

Note:

These are the current audit committee terms of reference, as extracted from the Police & Crime Commissioner Constitution. It is expected that these will be reviewed upon appointment of the new Joint Audit Committee.

15.5.1 Independent Audit Committee

- (1) The PCC and the Chief Constable, in accordance with The Financial Management Code of Practice (Schedule 4) have established a combined independent Audit Committee.
- (2) The combined Audit Committee will consider the internal and external audit reports of both the PCC and the Chief Constable.
- (3) The role of the Audit Committee is to advise the PCC and the Chief Constable according to good governance principles and to adopt appropriate risk management arrangements in accordance with proper practices.
- (4) In setting up the Audit Committee, the PCC and the Chief Constable have had regard to the CIPFA Guidance on Audit Committees.[Audit Committees: Practical Guidance for Local Authorities, CIPFA, 2005]
- (5) The terms of reference of the Audit Committee will be reviewed on an annual basis
- (6) The PCC and the Chief Constable will be represented at meetings of the Audit Committee.

15.5.2 Membership

The Audit Committee will comprise three members appointed jointly by the PCC and the Chief Constable but who are independent of the PCC and the Chief Constable

15.5.3 Quorum

To be quorate the Committee requires the three Committee members to be present,

15.5.4 Terms of Reference:

Audit Activity

- (a) To consider the Head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of

assurance it can give over the PCC's and Chief Constable's corporate governance arrangements.

- (b) To consider summaries of specific internal audit reports as requested.
- (c) To consider reports dealing with the management and performance of the providers of internal audit services.
- (d) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- (e) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- (f) To consider specific reports as agreed with the external auditor.
- (g) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (h) To liaise with the Audit Commission over the appointment of the PCC's external auditor.
- (i) To commission work from internal and external audit.

Regulatory Framework

- (j) To maintain an overview of the constitution in respect of contract procedures rules, financial regulations and codes of conduct and behaviour.
- (k) To review any issue referred to it by the PCC or Chief Constable.
- (l) To monitor the effective development and operation of risk management and corporate governance in the council.
- (m) To oversee the production of the PCC Statement on Internal Control and to recommend its adoption.
- (n) To monitor council policies on "Raising Concerns at Work" and the anti-fraud and corruption strategy and the PCC's complaints process.
- (o) To oversee the PCC's and Chief Constable's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- (p) To consider the PCC's and Chief Constable's compliance with its own and other published standards and controls.

Accounts

- (q) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the PCC or Chief Constable.
- (r) To consider the external auditor' report to those charged with governance on issues arising from the audit of accounts.

15.5 Meetings

The Audit Committee shall meet a minimum of four times per year and, generally, its meetings shall be held in public.