

- NOT PROTECTIVELY MARKED -

**HAMPSHIRE POLICE AND CRIME COMMISSIONER AND HAMPSHIRE
CONSTABULARY**

INDEPENDENT JOINT AUDIT COMMITTEE

STATEMENT OF PURPOSE AND TERMS OF REFERENCE

STATEMENT OF PURPOSE

To provide independent assurance on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices.

Corporate Governance and Regulatory Framework

To support the PCC, Chief Constable and statutory officers in ensuring that effective governance arrangements are in place and functioning efficiently and effectively, and making any recommendations for improvement.

To review any issue referred to it by the statutory officers of the PCC and Chief Constable and make recommendations as appropriate

To monitor the effective development and operation of risk management and make recommendations as appropriate

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 processes, in light of its experience.

To review its own effectiveness on an annual basis

Internal and External Audit

To consider the internal audit charter and annual plan, and make recommendations as appropriate.

To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over corporate governance arrangements, and make recommendations as appropriate

To consider summaries of internal audit reports, and make recommendations as appropriate.

To consider reports dealing with the management and performance of the providers of internal audit services, and make recommendations as appropriate.

To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale and make recommendations as appropriate.

To consider the external auditor's annual plan, annual audit letter and relevant specific reports as agreed with the external auditor, and make recommendations as appropriate.

Accounts/Finance

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

PCC and CC Joint Audit Committee – Operating Principles

The following do **NOT** fall within the scope of the Joint Audit Committee:

- Constabulary performance
- Constabulary Operational risks
- HMIC reports with an operational theme / basis e.g. "A Review of the August Disorders" "Intelligence on Criminality Associated With Protest"
- The management of the internal audit function
- Any reviews carried out by the Police and Crime Panel

1. Methods of Working

- Advises the PCC and Chief Constable according to good governance principles
- Adopts appropriate risk management arrangements
- Provides robust and constructive challenge
- Takes account of the principles of Corporate Social Responsibility (CSR) (which includes financial and economic stewardship {including VFM}; people and communities {including Diversity, Equality and Human Rights} and environmental sustainability and health & safety).

2. Reporting Line: The Joint Audit Committee will report direct to the Police and Crime Commissioner and the Chief Constable

3. Links: In the course of its work the Committee may forge links (direct or indirect) with the following, in no particular order and not limited to:

- Chief Financial Officers / section 151 Officers
- Monitoring Officers
- Equality & Human Rights Commission
- Government Equalities Office
- Head of Internal Audit
- External Auditors
- Her Majesty's Inspector of Constabulary
- The Police and Crime Panel for Hampshire
- Regional Committees
- Community Safety Partnerships

Any meetings should be attended by one of the statutory officers and minute-takers as appropriate.

4. **Committee Composition:** 3-5 people, independent of both Hampshire Constabulary and the Office of the Police and Crime Commissioner
5. **Quorum:** 3
6. **Election of Chair & Vice-Chair**
 - Chair and Vice- Chair to be appointed annually by the PCC & CC
 - Chair may be re-appointed but to serve no more than 2 consecutive years as Chair.
 - If 2 years served as Chair there must be a break of at least 2 years before the person can be appointed as a chair again.
7. **No of meetings:** 4 formal committee meetings scheduled per year (additional formal meetings may be required). Meetings will be held in March, June, September and December. There will also be scheduled training and development sessions.
8. **Information publically available:** the agenda, reports and minutes of formal meetings will be made available on the OPCC and Constabulary websites.
9. **Attendance at Audit Committee Meetings**

The Police and Crime Commissioner and the Chief Constable and their respective CFO's should attend or be appropriately represented at formal meetings of the Joint Audit Committee. Internal and External Audit will also attend as necessary.