministration (e.g. delay, discourtesy, failure to apologise) with the Police Ombudsman's Office you are unhappy with the written explanation you receive, you can forward it to the Minister of Justice with a letter specifying the particulars of why you are unhappy with the Ombudsman's reply of explanation. The Minister of Justice cannot consider the decisions of the Police Ombudsman on the investigation of a complaint, or the outcome of an investigation, or comment on matters which would properly fall to the courts.

The address is:

The Minister of Justice
Northern Ireland Office
Stormont House
Stormont
BELFAST BT4 3SH