

1. Introduction

- 1.1 The [Financial Management Code of Practice for the Police Forces of England and Wales](#) issued by the Home Office says in relation to Audit Committees:

‘The PCC and the Chief Constable should establish an independent Audit Committee. It is recommended that this be a combined body which will consider the internal and external audit reports of both the PCC and the Chief Constable. This committee will advise the PCC and the Chief Constable according to good governance principles and to adopt appropriate risk management arrangements in accordance with proper practices. In setting up the Audit Committee, the PCC and the Chief Constable should have regard to the CIPFA Guidance on Audit Committees.

Membership: *the Audit Committee should comprise between three and five members who are independent of the PCC and the force.*

Terms of Reference: *the Audit Committee should establish formal terms of reference, covering its core functions, which should be formally adopted and reviewed on an annual basis. Best practice principles should be considered in determining the activities of the Audit Committee.*

PCC and Chief Constable representation: *the executive of the PCC and the Force Command Team should be represented at meetings of the Audit Committee’.*

- 1.2 The Joint Independent Audit Committee (JIAC) has been established by the PCC and the Chief Constable with initial terms of reference agreed as at 10th March 2014 and revised in July 2018. The revised terms of reference are attached at Appendix A.
- 1.3 These Standing Orders set out how the JIAC will function.

2. Membership

- 2.1 The JIAC will have a Chair, may have a Deputy Chair, and up to three other members – a maximum of five. To ensure continuity of business and allowing for existing Members to leave the Committee and new Members to be appointed, this number may be exceeded at times. All Members must be independent of the PCC, the Chief Constable and the Police and Crime Panel.
- 2.2 Members of the JIAC shall be recruited by the PCC and Chief Constable or their representatives through an open recruitment exercise. They shall be recruited to ensure that the JIAC has all the necessary skills and experience to fulfil its terms of reference in accordance with the person specification of a JIAC Member.

2.3 To ensure the independence of the JIAC, members shall not be:

- A standing or ex-PCC or Chief Constable
- A member or ex-member of a Police and Crime Panel
- A serving police officer or have served as a police officer within the last eight years
- A serving member of staff of the Office of the Police and Crime Commissioner or Wiltshire Police
- An elected or ex-local government councillor or someone who is active in local or national politics
- A serving officer of any county, city, borough or district councils within the force area
- An individual who has significant business or personal dealings with the Office of the Police and Crime Commissioner or Wiltshire Police
- An individual who has a close relationship with or who are close personal associates of the PCC or Chief Constable including immediate family members and as such may not have the requisite level of independence required for JIAC membership
- An individual removed from a trusteeship of a charity
- An individual who is under a disqualification order under the Company Directors Disqualification Act
- A person who has been adjudged bankrupt, or made a composition or arrangement with his creditors
- A person convicted in the UK, Channel Islands or the Isle of Man of any offence and has had passed on a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine, within the last five years prior to their appointment

2.4 The Chair of the JIAC will be appointed from the JIAC members by the JIAC each year at its November meeting.

2.5 All JIAC members will serve for one three year term with an option to serve for another three year term.

2.6 As agreed at the July 2018 review of these Standing Orders to ensure continuity, an exemption to the length of membership of the Committee was granted to current, existing Members. Current Membership is to be extended by either one year, two years, or three years providing an opportunity for the OPCC to recruit new members whilst retaining experienced membership. This exception ends in July 2022.

2.7 The usual practice will remain that the term of membership of an individual Member will be from the date security vetting is granted.

2.8 The JIAC may appoint a Deputy Chair for one year at its November meeting who would be selected by a vote by members of the JIAC. The Deputy Chair, if appointed, will act as Chair at meetings in the absence of the Chair. If the Chair can no longer continue in this role, the Deputy Chair, if appointed, will act as the Chair until the formal appointment of a new Chair.

- 2.9 Members of the JIAC will be expected to attend training and to develop their skills as required.
- 2.10 In accordance with the JIAC members' code of conduct, each member will be required to record any conflicts of interest in the register of pecuniary and non-pecuniary interests. In addition, JIAC members will be required to disclose any such interests at the commencement of any meeting where there is a need to do so due to the nature of the JIAC agenda, or immediately if they arise unexpectedly in discussion.
- 2.11 The PCC and Chief Constable may give members six months notice in writing to terminate early a term of membership for any reason. Any member may give six months notice to the PCC and Chief Constable to terminate his / her membership early for any reason.

3. Rights

- 3.1 Only members of the JIAC have the right to vote on matters.
- 3.2 The members of the JIAC will be remunerated and reimbursed for all expenses incurred in the fulfilment of their JIAC duties, roles and responsibilities in accordance with the schedule of allowances and expenses agreed by the PCC and Chief Constable.

4. Frequency and Notice of Meetings

- 4.1 The JIAC will meet four times in each year in March, June, July, and November. The calendar of meetings shall be agreed at the start of each year.
- 4.2 Further meetings outside the normal cycle of the JIAC can be convened at the request of the JIAC Chair or any of its members, subject to agreement by the Chair.
- 4.3 The PCC and or Chief Constable may ask the JIAC to convene further meetings to discuss particular issues on which they want the JIAC's advice.
- 4.4 Meetings can be requested by the external or internal auditors where this is considered necessary and on agreement of the JIAC Chair.
- 4.5 Unless otherwise agreed, formal notice of each meeting confirming the venue, time and date together with the agenda of items to be discussed, will be forwarded to each member of the JIAC, any other person required to attend and all other appropriate persons determined by the Chair, no later than five working days before the date of the meeting.
- 4.6 Any meetings held outside the normal cycle of meetings should be convened with a minimum notice of five working days. Extraordinary or urgent meetings may be held with less notice but should be for exceptional matters only, subject to the Chair's agreement and quorum requirements. In this case the agenda and any supporting papers will be sent to the JIAC members and to other attendees at the same time as the meeting notice is sent out, recognising that if the matter is so urgent that there may only be an oral report. If this is the case then this will be identified on the agenda.

5. Attendance at Meetings

- 5.1 Members of the JIAC are expected to attend all meetings. Regular non-attendance of JIAC members will lead to their removal as a member of the JIAC on agreement by the Chair.
- 5.2 The PCC and Chief Constable, or his nominee from the senior officer group, will attend all meetings of the JIAC, or ensure that they are suitably and appropriately represented, therefore ensuring that the purpose of the JIAC is not compromised and that the members are able to appropriately fulfil their responsibilities. In addition, the Police Reform and Social Responsibility Act 2011, Section 114 of the Local Government Finance Act 1988 and the Audit and Accounts Regulations 2011 assign a number of statutory responsibilities to each of the Chief Finance Officers of the PCC and Chief Constable. Given the nature of these responsibilities it is expected that the Chief Finance Officers of the PCC and the Chief Constable will attend all meetings of the JIAC, or where this is not possible then their nominated representatives.
- 5.3 The Head of Internal Audit and representatives of the external auditor will be invited to attend meetings on a regular basis. The JIAC should meet with the Head of Internal Audit and representatives of the external auditor separately and privately as required by the Committee.
- 5.4 A minimum of three members of the JIAC must be present for the meeting to be deemed quorate, one of whom must be the Chair. In the absence of the Chair an acting Deputy Chair will be agreed from amongst the other members for the period of the Chair's absence.

6. Public Access

- 6.1 JIAC meetings will be held in public with the matters discussed being placed in the public domain. Where items are considered to contain any exempt information specified in Appendix B to this document, the JIAC may exclude members of the public or press, and will record their reasons for this decision in the public domain.
- 6.2 The Chair reserves the right to refuse or suspend access if there is any security risk to the public or caused by the public or if a member of the public's behaviour is aggressive, rude, disruptive, threatening, violent, illegal or otherwise inappropriate.
- 6.3 A member of the public may not speak or ask questions at the meeting except to address the meeting and present a statement for up to 5 minutes provided always that the statement has been issued to the Chair in advance of the meeting and approved for presentation by the Chair prior to the meeting.
- 6.4 The only routes by which members of the public should contact the JIAC and which will guarantee a response are in writing to the Chair at the Office of the Police and Crime Commissioner's address (postal or electronic). Contact via either of these two methods has administrative support thus ensuring an appropriate level of service can be provided to the public.
- 6.5 The JIAC may hold private informal meetings, eg. for briefing and training purposes without any non-members present if it so decides. Formal decisions cannot be taken at such meetings.

7. Access

- 7.1 The Chief Finance Officers, the Monitoring Officer, Head of Internal Audit and the representative of external auditor of the PCC and Chief Constable will have free and confidential access to the Chair of the JIAC.

8. Minutes of Meetings

- 8.1 The clerk of the JIAC will record the names of those present at the meeting, write minutes, including the key points and decisions of all JIAC meetings, along with any actions stemming from discussion that need to be taken before the next meeting. The minutes of the previous meeting must be approved by the JIAC and signed by the chair as a true record at each meeting.
- 8.2 The clerk of the JIAC will establish, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 8.3 The minutes of the JIAC will be placed in the public domain as soon as they have been approved and signed by the Chair, excluding any exempt information set out in Appendix B to this document.

9. Reporting

- 9.1 The JIAC will, having regard to best governance practice, keep its terms of reference under review and make any changes deemed necessary in consultation with the PCC and Chief Constable.
- 9.2 The JIAC will annually review its own performance, including input from the PCC and the Chief Constable, 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 Chief Constable.



JOINT INDEPENDENT AUDIT COMMITTEE

TERMS OF REFERENCE Revised July 2018



Statement of Purpose

1. To provide independent assurance to the Police and Crime Commissioner and Chief Constable on the adequacy of the governance and control processes within their organisation.

Corporate Governance and Regulatory Framework

2. To support the Police and Crime Commissioner, Chief Constable and statutory officers in ensuring that effective governance is in place and functioning efficiently and effectively, and making any recommendations for improvement.
3. To review any issue referred to it by the Police and Crime Commissioner and / or the Chief Constable and make recommendations as appropriate.
4. To make recommendations for any improvements to the arrangements and policies in place in relation to “raising concerns at work”, anti-fraud and corruption strategies and complaints process, in the light of its experience.
5. To review its own effectiveness on an annual basis
6. To have regard to the CIPFA Guidance on Audit Committees.
7. To meet at least four times a year to review all internal and external audit reports.

Internal and External Audit

8. To consider the internal audit strategy and annual audit plan, and make recommendations as appropriate.
9. To consider the head of internal audit’s annual report and opinion, a summary of internal audit activity (actual and proposed), the level of assurance it can give over corporate governance arrangements, and make recommendations as appropriate.
10. To consider internal audit reports where an opinion of ‘partial assurance’ or ‘none’ has been given, and make recommendations as appropriate.
11. To consider reports dealing with the management and performance of the providers of internal audit services, and make recommendations as appropriate.
12. To consider a report from the Chief Finance Officer on agreed recommendations not implemented within a reasonable timescale and make recommendations as appropriate.
13. To consider the external auditor’s annual plan, annual governance report, annual audit letter and relevant specific reports as agreed with the external auditor, and make recommendations as appropriate.

Accounts / Finance

14. To scrutinise the draft statements of accounts, annual governance statements, and annual audit letter, considering whether appropriate accounting policies have been followed and making any recommendations as appropriate.

Corporate Risk Management

15. To consider the continuing effectiveness of the Police and Crime Commissioner and Chief Constable's risk management policy and risk management arrangements.
16. To provide assurance that organisational risks are being managed effectively.
17. To seek assurance as to the continuing effectiveness of the Police and Crime Commissioner and Chief Constable's business continuity arrangements.
18. To comment on and monitor the insurance programme, insurance and broker appointment / renewal processes and the arrangements for risk financing.
19. To review the whistle blowing policy and if the Committee has concerns to escalate them to the Police and Crime Panel, then to the IOPC, then to the Home Secretary.

How the Joint Independent Audit Committee will exercise its independence

20. All Committee meetings will be held in public
21. The Committee will have access to all audit reports, plans, accounts, and audit letters.
22. If necessary the Committee can have access to the Commissioner and / or Chief Constable at any time. The Commissioner and Chief Constable will see every report that is submitted to the Committee. The Commissioner and Chief Constable will treat seriously and respond quickly to any issue raised by the Committee.
23. The intention and expectation is that the above process will lead to a satisfactory outcome of any issues raised by the Committee. If this is not the case the Committee may approach the external auditor, HMICFRS, IOPC, or the Police and Crime Panel.
24. The Committee may have at its request separate meetings with the external and internal auditors.
25. The Committee will publish for members of the public an annual statement setting out any significant concerns or issues identified by the Committee, demonstrating how it has discharged its responsibilities.

APPENDIX B: Exempt Information

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the PCC or CC if it holds that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the PCC or CC proposes:
 - a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.