TERMS OF REFERENCE FOR JOINT AUDIT COMMITTEE

**AVON & SOMERSET POLICE AND CRIME COMMISSIONER AND CHIEF CONSTABLE**

## INTRODUCTION

* 1. The principles of good governance as set out by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Financial Management Code of Practice for the Police Service of England and Wales, mandate the need for a Joint Audit Committee (JAC) as an independent body to serve and oversee the Police and Crime Commissioner (PCC) and the Chief Constable (CC).
	2. The purpose of the JAC is to provide independent oversight and advice on governance and risk management. This will help ensure public trust and assure confidence in the governance of the PCC and CC. The JAC also helps the PCC discharge their statutory duties in holding the force to account, managing risk and in approving annual accounts and audit opinions.

## THE JAC

* 1. The JAC derives its authority from these Terms of Reference (ToR). It is a non-executive body.
	2. In discharging its responsibilities the JAC will:
* Act to assure both the PCC and the CC in their pursuit of service excellence.
* Provide independent scrutiny and assurance.
* Advise on best management practice particularly that relating to risk management and on good governance.
* Oversee the audit and inspection and reporting process both internal and external.
* Scrutinise financial and non-financial performance control mechanisms and monitor agreed actions.
* Approve the internal audit strategy and programme.
* Oversee the financial reporting process and external audit of the annual accounts.
* Review the controls in place to counter fraud and corruption.
	1. The JAC will maintain a formal record of its deliberations, commentary, findings and recommendations made in pursuit of their responsibilities. Those records are available for public scrutiny and as such provide public assurance.
	2. To fulfil its purpose as a body to serve the public good the JAC will establish open lines of effective communication with the PCC and CC, their respective offices, their nominated representatives, their respective Chief Finance Officers and the heads of commissioned internal audit and external audit.

## JAC MEMBERSHIP

* 1. The JAC will have a Chair and up to three other members, all of whom must be independent of the PCC, the CC and the Police and Crime Panel.

## SUPPORT

* 1. The Chair, in conjunction with the OPCC and OCC, has particular responsibility for ensuring that the work of the JAC is appropriately resourced and fully supported in order that the Committee is able to discharge its responsibilities and functions fully.
	2. The allocation of secretariat support to the JAC and the commensurate funding will be agreed between the OPCC and OCC.
	3. The JAC may with reasonable justification procure specialist ad-hoc advice needed to support the JAC in discharging its duties, for example legal or ICT support. This is particularly so where specialist advice is not available within the existing JAC support arrangements or it is not considered appropriate to use this support. Procurement of this advice must have joint approval of the OPCC and OCC Chief Financial Officers (CFOs).

## FREQUENCY AND NOTICE OF MEETINGS

* 1. The JAC will meet at least four times a year; the calendar of meetings shall be agreed at the start of each year. These are subject to change to reflect current realities.
	2. One meeting is to include members’ scrutiny of and advice on the draft statement of accounts of the PCC and CC, before submission to external audit.
	3. Unless otherwise agreed, formal notice of each meeting will be no later than five working days before the date of the meeting. This notice will confirm the venue, time and date together with the agenda of items and supporting papers to be discussed. It will be sent to each member of the JAC and all attendees as agreed by the Chair.
	4. Further meetings outside of the normal cycle of the JAC can be convened at the discretion of the JAC Chair. The PCC and or CC may also ask the JAC to convene further meetings to discuss particular issues on which they want the JAC’s advice. Meetings can also be requested by the external or commissioned internal auditors with the agreement of the JAC Chair.
	5. Extra ordinary meetings should be convened with a proper period of notice except where there is an emergency. They are subject of quorum requirements and a formal agenda with supporting papers. Minutes are to be kept.

## ATTENDANCE

* 1. Members of the JAC are expected to attend all meetings. Absence from two or more meetings in any year are to be reviewed during the annual appraisal. Members’ regular non-attendance will lead to their removal from the JAC.
	2. The PCC and CC (or their nominee), will attend all meetings of the JAC. Given the statutory responsibilities of the JAC and the CFOs, the CFOs (or designated deputy) of the PCC and the CC are expected to attend all meetings of the JAC.
	3. The Head of Commissioned Audit and representatives of the external auditor will be invited to attend meetings on a regular basis.
	4. A minimum of three members of the JAC must be present for the meeting to be deemed quorate. In the absence of the Chair an acting Deputy Chair can be sanctioned.
	5. The JAC may hold private informal meetings but no formal decisions can be made at these meetings or commitments made. These private meetings include meetings with representatives of commissioned internal auditors and external auditors separate from the OPCC and OCC.
	6. There is a regulatory requirement that all JAC meetings are subject to formal record. This ensures probity, impartiality and independence is assured. Minutes of meetings are to be kept and once approved as a true record are to be placed in the public domain. Minutes from closed sessions will not be available to the public but the reasons for the session being closed will be recorded in the public minutes.

## PUBLIC ACCESS

* 1. JAC meetings will be open to the public when the matters being discussed will be placed in the public domain. Where the items are of a commercially sensitive or confidential nature the JAC will meet in a closed session – that is excluding members of the public or press – and will record their reasons for this decision in the public domain.
	2. Any member of the public wanting to attend a JAC meeting must submit a written application and secure written agreement of the JAC Chair. Expenses are at the cost of the member of public attending.
	3. The JAC Chair reserves the right to refuse or suspend access if there is any security risk to the public, a member of the public behaves is disruptive in any manner. A member of the public may only address the meeting, for a maximum of five minutes, where a statement has been previously provided to the JAC Chair and prior sanction has been granted.
	4. The public are only to contact the JAC via the group JAC e-mail address or in writing to the JAC Chair at the OPCC address. All other approaches will be rejected as invalid. The Chair reserves the right to reasonably limit the amount of public access in order to assure best business practice is observed.
	5. Notice of Meetings. A forward plan for the quarterly JAC meetings will be published on the PCC website.

## REPORTING

* 1. The JAC Chair will provide the PCC and CC with an annual report of work undertaken and delivered in the name of the JAC. This will be timed to support finalisation of the accounts and the Annual Governance Statement This report will be placed in the public domain once the PCC and the CC have been consulted and agree its release. The Chair will be responsible for dealing with any public or media questions relating to that report.
	2. The JAC will annually review its own performance to ensure it is fulfilling its terms of reference and operating effectively. In doing so it will make any recommendations for change to the PCC and CC.
	3. The JAC will annually review its terms of reference to ensure compliance with changes in legislation and relevant guidance.