

**AUDIT COMMITTEE - TERMS OF REFERENCE**

**Composition of the Joint Independent Audit Committee (JIAC)**

That the JIAC ideally comprises 5 Members, including 1 Chair, who are independent of the Deputy Mayor's office and North Yorkshire Police. The length of each appointment will be confirmed on recruitment, but will be between 2 and 4 years, with a maximum term of four years. A member may apply for re-appointment however re-appointment may only take place once.

To support the Committee in undertaking their role attendees from each of the following will also attend every ordinary meeting of JIAC:

- The Chief Officer Team of the Police Force, including at least one operational Police Officer, are required to be represented at each meeting of the Committee.
- At least one of the Deputy Mayor's Statutory Officers, or those with delegated Statutory functions, are required to attend each meeting of the Committee.
- A representative from each of External Audit and Internal Audit shall also attend each meeting of the Committee.

Other attendees will be confirmed by the Chair as and when required. The Deputy Mayor and Chief Constable although not Members of the JIAC, may attend any meeting.

**Quorum of the JIAC**

No decisions can be made at the meeting of the JIAC unless at least half of the appointed Members of the JIAC are present.

At any meeting the Chair shall preside, if present. In his or her absence the Members present shall appoint one of their number to act as Chair for that meeting.

**Press and Public**

The Public shall be admitted to all meetings of the JIAC unless excluded by resolution in accordance with the provisions of the Local Government Act 1972 (Schedule 12a), as amended by the Local Government (Access to Information) Act 1985.

A member of the public will not be permitted to speak or ask questions at the meeting except with the consent of the meeting Chair.

**Exclusion of Public Access**

The public must be excluded from meetings whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that confidential information would be disclosed.

Confidential information means information given to the Commissioner or Chief Constable by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

Items will be considered '**Below the Line**' or '**not for publication**' when they contain exempt information as defined by schedule 12 of the Local Government Act 1972.

Individual members of the public may be excluded at the discretion of the meeting Chair on the basis of maintaining good order.

### **Purpose**

The JIAC is responsible for enhancing public trust and confidence in the governance of the Deputy Mayor's office and North Yorkshire Police. It also assists the Deputy Mayor in discharging statutory responsibilities in holding the Police Force to account, and ensures that effective governance and risk management arrangements are in place and functioning efficiently and effectively. This is achieved by;

- Advising the Deputy Mayor and Chief Constable of North Yorkshire Police according to good governance principles.
- Independently scrutinising financial and non-financial performance to the extent that it affects the Deputy Mayor's office and North Yorkshire Police exposure to risks and weakens the internal control environment.
- Providing independent assurance on the adequacy and effectiveness of the Police, Fire and Crime Directorate and North Yorkshire Police internal control environment and risk management framework.
- Overseeing the effectiveness of the framework in place for ensuring compliance with statutory requirements.
- Overseeing governance and monitoring of governance within the organisation.
- Overseeing the financial reporting process.
- Having unfettered access to Internal Audit and External Audit where required and to meet with them at least once a year out with formal JIAC sessions and without executive representation.

On an annual basis the JIAC shall complete a self-assessment which shall inform a report on the work of the Committee to the Deputy Mayor and Chief Constable.

To aid the JIAC in delivering its purpose and objectives the Deputy Mayor will make available funds for the JIAC to take independent legal and financial advice where the JIAC deems it is reasonably necessary to do so. Where the JIAC deems this advice is necessary it should be discussed and coordinated with Officer.

### **Notice of Meetings**

The JIAC meets on at least four occasions during a financial cycle typically in June, September, December and March.

In the event that additional formal JIAC sessions are required these can be convened at the request of either the Chair or at least two JIAC members.

### **Objectives**

The JIAC in effectively discharging its function is responsible for:

### **Internal Control Environment**

- Satisfying itself as to the effectiveness of the internal control framework in operation within Police, Fire and Crime Directorate and North Yorkshire Police and advising the Deputy Mayor and Chief Constable of North Yorkshire Police as appropriate.
- Considering the Annual Governance Statement for publication with the annual accounts, together with associated action plans for addressing areas of improvement and advising the Deputy Mayor and Chief Constable as appropriate.
- Considering the arrangements to secure value for money and review assurances on the effectiveness of those arrangements.

### **Corporate Risk Management**

- Approving North Yorkshire Police's corporate risk management strategy and framework; ensuring that an appropriate framework is in place for assessing and managing key risks to North Yorkshire Police.
- Considering the financial risks to which Policing and Crime Functions of the Combined Authority and North Yorkshire Police are exposed and approving measures to treat, tolerate, transfer or terminate them as appropriate.
- Providing assurance to the Deputy Mayor and Chief Constable of North Yorkshire Police as appropriate on the effectiveness of the risk management framework in operation.
- Providing oversight and scrutiny of the risk registers of both the Deputy Mayor and Chief Constable

### **Regulatory Framework**

- Maintain an overview of the governance framework in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.
- Review any issue referred to it by the statutory officers of the Police, Fire and Crime Directorate and Chief Constable and make recommendations as appropriate.
- Monitor the policies of both the Police, Fire and Crime Directorate and Chief Constable on the making of protected disclosures (whistleblowing) and any anti-fraud & anti-corruption strategy.

### **Internal Audit**

- Advising the Deputy Mayor and Chief Constable of North Yorkshire Police on the appropriate arrangements for internal audit, the appointment of the Internal Auditors and approving the Internal Audit Strategy.
- Approving the internal audit annual programme.
- Overseeing and giving assurance to the Deputy Mayor and Chief Constable of North Yorkshire Police on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.

- Considering the Internal Audit's findings on the internal control environment for the Police, Fire and Crime Directorate and North Yorkshire Police; ensuring appropriate action is taken to address any areas for improvement.
- Reviewing and monitoring the effectiveness of the Police, Fire and Crime Directorate and North Yorkshire Police on fraud, irregularity and corruption.

### **External Audit**

- Advising the Chief Constable of North Yorkshire Police on the appointment of external auditors.
- Approving/recommending on behalf of the Deputy Mayor and Chief Constable of North Yorkshire Police the external audit programme and associated fees.
- Reviewing the external auditor's Audit Completion Report and any other reports; reporting on these to the Chief Constable of North Yorkshire Police as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing External Auditor's Annual Audit Letter and making recommendations as appropriate to the Chief Constable of North Yorkshire Police.

### **Financial Reporting**

- Reviewing the Chief Constable's Annual Statement of Accounts and make recommendations, or bring to the attention of the Chief Constable, any concerns or issues.
- Considering whether appropriate accounting policies have been followed and any changes to them.

### **Inspection and Review**

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for the Police, Fire and Crime Directorate and/or North Yorkshire Police.

### **Civil Claims**

- Maintaining an overview of civil claims and other legal proceedings affecting or revealing matters of good governance.

### **Information Governance**

- Reviewing Corporate Strategy, policies and procedures in relation to Information Governance for both the Police, Fire and Crime Directorate and Chief Constable.

- Reviewing reports from the Senior Information Risk Owner (SIRO), of the Chief Constable, relating to the implementation of the corporate strategy, compliance with the legal framework regulating data protection and other information governance.
- Considering any implications for governance and the annual governance statements of the Chief Constable from issues in this area