



## AGENDA ITEM 20

### NORTHAMPTONSHIRE POLICE AND CRIME COMMISSION and NORTHAMPTONSHIRE CONSTABULARY

#### JOINT INDEPENDENT AUDIT COMMITTEE

20 JUNE 2016

<b>REPORT BY</b>	Chair of the Joint Independent Audit Committee
<b>SUBJECT</b>	Annual Report 2015-16
<b>RECOMMENDATION</b>	To approve the report and to submit it to the Police and Crime Commissioner, Chief Constable and Police and Crime Panel

### 1. Purpose of report

This report fulfils three purposes:

- a) A review of the Committee's terms of reference;
- b) A self assessment by the Committee's members
- c) An annual report, as required by the terms of reference, for inclusion in the Annual Accounts

### 2. Role of the Committee

This is the third annual report of the Joint Independent Audit Committee (JIAC) created under the Home Office Financial Code of Practice for Police Services.

The purpose of the Committee is:

*'To support the Police and Crime Commissioner and the Chief Constable to discharge their responsibilities by providing independent assurance on the adequacy of their corporate governance, risk management arrangements and the associated control environments, treasury management and the integrity of financial statements and reporting.'*

The full responsibilities of the JIAC are contained in its terms of reference.

This audit committee became operational in November 2012.

### 3. Committee membership

Membership of the Committee during the financial year, which has not changed, was:

<b>Name</b>	<b>Appointment</b>	<b>Qualifications</b>
John Beckerleg (Chair)	Appointed 1 October 2014	MA, CIPFA, MBA, SSA
Tony Knivett	Appointed December 2013	CQSW
Martin Pettitt	Appointed December 2013	CIPFA
Gill Scoular	Appointed 1 December 2014	CIPFA

The OPCC has begun a recruitment process to identify potential new members for the Committee.

#### **4. Committee's Terms of Reference**

The Committee has established terms of reference derived from the CIPFA best practice model. The Committee is required to review its terms of reference annually and the latest terms of reference are attached as Appendix 1.

At the previous discussion on these terms of reference, during the meeting of the Committee on 24 June 2015, it was agreed that explicit reference to the Committee's role in relation to collaboration should be added to the terms of reference. This addition is shown in italics in paragraph A(c).

The JIAC covers two organisations: the Police and Crime Commissioner and the Force. This has tended to produce long agendas and so, to make more effective use of officers' time, consideration is being given to reshaping the sequencing of the agenda to distinguish between Force and OPCC items.

No other changes in the terms of reference are proposed this year.

#### **5. How the Committee discharges its responsibilities**

The Committee's terms of reference drive the work programme and there is a well established approach to agenda planning.

The Committee held 4 formal meetings in the year. The meetings were open to the public although no-one has taken up this opportunity. Only a small minority of items were considered in private and the number of items has been reducing over the year. Attendance at meetings was as follows:

<b>Name</b>	<b>Attendance / Possible attendance</b>
John Beckerleg (Chair)	4/4
Tony Knivett	4/4
Martin Pettit	3/4
Gill Scoular	2/4

The Committee's meetings have been generally well supported by officers from both the Force and OPCC. In addition representatives of the Internal Auditor and the External Auditor attended the meetings.

To enable the Committee members to be effective, they need to understand the plans, priorities, programmes and issues facing the Force and OPCC. The established and beneficial programme of workshops has continued in 2015-16 which

has allowed officers to brief the Committee members on a range of topics. Areas covered have included:

- The Force change programme;
- The emerging estates strategy and plans regarding disposal of the Force Headquarters;
- Collaborations;
- A potential strategic alliance;
- Risk management, risk register and assurance mapping; and
- Governance reviews.

## **6. Assessment of the Audit Committee's performance against its plan and terms of reference**

The Committee is keen to be effective and in particular make a positive and constructive contribution to the work of the Force / OPCC and the achievement of their strategic priorities. The Committee has made progress in specific areas such as: understanding and testing the existing collaborations; contributing to the change programmes (where a member of the committee has attended the change boards); and a review of governance documents.

The Committee has undertaken its responsibilities as set out within the agreed terms of reference including consideration of the:

- Assurance framework and the operation of risk management;
- Treasury Management policy and ongoing monitoring;
- 2014/15 Accounts, the Annual Governance statements (including follow up) and the External Auditor's report; and
- Internal Audit Plan 2016/17, specific internal audit reports (recommendations and follow up) and the internal auditor's Annual Report for 2014/15.

Assurance work is ongoing, particularly in the areas of:

- Estates strategy and capital programme
- Overall risk management
- Demonstrating the effectiveness of collaborations and partnerships
- Supporting the emerging strategic alliance
- Demonstrating value for money

The Committee has begun to consider how best to discharge its responsibility in respect of counter-fraud.

In the previous Annual Report the Committee set out its aims and objectives for 2015/16. These are described in Appendix 2. In a number of areas (such as understanding of collaboration, communications about current issues) performance has improved and this provides a better platform for the Committee's work. But some aspects require further work before the Committee will conclude that it is as effective as it could be.

## **7. Identification of key issues**

During 2016/17 the Committee considered a range of topics and issues. Some of the key ones were:

Statutory officers – there was a degree of confusion about the Force’s statutory finance office which the Committee highlighted. This was promptly resolved.

Annual Accounts 2015/16 – completion of the closure of the Annual Accounts was not satisfactory and final approval for the two organisations was very late; final approval was not achieved until March 2016 against a legal deadline of 30 September 2015. This meant that the accounts were identified nationally as overdue. Additional staff have been recruited for the 2015/16 closure of accounts and it is hoped that the problems do not reoccur.

Value for money – The JIAC is responsible for considering VFM arrangements. These can take many forms: for example, within resource planning, as part of programme management, everyday decision making. The Committee has been seeking to confirm the arrangements for value for money including using the conclusion of HMIC, internal audit and external audit. However only limited progress has been made in this area and identifying the evidence of VFM is an aim carried forward into 2016/17.

Collaboration – there are many examples of collaborative working between forces involving Northamptonshire. The JIAC has sought information about the collaborations and has gained assurance from the legal agreements that exist and the self-assessments undertaken using a framework devised by Baker Tilley. The next step is to validate the effectiveness of these arrangements, possibly by more in depth studies of one or two selected collaborations. Having a solid framework will be increasingly important if the developing strategic alliance, likely to involve greater collaborations, is agreed.

Risk management – The risk management processes are well established and the risk registers for the two organisations are regularly monitored (including by the JIAC). However there is further work to be completed to ensure that the risks reported cover all aspects of the two organisations (for example, programme risks as well as corporate risks). Related work on the assurance maps will continue to be developed and possibly involve exploring in depth one or two discrete areas to examine the way in which the ‘three lines of defence’ operate in practice.

Transformation programmes – Partly driven by ongoing austerity, the two organisations have embarked on ambitious change programmes in accordance with the Police and Crime Plan. There have been a number of successes including new IT systems (Niche) and the recruitment of Specials. The programme of change is ongoing and the governance has had to evolve to encompass other changes.

Estates programme - The Committee was briefed about the developing estates programme. This is not comprehensive but now includes some significant building projects. In addition the JAIC was briefed and consulted on proposals surrounding the Force headquarters and the possibility of decanting from this site in order that it could be sold. The Committee responded formally to this consultation and was broadly in support a securing a Police estate that was fit for the purpose. However the Committee also had concerns about the governance underpinning the decision making (including the speed with which a decision was being made and the extent to which all options had been examined) and its response sought a greater exploration

of the options and assurance that those involved in making the decision had sought appropriate legal, financial and property advice.

**8. Key issues highlighted to the Commissioner and Chief Constable**

The Committee has continued to provide feedback from its meetings to the Chief Constable and the Police and Crime Commissioner. This takes the form of points raised under three headings: ‘Alert, Advise, and Assure’.

Topics covered have included:

- Alert                    Closure of Accounts  
                             Treasury management  
                             Collaborations
  
- Advise                    Work undertaken in Committee workshops including the strategic  
                             alliance, force change programmes and governance review  
                             Estates strategy
  
- Assure                    Statutory Finance officers  
                             Risk registers and assurance maps  
                             Financial monitoring

**9. Assessment of Internal Audit**

Baker Tilly provided the internal audit service until 31 March 2015. They were replaced by Mazars for three years with effect from 1 April 2015 following a competitive tendering process involving neighbouring Counties. The procurement was delayed beyond the start of the financial year and so agreeing the internal audit plan and commencing the audit programme was also delayed. The Auditors have worked to complete the years’ planned audit by 31 March 2016.

The internal audit plan for 2015/16 was approved by the Joint Independent Audit Committee in June 2015, and the Committee recommended the Commissioner and the Chief Constable to sign off the plan. Although some audits were not fully complete at 31 March 2016, it is expected that all of the other audits will have been completed by May 2016.

Mazars have included performance monitoring information in their regular reports to the Committee and the JIAC will keep these under review.

The Force and OPCC have generally accepted the recommendations made in the internal audit reports (or explained why a particular recommendation has not been accepted). Managers have progressed the agreed actions in most cases to the agreed timescale and the Committee continues to monitor progress until actions have been completed.

**10. Assessment of External Audit**

The external auditor is KPMG.

The Auditor has provided an update on the work in relation to the 2014/15 accounts which eventually led to an unqualified report on the accounts. The External Auditor had to respond to poor quality and late information in relation to the closure of the 2014/15 accounts and has done this effectively (albeit at an additional cost to the organisations).

In addition the Auditor has presented the External Audit Plan for 2015/16.

The Committee is satisfied about the effectiveness of the external audit process and grateful for the help of the Auditor during a difficult closedown period.

## **11. Looking forward**

Appendix 3 sets out the draft Aims and Priorities for the Committee for 2016/17.

## **12. Conclusion**

The Committee has continued to develop its approach over the past 12 months. A number of key elements – communications, relationships, Committee members' understanding – have improved and provide a good basis for moving forward.

The JIAC will continue to undertake the responsibilities assigned to it in the agreed terms of reference and seek to ensure it make a constructive contribution to achieving the agreed priorities. It is important that the JIAC adds value to the organisations in discharging its responsibilities and so will continue to assess its own effectiveness. The ongoing work programme is set out in appendix 3.

Overall the Committee has obtained assurance in a number of areas such as Treasury management. In some aspects further work is needed to obtain a satisfactory assurance including the preparation of statutory accounts, collaborations and a more comprehensive estates programme. Finally there are elements where there is still considerable work to be undertaken to provide the Committee the necessary confidence including securing value for money.

Once again, the Committee wishes to record its appreciation for the support it has received from the Force and OPCC, as well as the internal and external auditors.

J Beckerleg  
Chair of Joint  
Independent Audit Committee

<b>EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS</b>	None
<b>HUMAN RESOURCES IMPLICATIONS</b>	None
<b>ENVIRONMENTAL IMPLICATIONS</b>	None
<b>RISK MANAGEMENT IMPLICATIONS</b>	None
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**Joint Independent Audit Committee - Existing terms of reference**

**NORTHAMPTONSHIRE OFFICE OF THE POLICE AND CRIME COMMISSIONER  
and CHIEF CONSTABLE**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**TERMS OF REFERENCE**

**1 Purpose**

To support the Police and Crime Commissioner and the Chief Constable to discharge their responsibilities by providing independent assurance on the adequacy of their corporate governance, risk management arrangements and the associated control environments and the integrity of financial statements and reporting.

**2 Membership**

- a) The Commissioner and Chief Constable jointly will appoint the Committee.
- b) The Committee shall consist of no fewer than four members.
- c) A quorum shall be two members.
- d) At least one member shall have a CCAB qualified accountant with recent and relevant financial experience
- e) The Commissioner and Chief Constable jointly will appoint the Chair of the Committee, following with the members of the Committee.
- f) The Chair shall normally be a CCAB qualified accountant, with recent and relevant financial experience.
- g) Members shall normally be appointed for a period of up to three years, extendable by no more than two additional three year periods, so long as members continue to be independent.
- h) In the absence of the Chair at any meeting of the Committee, the members attending the meeting will elect a Chair for the meeting.



### **3 Secretary of the Committee**

The Chief Executive of the Commission will nominate an officer from the Commissioner's Office to act as Secretary to the Committee.

Currently this is the Strategic Resources Manager.

### **4 Frequency of Meetings**

- a) Meetings shall be held at least four times each year, timed to align with the financial reporting cycle.
- b) Extra-ordinary meetings can held for specific purposes at the discretion of the Chair.
- c) External or internal auditors may request the Chair to call a meeting if they consider one is necessary.

### **5 Protocols for Meetings**

- a) Agenda and supporting papers will be circulated to members at least five working days prior to any meeting.
- b) Minutes shall be prepared and distributed to members of the Committee, regular attendees and the Commissioner and Chief Constable in draft, unapproved format within 10 working days of the meeting.
- c) All papers/minutes should be read prior to the meeting and the meeting will be conducted on this basis with papers being introduced concisely
- d) It is expected that all actions are reviewed prior to the meeting and updates provided even if individuals cannot attend the meeting.
- e) Standing Orders of the Commission and the Force as appropriate apply to formally established committees. As such, members of this Committee may requisition a meeting in writing in line with Standing Orders.
- f) The Chair of the Committee shall draw to the attention of the Commissioner and Chief Constable any issues that require disclosure or require executive action

## **g) QUESTIONS AND ADDRESSES BY THE PUBLIC**

### **i. General**

Members of the public, with the permission of the Chair of the Committee, may ask questions of members of the Committee, or may address the Committee, on an item on the public part of the agenda.

### **ii. Order of questions and address**

(a) Questions will be asked and addresses given in the order notice of them was received, except that the Chair of the Committee may group together similar questions or addresses.

(b) A list of questions and addresses of which notice has been given shall be circulated to members of the Committee at or before the meeting.

### **iii. Notice of questions and addresses**

A question may only be asked or an address given if notice has been given by delivering it in writing or by electronic mail to the Monitoring Officer no later than noon two working days before the meeting. Each notice of a question must give the name and address of the questioner and must name the person to whom it is to be put, and the nature of the question to be asked. Each notice of an address must give the name and address of the persons who will address the meeting and the purpose of the address.

### **iv. Scope of questions and addresses**

The Chair of the Committee may reject a question or address if it:

- Is not about a matter for which the Committee has a responsibility or which affects Northamptonshire;
- is defamatory, frivolous, offensive or vexatious;
- is substantially the same as a question which has been put or an address made by some other person at the same meeting of the Committee or at another meeting of the Committee in the past six months; or
- requires the disclosure of confidential or exempt information.

### **v. Asking the question or making the address at the meeting**

The Chair of the Committee will invite the questioner to put the question to the person named in the notice. Alternatively, the Chair of the Committee will invite an address to the Committee for a period not exceeding three minutes. Every question must be put and answered without discussion but the person to whom the question has been put may decline to answer it or deal with it by a written answer. Every address must be made without discussion.

## **6 Attendance at Meetings**

- a) The Committee may invite any person to attend its meetings.
- b) The Commissioner and Chief Constable shall be represented at each meeting of the Committee.
- c) The Commissioner's representation will normally comprise the Assistant Commissioners – Justice and Resources [respectively Monitoring Officer and statutory Chief Financial Officer] and/or their respective deputies;
- d) The Chief Constable shall normally be represented by the Deputy Chief Constable and the Chief Financial Officer of the Force, and / or deputy Chief Financial Officer.
- e) Internal and External auditors will normally attend each meeting of the Committee.
- f) There should be at least one meeting each year where the Committee meets the external and internal auditors without the Commissioner's and Chief Constable's officers being present.

This need not be the same meeting; and such meetings would usually take place after the normal Committee meeting has concluded.

## **7 Authority**

- a) The Committee is authorised by the Commissioner and the Chief Constable to:
  - investigate any activity within its terms of reference;
  - seek any information it requires from any employee;
  - obtain outside legal or other independent professional advice;
  - secure the attendance of outsiders with relevant experience and expertise if it considers this necessary;
  - undertake training of its new members as required.
- b) All employees are directed to co-operate with any request made by the Committee.
- c) The Committee may only make decisions within the remit set out in these Terms of Reference. The Committee has no authority to reverse decisions made by the Commissioner or Chief Constable. It has no authority to incur expenditure.

## **8 Duties**

The duties of the Committee shall be:

## **A Corporate Governance, Risk Management, Internal Control and the Regulatory Framework**

To support the PCC, Chief Constable and statutory officers in ensuring effective governance arrangements are in place and are functioning efficiently and effectively, across the whole of the Commission's and Force's activities, making any recommendations for improvement, to support the achievement of the organisations' objectives.

Specific annual activities of the Committee will include:

- a) Review of corporate governance arrangements against the 'Good Governance framework';
- b) Consideration of the framework of assurances to assess if it adequately reflects the Commission's and Force's priorities and risks;
- c) Consideration of the processes for assurances in relation to collaborations, partnerships and outsourced activities.
- ~~e~~d) \_\_\_\_\_ Consideration of the processes for assurances that support the Annual Governance Statement;
- ~~e~~e) \_\_\_\_\_ Consideration of VFM arrangements and review of assurances;
- ~~e~~f) To review any issue referred to it by the statutory officers of the Commission and the Chief Constable and to make recommendations as appropriate;
- ~~f~~g) To monitor the effective development and operation of risk management and to make recommendations as appropriate;
- ~~g~~h) \_\_\_\_\_ To be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies
- ~~h~~i) Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

## **B External Financial Reporting**

To scrutinise the draft statements of accounts and annual governance statements prior to approval by the Commissioner and Chief Constable and publication. The Committee will challenge where necessary the actions and judgements of management, and make any recommendations as appropriate, to ensure the integrity of the statements.

Particular attention should be paid to the following:

- Critical accounting policies and practices, and any changes in them;
- Decisions requiring a significant element of judgement;
- The extent to which the financial statements are affected by unusual transactions in the year and how they are disclosed;
- The clarity of disclosures;
- Significant adjustments resulting from the audit;
- Compliance with accounting standards;
- Compliance with other legal requirements

## **C Internal Audit**

The Committee shall monitor and review the internal audit function to ensure that it meets mandatory Internal Audit Standards and Public Sector Internal Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive of the Commission, the Commissioner and Chief Constable.

This will be achieved by:

- a) Overseeing the appointment of the internal auditors and making recommendations to the Commissioner and Chief Constable, who will make the respective appointments;
- b) Consideration of the internal audit strategy and annual plan, and making recommendations as appropriate;
- c) Consideration of 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 corporate governance arrangements, and make recommendations as appropriate;
- d) Consideration of summaries of internal audit reports, and Management's responses, and make recommendations as appropriate;
- e) Consideration of the management and performance of internal audit, and its cost, capacity and capability, in the context of the overall governance and risk management arrangements, and to make recommendations as appropriate;

- f) Consideration of a report from internal audit on agreed recommendations not implemented within a reasonable timescale and make recommendations as appropriate;
- g) Consideration of the effectiveness of the co-ordination between Internal and External Audit, to optimise the use of audit resources;
- h) Consideration of any issues of resignation or dismissal from the Internal Audit function.

## **D External Audit**

The Committee shall review and monitor External Audit's independence and objectivity and the effectiveness of the audit process.

This will be achieved by consideration of:

- a) the Commission's and Force's relationships with the external auditor;
- b) proposals made by the Audit Commission regarding the appointment, re-appointment and removal of the external auditor;
- c) the qualifications, expertise and resources, effectiveness and independence of the external auditor annually;
- d) the external auditor's annual plan, annual audit letter and relevant specific reports as agreed with the external auditor, and make recommendations as appropriate;
- e) the draft Management Representation letters before authorisation by the Commissioner and Chief Constable, giving particular consideration to non-standard issues;
- f) the effectiveness of the audit process;
- g) the effectiveness of relationships between internal and external audit other inspection agencies or relevant bodies;
- h) the Commissioner's and Chief Constable's policies on the engagement of the External Auditors to supply non-audit services, taking into account relevant ethical guidance and the Audit Commission's requirements.

## **E Other Assurance Functions**

The Committee shall review the findings of other significant assurance functions, both internal and external to the organisation.

## **F Counter Fraud**

The Committee shall satisfy itself:

- a) that the Commission and Force have adequate arrangements in place for detecting fraud and preventing bribery and corruption;
- b) that effective complaints and whistle blowing arrangements exist and proportionate and independent investigation arrangements are in place.

## **9 Reporting**

- a) The Chairman shall be entitled to meet with the Commissioner and Chief Constable prior to their approving the accounts each year;
- b) The Committee shall annually review its Terms of Reference and its own effectiveness and recommend any necessary changes to the Commissioner and Chief Constable;
- c) The Committee shall prepare a report on its role and responsibilities and the actions it has taken to discharge those responsibilities for inclusion in the annual accounts;
- d) Such a report shall specifically include:
  - A summary of the role of the Committee
  - The names and qualifications of all members of the Committee during the period
  - The number of Committee meetings and attendance by each member; and
  - The way the Committee has discharged its responsibilities
  - An assessment of the Committee's performance against its plan and terms of reference;
  - Identification of the key issues considered by the Committee and those highlighted to the Commissioner and Chief Constable
  - An assessment of Internal and external Audit
- e) If the Commissioner and / or the Chief Constable do not accept the Committee's recommendations regarding the appointment, re-appointment or removal of the external auditor the Committee shall include a statement regarding explaining its recommendation and the reasons why the Commissioner / Chief Constable has taken a different stance in its annual report

## **10 Standing Agenda Items**

The agenda for each meeting of the Committee shall normally include the following:

### **Procedural items:**

Apologies for absence  
Declaration of Interests  
Minutes of the last meeting  
Matters Arising Action Log  
Date, time and venue of next meeting

### **Business items:**

Progress Reports

- Internal Audit
- External Audit

Update on implementation of Audit Recommendations

Items for escalation to the Commissioner and / or Chief Constable

Agenda Plan for the next four meetings

## **11 Accountability**

The Committee is accountable to the Commissioner and Chief Constable.

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## The Joint Independent Audit Committee's – Aims and Objectives 2015/16

Aims and objectives	Comment
Continue to fulfil its accountabilities as set out in the agreed terms of reference, including communicating the role to a wider group of people and assessing possible steps to promote effective public reporting	<p>The Committee has fulfilled its responsibilities in accordance with the agreed terms of reference.</p> <p>The Committee has not significantly extended the awareness of people about the role of the Committee. To make some progress in this area this report will be shared with the Northamptonshire Police and Crime Panel.</p>
Exploring how the Committee is held to account by the Force and OPCC	<p>A summary of the key issues identified at each formal meeting is sent to the PCC and Chief Constable after each meeting. This provides the chance for them to explore and challenge the work of the Committee.</p> <p>This Annual Report provides information which allows the two organisations to assess the effectiveness of the Committee.</p> <p>The Chair has met the PCC and Chief Constable separately to report on the Committee's work and to allow the opportunity to comment on its approach / effectiveness.</p>
Further develop the approach to assurance mapping including examining the other potential sources of assurance (e.g. HMIC) and the extension to regional collaboration	<p>Work to develop the assurance map has continued, including sharing examples across 5 audit committees.</p> <p>The reporting of HMIC reviews and the follow up to recommendations has been developed during the year and should begin to provide more assurance in this area.</p> <p>There has been some work by the previous internal auditors to provide assurance in relation to a number of existing collaborations based on managers' self-assessment. This work need to be further developed in 2016/17.</p>
Planning to review the effectiveness of internal and external auditor	<p>The Committee has not yet formally reviewed the work of its internal and external auditors. This will be undertaken in 2016/17.</p> <p>The Committee has developed good working relationships with both auditors during the year.</p>
Seeking reports on the effectiveness of internal controls	<p>This has been discharged mainly via the reports of the Internal Auditor and follow up.</p>

Undertake and more detailed self assessment, including a skills audit, and make appropriate changes including possible training and development	A detailed self assessment including a skills audit was undertaken and reported to the Committee on 7 March 2016. This identified some areas where further training would be beneficial. Expanding the skills set of the Committee's members was also highlighted particularly during a period of extensive change.
Understand the role of the Audit Committee in a) anti-fraud approaches, b) ethics and c) appointment of new external auditors	<p>(a) There is a report on Counter Fraud planned for the Committee's meeting on 20 June 2016</p> <p>(b) It was agreed that 'Ethics' would not form part of the remit of the committee (On 24 June 2015) but would be handled separately. The Committee received information about the governance groups that meet to address this area.</p> <p>(c) The timing of the appointment of new, external auditors has slipped. Further discussion about the options for appointment including through the national agency, will take place.</p>
Pursue assurance in the areas of force collaboration	There has been considerable work undertaken in this area. The various collaborations have been identified and the underpinning agreements have been reviewed. The previous internal auditors provided an assurance template to assess each collaboration and the result of the self-assessments which have been undertaken were reported back to the Committee. There are some outstanding areas yet to be covered and also
Seeking involvement with partner audit committees	A meeting of the 5 chairs of Audit Committees across the East Midlands was held on 12 October 2016. This allowed a comparison of the Audit Committee arrangements to be undertaken but also began to identify areas of shared concern (e.g. collaborations).
Maintain an overview of the governance arrangements of the transformation programme	The governance arrangements of the change programme have been adapted during 2015/16. The Committee is greatly helped by the inclusion of one of its members in the main programme board driving the change.
Develop its work in terms of considering the VFM arrangements	This area has not progressed significantly in 2015/16. A framework based on the based on 8 principles set out in Annex B of the Home Office publication 'Financial Management Code of Practice for the Police Forces of England and Wales (October 2013) has been identified and a report is expected to the meeting of the Committee on 20 June 2016.



## The Joint Independent Audit Committee's – Draft Aims and Objectives 2016/17

<b>Aims and objectives</b>
Continue to fulfil its accountabilities as set out in the agreed terms of reference, including communicating the role to a wider group of people and assessing possible steps to promote effective public reporting. In part this may be by developing the link with the Police and Crime Panel.
Further develop the approach to assurance mapping including examining the other potential sources of assurance (e.g. HMIC) and the extension to regional collaboration. Further work will be undertaken to ensure all major risks (Corporate / programme / operational) are identified to the Committee.
Planning to review the effectiveness of internal and external auditor – brought forward from 2015/16.
Seeking reports on the effectiveness of internal controls. This will be discharged mainly from Internal Auditor reviews but may include reviews specifically instigated by the Committee.
Pursue assurance in the areas of force collaboration including ensuring all areas have been considered and, if appropriate, more detailed examination is undertaken in selected areas. It will also consider the potential impact of the strategic alliance if this is agreed.
Seeking involvement with partner audit committees – this will be further shaped during 2016/17.
Maintain an overview of the governance arrangements of the transformation programme. This will be done by regular reports to the Committee on the programme, involvement of a Committee member on the programme board and by shared discussions between Audit Committee chairs across the area of the potential strategic alliance.
Develop its work in terms of considering the VFM arrangements building initially on the xx. The aim is to be able evidence ways in which the OPCC and CC have considered value for money in the delivery of service to the public.
To keep the preparation and content of the Annual Accounts under review, not least to ensure the earlier reporting deadline in 2016/17 is met.
