



AGENDA ITEM 4

NORTHAMPTONSHIRE POLICE AND CRIME COMMISSIONER, NORTHAMPTONSHIRE FIRE AND RESCUE AUTHORITY and NORTHAMPTONSHIRE POLICE

JOINT INDEPENDENT AUDIT COMMITTEE

**TO THE POLICE FIRE AND CRIME COMMISSIONER OF NORTHAMPTONSHIRE
AND THE CHIEF CONSTABLE OF NORTHAMPTONSHIRE POLICE**

**ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 OF
THE JOINT INDEPENDENT AUDIT COMMITTEE**

1. Introduction

The Joint Independent Audit Committee (JIAC) provides independent assurance that adequate corporate and strategic risk management arrangements are in place for the Police and Crime Commissioner for Northamptonshire (PFCC – acting as PFCC and NCFRA) and the Chief Constable (CC). It jointly advises the PFCC and the CC on governance matters as well as good practices.

The Chartered Institute of Public Finance and Accounting (CIPFA) guidance, recommends that the JIAC report annually on how they have discharged their duties and responsibilities.

This report provides the PFCC and CC with a summary of the Committee's activities in the financial year 2021/22. It also seeks to provide assurance that the Committee has fulfilled its terms of reference, and added value to the overall governance arrangements that were in place for both the PFCC and the CC.

Like the previous year, 2021/22 has continued to be adversely affected by COVID-19, which has exercised the full resources of the Counties Police Force, the NHS and all Emergency services.

The Committee wishes to record its gratitude to the Chief Officers from Police and Fire for their constant support and to the staff of all three organisations who have attended JIAC meetings and who ensure that it has been able to carry out its

business efficiently during periods of enforced lockdown. To this list I would like to add Internal Audit and External Audit who have assisted the Committee to fulfil its role.

I pay tribute to colleagues John Beckerleg and Gill Scoular, our outgoing JIAC Chair and Member respectively, who retired earlier this year, having extended their tenure in order to alleviate the pressures caused by COVID-19 pandemic.

I would like to record my thanks to them and my fellow JIAC members for their wise advice and invaluable efforts throughout this year. Steps are being taken to appoint a new member to bring the JIAC to full compliment

2. Role of the Committee

The current purpose of the Committee is:

'To support the Police Fire 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.'

The Police, Fire and Crime Commissioner as corporation soles for both PFCC and NCFRA.

This is the ninth Annual Report of the JIAC and it sets out how the Committee fulfilled its purpose and responsibilities in 2021/22.

The JIAC seeks to provide independent assurance to the three organisations through a review of:

Corporate Governance

Internal Control Environment

Corporate Risk Management

Regulatory Framework

Internal Audit

External Audit

External Financial Reporting

Updates on Inspections and Reviews (HMICFRS)

Counter Fraud

It will seek assurance on the effective and timely implementation of recommendations and action plans.

The JIAC provides the independent assurance function to the PFCC and should discharge the responsibilities of the PFCC (acting as PFCC and NCFR) and the CC in independent assurance. The Chartered Institute of Public Finance and Accountancy (CIPFA) provides guidance on the function and operation of Police Audit Committees and sets criteria for assessing the effectiveness of the JIAC, which forms an integral part of this report:

Additionally, this report provides the PFCC and CC with a summary of the areas of work considered by the JIAC during the year ended 31 March 2022. This is in line with the CIPFA guidance that recommends that Audit Committees should report annually on how they have discharged their responsibilities.

The full responsibilities of the JIAC are contained in its terms of reference in Appendix 1.

3. Committee Membership

Membership of the Committee during the financial year was:

Name	Appointment	Qualifications
John Beckerleg (Chair)*	Appointed 1 October 2014*	MA, CIPFA, MBA
Ann Battom	Appointed December 2018	CIPFA, MSc
John Holman	Appointed 23 September 2019	TA MA MRICS
Gill Scoular**	Appointed 1 December 2014*	CIPFA
Edith Watson	Appointed 23 September 2019	MBA

Due to the retirement of 2 members during the year a recruitment process was undertaken to bring the Committee back to its full complement of 5. Consideration was given to the skills required to ensure that the committee is well represented in all areas. Following recruitment Ann Battom was appointed as Chair and Alicia Bruce was successfully appointed as a JIAC member and will commence the role on 1 May 2022. Unfortunately, other candidates were not successful and a further recruitment campaign will start in late 2022.

4. Meetings

The Committee met on 4 occasions during the financial year with the meeting in July 2021 scheduled to review financial, audit and governance performance for 2019/20. Meetings are open to the public with minutes being published on the PFCC website.

Due to COVID-19 restrictions this year we have been unable to meet in person with the PFCC and CC, however on line meetings with them, along with Internal and External Auditors have worked very well, enabling our full programme of work to be concluded safely.

5. Terms of Reference

The JIAC Terms of Reference follow CIPFA guidance and the formal annual review forms part of this report. Details of the current Terms of Reference can be found on the PFCC website and in Appendix 1.

The JIAC covers three organisations: the Police, Fire and Crime Commissioner (PFCC), the Force and the Northamptonshire Fire and Rescue Authority (NFRA). The Northamptonshire Fire and Rescue Service (FRS) is provided by NFRA.

The Committee believes it met the requirements of the Terms of Reference, both in terms of relevant agenda items and the effectiveness of its review.

The committee's work and scope is now well established, the Terms of Reference were reviewed as part of the recruitment process for both the new JIAC chair, and additional JIAC members in 2021. The updated terms of reference are attached and reflect the annual review for 2021/22.

6. How the Committee discharges its responsibilities

The JIAC meets at least 4 times a year and has a schedule of matters to be considered at each meeting. Internal and external audit activity reviewed at every meeting.

The attendance of JIAC Committee members at meetings was as follows:

Name	Attendance / Possible attendance
John Beckerleg (Chair)	2/2 (attended December to say goodbye)
Ann Battom	4/4
John Holman	4/4
Gill Scoular	3/3
Edith Watson	4/4

The Committee's meetings have been well supported by officers from the Force, OPFCC and the FRS. The improved quality and timeliness of reports has been maintained. In addition, the Committee has appreciated the open and transparent approach of officers.

In addition, representatives of the Internal Auditors and the External Auditor attended the meetings and the Committee took the opportunity as it felt necessary to discuss topics in private with the auditors without officers being present.

The JIAC has received regular reports on:

- the Statement of Accounts (2018/19, 2019/20 and 2020/21);
- risk management and risk registers;
- treasury management;
- internal and external audit plans, recommendations and updates on progress; and
- updates on the inspectorate (HMICFRS) reports and recommendations.

It has also received updates or sought extra assurance on areas of specific risk or concern, including:

- Transition from Multi Force Shared Services (MFSS) to the new in-house Police (and in 2023 Fire) systems;
- Enabling Services Update
- Update on MINT
- Budget and Medium Term Financial Plan update and timetable;
- Corruption and fraud controls and processes;
- Future Internal and External Audit Arrangements;
- Corporate Governance Framework Updates;
- JIAC Recruitment.

The following workshops were held:

- (February 2021 - Fire ICT;)

Furthermore, three workshops were held during the year, which considered the following areas:

- September 2021 - Fire Accounts; and
- September 2021 - Police Accounts.
- February 2022 – Estates Workshop

The two internal audit teams have successfully delivered almost a full programme of reviews.

The Committee continues to gain significant assurance from both the reports and officers. There are some areas where there are concerns which are set out below. However the members of the Committee appreciate the openness of the officers to discuss all areas of the business and willingness to respond to questions.

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 PFCC, CC and NFRA and the achievement of their strategic priorities.

The Committee's aims and objectives for 2021/22 are set out in Appendix 2. Five of the six objectives have been completed. The final objective – a self-assessment of JIAC is due to be concluded by August 2022. The Committee continues to invite constructive criticism from officers and auditors to help it improve the contribution it makes.

Appendix 3 sets out the objectives for 2022/23. There are some key areas which the Committee will keep under review including support services and statutory accounts. The agreed work programme covers all core areas and increasingly reports now cover both Force and NCFRA in a single document. This has reduced pressure on the Agenda for meetings, which gives the Committee space to explore other governance topics; these will be discussed with officers.

7. Identification of key issues

During 2021/22 the Committee considered a range of topics and issues including:

Annual Accounts 2020/21– the deadline to complete the closure of the Annual Accounts was once again missed due to the lack of resources of external auditors Ernst Young. All Finance staff worked hard to ensure that the proposed audit timetable was met and are understandably disappointed by the continuing delays which impact on their 2022/23 work such as budget setting.

Strong representation has been made by the JIAC to the PSAA, who manage the external audit contract but this has not proved fruitful in improving the situation. Given the delays the JIAC has called into question the usefulness and value for money of the reports when they are finally published, given the changing nature of the current environment in which the PFCC and CC operate.

Whilst Northamptonshire is not alone in this predicament it is a continuing source of concern that must improve and will be closely monitored and reported upon. JIAC reviewed the draft accounts at a workshop in September 2021. These contained the required annual governance statements, which provide the committee with assurance.

The committee expected to formally consider the Annual Accounts at its September 2022 meeting alongside the External Auditor's report as per the planned timetable, however given the continued delay in auditor availability this deadline will be missed.

Enabling Services - with the cessation of all policing partners involvement in the Multi Force Shared Service (MFSS) as at 31st March 2022 there are a number of work streams in place which will provide those services previously delivered by MFSS for policing and which in April 2023 will include Fire.

Referred to overall as 'Enabling Services' the JIAC have required and received, regular updates on progress and associated risks during the year. This has been a sensitive and critical area as work streams include payroll provision, which is now provided by police as a shared service. Whilst the establishment of Enabling Services has been challenging it has provided an opportunity in some areas to deliver joint solutions for police and fire, which is hugely beneficial in terms of systems, cultural integration and working relationships between the organisations.

The JIAC have sort assurance in terms of the use of appropriate skilled project management as well as the risk of optimism bias in the reporting of progress and have highlighted the need for a benefits realisation exercise be undertaken on completion of the implementation of new services. This will be an area that the JIAC will continue to focus on in 2022/23.

Estates programme - the Committee had an in depth workshop on Estates which covered the current position, future planning and aspirations. Discussions on the length of planning horizons and the financial considerations in relation to the capital programme were informative. It was noted that whilst Fire have made good progress in the provision of a capital budget .

Concerns were expressed by members that there was no longer term plan for investment in built assets, ideally one with a timeframe up to 20 years, which may affect the long term viability of the Estates strategy Officers shared this concern and agreed that this timeframe would be worked towards.

Risk management – The risk management processes are well established and the joint risk register is regularly monitored (including by the JIAC). The pandemic, recent major cyber security attacks in Northamptonshire and the national shortage of experienced IT staff have added new risks to the register or increased existing risks. Officers, notably the DCC have provided in depth information on how such risks are managed and mitigated if possible, from which the JIAC has gained assurance.

Capital programme – there is a comprehensive capital programme for both Police and Fire. This is supported by the Digital and Estates strategies. It also provides an important input to the Treasury Management Strategy and the Medium Term Financial Plan.

Medium term financial plan (MTFP) – during the year the JIAC received a report on the MTFP and the detailed workings, which supported the plan.

Procurement arrangements – The Committee received a report on the changes to the delivery of procurement services, which have been taken in-house jointly for Police and Fire. This results from the decision to terminate the MINT LLP taken in October 2021. The JIAC noted the shorter than expected operational life of the MINT

partnership and were assured that the risk of possible termination had been assessed and benefits are expected to be realised as predicted.

Governance framework – The JIAC considered and supported the Internal Audit plans for the year in June 2021 and progress in delivering that plan so far, has been good, especially given the challenges the pandemic has placed on the logistics of undertaking internal audit work. Progress reports on the implementation of Internal Audit recommendations are reviewed at JIAC meetings to ensure that actions are completed in a timely fashion.

Taking all the above into account the JIAC is of the view that, although further action needs to be taken in certain areas, there is a broadly effective governance and control regime in place within the Office of the OPFCC, NCFRA and the Force.

Specifically, the JIAC believe that the current arrangements for internal audit remain constructive and effective. Significant improvements are still required in the delivery of the external audit service by Ernst Young in 2022-23 and going forward to ensure a timely completion of the external audit of the financial statements. The JIAC continues to give this matter close attention.

8. Assessment of Internal Audit

PFCC and CC

Mazars were appointed as the internal auditor for four years with effect from 1 April 2015 following a competitive tendering process involving neighbouring Counties. Chief Finance Officers across the region have extended the contract with Mazars to April 2023. The internal audit service will be re-tendered in 2022/23 by Derbyshire on behalf of the region.

The internal audit plan for 2021/22 was approved by the JIAC and the Committee recommended the Commissioner and the Chief Constable to sign off the plan. Progress against the audit plan has been good.

Where Internal Audit recommendations have been made the Force and OPFCC have accepted the recommendation unless good justifiable reasons exist for not acceptance, such instances are the exception. In the majority of instances managers have progressed the agreed actions to the agreed timescale.

The Committee receives regular update reports on the progress of agreed actions, taking specific interest in actions where implementation dates are moved out or exceeded. During 2021/22 the Committee has been pleased to see that the number of uncompleted actions has been reduced.

NFRA

The internal audit of NFRA (and NFRS) was undertaken by Milton Keynes Internal Audit Service for 2021/22.

The internal audit plan for NFRA was approved at the June 2021 JIAC meeting and the Committee recommended the Commissioner to sign off the plan. Progress against the Audit Plan has been good. The Committee has monitored progress on the audit report recommendations for the Service and has taken assurance from the progress made to date.

9. Assessment of External Audit

Paragraph seven above comments on the late conclusion of the external audit of the statutory accounts.

The Committee has received updates where the PFCC, NCFRA and CC have explored the possibility of tendering independently or with a group of similar organisations for future external audit provision. There has been no appetite from others to adopt this approach and the cons of making an individual tender are significant. With reluctance, given the recent history of performance, the PFCC, NCFRA and CC have once again joined the national consortium for the next tender process.

Locally the external audit team has been thorough and engagement has remained positive and constructive, however the delivery of the audit work including timing, structure, planning and fees have continued to be below expectations which remains a significant cause of concern to the Committee.

10. Looking forward

Appendix 3 sets out the draft Aims and Priorities for the Committee for 2022/23

These reflect:

- • Any outstanding recommendations from 2021/22
- • Known areas of concern / high risk; and
- • Emerging areas or change programmes likely to be related to the control framework.

12. Conclusion

The Committee has an effective work programme based on robust governance frameworks across the three organisations.

The Committee is grateful to officers who have provided honest and objective assurance about the arrangements which exist, and especially to the Finance teams

including the statutory officers all of whom have been put under additional pressure throughout the last year because of the protracted audit timetable.

The JIAC will continue to undertake the responsibilities assigned to it in the agreed terms of reference and seek to ensure that it makes 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.

A Battom
Chair of Joint
Independent Audit Committee

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE CHIEF CONSTABLE AND
NORTHAMPTONSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY**

JOINT INDEPENDENT AUDIT COMMITTEE

TERMS OF REFERENCE

1 Purpose

To support the Police Fire 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, Chief Constable and the Chief Fire Officer (acting on behalf of NCFRA) jointly will appoint the Committee.
- b) The Committee shall consist of no fewer than five members.
- c) A quorum shall be two members.
- d) At least one member shall be a CCAB qualified accountant with recent and relevant financial experience
- e) The Commissioner, Chief Constable and the Chief Fire Officer jointly will appoint the Chair of the Committee, following discussion 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 four years, extendable by no more than one additional three-year period, 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 Monitoring Officer of the Commission will nominate an officer from the Commissioner's Office to act as Secretary to the Committee.

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 be 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) Where possible, minutes/actions shall be prepared and distributed to members of the Committee, regular attendees and the Commissioner, Chief Constable and Chief Fire Officer 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) The Chair of the Committee shall draw to the attention of the Commissioner, Chief Constable and Chief Fire Officer any issues that require disclosure or require executive action

f) 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, Chief Constable and Chief Fire Officer shall be represented at each meeting of the Committee.
- c) The Commissioner's representation will normally comprise the statutory officers and/or appropriate deputies;
- d) The Chief Constable shall normally be represented by the Deputy Chief Constable of the Force, and / or deputies;
- e) The Chief Fire Officer shall normally be represented by an Assistant Chief Fire Officer;
- f) Internal and External auditors will normally attend each meeting of the Committee.
- g) There should be at least one meeting each year where the Committee meets the external and internal auditors without the Commissioner's, Chief Fire Officer's and Chief Constable's officers being present. This need not be the same meeting; and such meetings would usually take place before or after the normal Committee meeting has concluded.

7 Authority

- a) The Committee is authorised by the Commissioner, Chief Constable and Chief Fire Officer 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, NCFRA or Chief Constable. It has no authority to incur expenditure.

8 Duties

The Committee's scope encompasses:

- the Office of the Police, Fire and Crime Commissioner (including the Fire and Rescue Authority after the transfer of governance on 1 January 2019);
- the interface between the OPFCC and associated bodies and directly controlled / associated companies but not the bodies themselves;
- the Northamptonshire Police Force;
- the Northamptonshire Fire and Rescue Service (NFRS) and
- Any collaborative / partnership arrangements involving the OPFCC, Force or NFRS.

The duties of the Committee shall be:

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

To support the PCC, Chief Constable, Chief Fire Officer and statutory officers in ensuring effective governance arrangements are in place and are functioning efficiently and effectively, across the whole of the Commission's, Force's and Service'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, Force's and Service's priorities and risks;
- c) Consideration of the processes for assurances in relation to collaborations, partnerships and outsourced activities.
- d) Consideration of the processes for assurances that support the Annual Governance Statement;
- e) Consideration of VFM arrangements and review of assurances;
- f) To review any issue referred to it by the statutory officers of the Commission, the Chief Constable and the Chief Fire Officer and to make recommendations as appropriate;
- g) To monitor the effective development and operation of risk management and to make recommendations as appropriate;
- h) To be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies
- 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, Chief Constable and NCFRA and publication. The Committee will challenge where necessary the actions and judgments 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 judgment;
- 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 JIAC, Monitoring Officer of the Commission, the Commissioner, Chief Fire Officer 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 managers' 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, Force's and Service's relationships with the external auditor;
- b) proposals made by officers and Public Sector Audit Appointments (PSAA) 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, Chief Fire Officer 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 guidance.

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, Force and Service 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, Chief Constable and Chief Fire Officer ideally 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, Chief Constable and Chief Fire Officer
 - 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 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.

Appendix 2

The Joint Independent Audit Committee's – Aims and Objectives 2021/22

Aims and Objectives
Undertake a review of the effectiveness of JIAC (Continued from 2020/21) <i>A survey has been undertaken and the results will be presented to the September 2021 meeting of the JIAC. There is some useful feedback which can be considered but a common concern is the breadth of the Committee's work which is affecting the ability to consider items fully.</i>
Continue to place importance on the prompt production and audit of the organisations' statutory accounts
Review the implementation of the Enabling Services programme for adapting the full range of support services including, where appropriate, the integration of functions across Police and Fire services. Identify the benefits which have arisen from the closer governance arrangements.
Support the work to determine the approach to future tendering for external services
Initiate up to 3 reviews in areas of strategic importance in the governance of the organisations. [Note: possible areas – approach to climate change, estates, HR policies, workforce planning (in relation to achieving strategic objectives), post Covid changes, use of digital technology, regional working, decision making, equality and diversity, well being.

**The Joint Independent Audit Committee’s – Draft Aims and Objectives
2022/23**

Aims and Objectives
Review Organisational effectiveness across the three organisations - ie the extent to which the current management structures are fit for purpose and seeking assurance that strategic aims filter through the organisations effectively.
Continue to place importance on the prompt production and audit of the organisations’ statutory account
Review action plans and recommendations that come from Governmental reviews,(eg Peel and HMICFRS) are implemented in a timely manner, having regard to organisational resources and strategic direction.
Initiate up to 3 reviews in areas of strategic importance in the governance of the organisations. [Note: possible areas – in-house procurement services, Fire Standards and the implications for Fire reform as a result of Government White paper, joint delivery services for police and fire, Digital technology, equality and diversity.
Conclude the JIAC review of effectiveness.