



AGENDA ITEM: 4

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

JOINT INDEPENDENT AUDIT COMMITTEE

26 JULY 2019

REPORT BY	Chair of the Joint Independent Audit Committee
SUBJECT	Annual Report 2018-19
RECOMMENDATION	To approve the report and submit it to the Police, Fire and Crime Commissioner (PCC), Chief Constable (CC) and Chief Fire Officer(CFO)

1. Purpose of report

This report fulfils three purposes:

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

2. Recommendations

The Committee is invited to:

- a) Comment on the report;
- b) Consider the changes to the terms of reference to include the involvement of the Chief Fire Officer; and
- c) Submit the report to the PFCC, CC and CFO.

3. Role of the Committee

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

The current 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 in Appendix 1 (with suggested changes – see later).

This Audit Committee became operational in November 2012.

4. Committee membership

Membership of the Committee during the financial year was:

Name	Appointment	Qualifications
John Beckerleg (Chair)	Appointed 1 October 2014	MA, CIPFA, MBA, SSA
Tony Knivett	Appointed December 2013	CQSW
Martin Pettitt	Appointed December 2013 Term of office ended November 2018	CIPFA
Gill Scoular	Appointed 1 December 2014	CIPFA
Ann Batom	Appointed December 2018	CIPFA

The Police and Crime Commissioner (OPCC) and Chief Constable (CC) agreed in 2017 that the size of the Committee should be increased to 5. Interviews to achieve the increased membership have taken place in 2018 and 2019, and recent appointments mean that there will be 5 members by the point when Tony Knivett's term of office comes to an end.

The Committee wishes to record its appreciation to Mr. Pettitt for his contribution to the work of the JIAC.

5. 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.

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. It was agreed that the terms of reference should be extended to encompass the NFRA. The terms of reference have been slightly amended to incorporate the involvement of the Chief Fire Officer (or their representative).

No other substantive changes are proposed to the terms of reference.

6. 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 and, as far as possible, the agenda items are taken in public. This is viewed as good practice and will be continued as far as possible. Attendance at meetings was as follows:

Name	Attendance / Possible attendance
John Beckerleg (Chair)	4/4
Tony Knivett	4/4
Martin Pettit	2/2
Gill Scoular	3/4
Ann Battom	2/2

The Committee's meetings have been well supported by officers from the Force, OPFCC and more recently the FRS. The improved quality and timeliness of reports has been maintained.

In addition representatives of the Internal Auditor 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;
- risk management;
- internal and external audit plans; and
- updates on the inspectorate (HMICFRS) and audit recommendations.

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

- fraud & corruption processes;
- the Force change programme;
- Fire governance Implementation Update (3 updates prior to governance change);
- Multi Force Shared Services (MFSS) upgrade, timescales and issues (4 updates);
- Treasury management strategy 2019/20 and two 2017/18 updates;
- Capital programme 2019/20 and 2017/18 midyear update;
- Capital Strategy 2019/20;
- Medium term financial plan and budget process and update 2019/20;
- HMIC Value for money Indicators; and
- the arrangements for the OPFCC monitoring officer.

Four workshops were held during the year which considered the following areas:

- June 2018 - PFCC and CC statement of accounts
- September 2018 - Estates strategy update & outcome based budgeting approach
- November 2018 - ICT developments & Fire governance
- February 2019 - Fire accounts

In addition the Chair and/or JIAC members attended:

- the annual CIPFA Training Day for Police Audit Committees; and

- a workshop organised by the external auditors which provided important updates and the chance to compare JIAC practice with those of similar audit committees.

There has been the opportunity to compare the Leicestershire and Northamptonshire audit committees.

Looking forward developing and maintaining assurance across three organisations (now including NFRA) will be a challenge, not least in managing the JIAC itself and using officers' and members' time effectively.

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.

In the previous Annual Report the Committee set out its aims and objectives for 2018/19. These are described in Appendix 2 including the progress achieved. There is some further work to be undertaken in relation to understanding the Force Management Statement, internal counter fraud arrangements and the provision of support services.

The year began on a better foundation with the existence of a number of key documents and processes which were important to the effective governance of the organisations. These included a revised governance framework, improved financial planning arrangements and an estates strategy. Work to further develop these documents and processes has continued in 2018-19 and most are now in place for the OPFCC and CC. This has helped the Committee in gaining the assurance it needs.

Appendix 3 sets out the objectives for 2019-20.

A draft of this report has been shared with the PFCC, CC and CFO so that officers with knowledge of the work of the JIAC have the opportunity to provide feedback and shape the way the Committee operates.

7. Identification of key issues

During 2018/19 the Committee considered a range of topics and issues. Some of the key ones were:

Annual Accounts 2018/19 – the deadline to complete the closure of the Annual Accounts was brought forward in the previous year. Finance staff have again worked hard to ensure that this deadline was met for the three sets of accounts. JIAC reviewed the draft accounts at a workshop in June 2019. These contained the required annual governance statements which provide the Committee with assurance.

Normally the Committee would formally consider the Annual Accounts at its July 2019 meeting alongside the External Auditor's report. Whilst the accounts are complete (subject to audit) the external auditor is unable to undertake their work in time to report to the JIAC in July 2019. In relation to NFRA, this is due to insufficient audit capacity and in relation to Police and OPFCC this was originally due to a dependence on the audit of Northamptonshire County Council which will not be complete in time, but has been revised to include insufficient audit capacity and the formal notification of this is awaited. The final auditor's report for all accounts will be considered at the September meeting.

Value for money – This continues to be an area of interest for the Committee, The JIAC considered the HMICFRS value for money indicators and the work by the Force to develop a process of Outcome Based Budgeting.

Collaboration – there are many examples of collaborative working between forces involving Northamptonshire. The JIAC has gained assurance on collaborations from the work of the internal auditor who has undertaken reviews on behalf of all of the partners in the following areas:

- Strategic Financial Planning
- Risk Management
- Business Planning
- Projected Underspend.

The PFCC has agreed to use the Local Government Shared Service (LGSS) to continue to support the NFRA following the transfer of responsibility on 1 January 2019 for a period of at least 18 months. This has helped the transition.

Multi-Force Shared Services (MFSS) – this important service is an exception to the comments made above about collaboration. For the third year in succession there are concerns about this service, particularly about the operation, the functionality provided, its costs and the consequences of a major change programme. The PFCC and CC have sought to address these concerns including taking a more active involvement in the programme governance and the new system has been implemented. In the short term, alternative arrangements would be difficult or impossible to implement.

The PFCC and CC are currently reviewing the options for the medium and long term. The JIAC supports this review and will receive an update on this in 2019/20.

Transfer of Fire Governance – The transfer of the Northamptonshire Fire and Rescue Service to the PFCC (as the newly constituted Northamptonshire Fire and Rescue Authority) was approved by the Home Office and took place on 1 January 2019. This transfer involved considerable planning, negotiation and communications prior to transfer but was successfully completed on time. New strategic plans (including the Integrated Risk Management Plan) have been produced and been subject to consultation. JIAC was regularly briefed on this programme. The officers involved should be congratulated for the way in which the new arrangements have been implemented.

Settling in the new governance arrangements, bringing together different cultures, exploring the potential for joint working, and aligning systems, support and processes will take time. JIAC will continue to monitor progress, assisting where it can.

Core systems – The internal auditors completed their annual review of core systems and, although there were recommendations for improvements, the basic systems remain sound and the auditor was able to offer a ‘satisfactory’ assurance.

Risk management – The risk management processes are well established and the risk registers for the three organisations are regularly monitored (including by the JIAC). Risk management, including new software, was the subject of an internal audit study in 2018/19.

Seized Property – this is another area in which the JIAC is seeking to gain additional assurance following an internal audit report in 2018/19 which was only able to offer

'limited' assurance. Improvement measures have been agreed but, in common with other Forces, this remains an important activity for Northamptonshire Police. JIAC will receive a report on this aspect in 2019/20.

Estates programme – The Committee has previously welcomed the establishment of an Estates Strategy and associated governance. This provided considerable assurance about the planning and management of significant capital assets.

The appointment of a new Chief Constable and the transfer of the NFS to the governance of the PFCC have resulted in the estates strategy being reviewed to ensure it still aligns with changing priorities and maximises the benefits to be derived from the estate. The JIAC will consider the outcomes of this review at a suitable time.

Capital strategy and capital programme – there is now a comprehensive capital programme for the PFCC and CC. This is supported by the IT, Fleet and Estates strategies. It also provides an important input to the Treasury management Strategy and the Medium Term Financial Plan. Work to develop the equivalent documents for NFRA is in hand alongside proposals for funding the programme.

Human Resources (HR) policies – The JIAC received information about the comprehensive updating of all of the PFCC HR policies which was proposed by the PFCC and had been expected in 2017/18. This revision has taken much longer than originally expected and finalisation of the policies remains outstanding. JIAC is concerned about the time this work has taken and will continue to seek confirmation when this has happened.

HMICFRS – the Committee has received information about the conclusions of the Police (and Fire) Inspectorate (HMICFRS) and the actions being undertaken to address recommendations made. The Committee was assured by the process to respond to the recommendations but will retain an interest in the most recent inspections, the conclusions drawn and the actions being taken to improve the overall assessment.

Victims Voice – There were changes in the organisational arrangements in place to support victims. The service previously provided by an external body was brought back in house and is now managed via an associated company. This new arrangement was explored by the JIAC including the governance arrangements (some of which fall outside the remit of the JIAC) and potential conflicts of interest. The internal auditor undertook an audit of Victims Voice in 2018/19 and, using the agreed rating system, provided a 'satisfactory' assurance.

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 for a further three years. There are distinct benefits in having the same internal auditor covering the region (for example, for audits of collaborative arrangements).

The internal audit plan for 2018/19 was approved by the JIAC in March 2018, and the Committee recommended the Commissioner and the Chief Constable to sign off the plan. Progress against the audit plan has been good.

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. It is a concern however that some recommendations have been outstanding for some time and may even have been repeated in follow audits; the information used by JIAC to monitor progress has been further developed during the year.

NFRA

The internal audit of NFRA (and NFRS) will be undertaken by LGSS for at least 2019/20 and 2020/21. The internal audit plan has been approved outside of the JIAC and will be ratified at the July 2019 JIAC meeting. It is too early to assess LGSS internal audit performance.

9. Assessment of External Audit

The 2017/18 accounts were closed by the statutory deadline. The Auditor (KPMG) provided an unqualified opinion on the accounts. In relation to Value for Money, the Auditor provided an unqualified opinion 'except for' the MFSS governance arrangements (see above).

As reported last year, the external auditor changed for 2018/19 from KPMG to EY.

JIAC has taken an interest in the handover arrangements between the Auditors. This appears to have been handled smoothly.

There have been difficulties in EY completing its contracted work for 2018/19:

- For the OPFCC and CC, this arises from the need for the external audit work of Northamptonshire County Council, particularly in relation to the Local Government pension fund, to be completed, together with later than anticipated availability of EY resource and capacity to complete the audits. The OPFCC / CC accounts have been produced in line with the statutory timescales and audit timescales for this work are still under discussion.
- In relation to the NFRA, EY have reported that they do not have the capacity to complete the audit in time for the July 2019 JIAC meeting.

The Committee is disappointed by these difficulties, not least given the efforts of internal staff to produce the accounts to a tight timetable. Apart from this the JIAC is satisfied about the effectiveness of the external audit process and grateful for the help and advice of the auditors during the year.

10. Looking forward

Appendix 3 sets out the draft Aims and Priorities for the Committee for 2019/20.

These reflect:

- Any outstanding recommendations from 2018/19;
- 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 entered a more stable period as the result of the existence of clearer documents, governance arrangements and processes than in the earlier years of the PCC.

Thanks are due to the officers and auditors who support the Committee and who have provided honest and objective assurance of arrangements which exist.

Of particular note this year has been the work on the Fire governance transfer and consolidating the financial planning.

There are some key areas which will form a focus for the JIAC work programme in 2019/20. The ongoing work programme is set out in appendix 3.

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.

J Beckerleg
Chair of Joint
Independent Audit Committee

Joint Independent Audit Committee - Terms of reference

**NORTHAMPTONSHIRE OFFICE OF THE 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 three 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 Chief Executive 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 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, 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 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, Chief Executive 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:
 - o A summary of the role of the Committee
 - o The names and qualifications of all members of the Committee during the period
 - o The number of Committee meetings and attendance by each member; and
 - o The way the Committee has discharged its responsibilities
 - o An assessment of the Committee's performance against its plan and terms of reference;
 - o Identification of the key issues considered by the Committee and those highlighted to the Commissioner, Chief Constable and Chief Fire Officer
 - o 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.

The Joint Independent Audit Committee's – Aims and Objectives 2018/19

Aims and Objectives	Comment
Recruit a fifth member for the JIAC to provide a wider range of skills and experience and ensure that there is an appropriate induction programme (Autumn 2018)	There have been 3 recruitment processes to replace JIAC members whose terms of office are ending and to increase the number of members from 4 to 5. These have been successful. COMPLETE
Understand the IT strategy and governance in the two organisations (OPCC and Force)	The JIAC received a briefing on Police IT and the IT strategy. This covered both local and national systems and underlined the complexity and challenge involved in keeping abreast of technological change and opportunities. COMPLETE
Continue to monitor the arrangements with the Multi-Force Shared Service and implementation of the change programme	The JIAC has received reports on this aspect at each of its meeting. The OPFCC and Chief Constable have maintained an active approach to the arrangements including the programme governance and change programme. This area continues to be a concern for the Committee. ONGOING
Understand the governance arrangements for the Fire and Rescue Service when under the control of the OPCC and the governance of the change programme to achieve the transfer	The JIAC was regularly and comprehensively briefed on the change in governance arrangements. Whilst the formal transfer has taken place it will take a period of time to fully implement the change and the JIAC will take a continuing interest. ONGOING
Develop a better understanding of counter fraud activity	JIAC was briefed on the Police Service's activity on fraud. A further report is planned on internal arrangements for counter fraud CARRIED FORWARD
Understand the approach to budgeting including the outcome based budgeting approach which is being implemented	JIAC was briefed on this approach COMPLETE
Review the Force Management statement to understand the assurance it provides and the relationship with other plans such as the Police and Crime plan	Not done. Further discussion will take place about the Force Management Statement NOT COMPLETE
Consider how the committee can update itself and gain renewed assurance about the performance management arrangements which exist.	The JIAC has seen the arrangements in place for the OPFCC to hold the Chief Constable to account (Accountability Board), the arrangements for progressing the Estates Strategy (Estates Board) and the work of the Police, Fire and Crime Panel to hold the OPFCC to account. Work on reviewing the content of these monitoring arrangements could still be undertaken. COMPLETE

The Joint Independent Audit Committee's – Draft Aims and Objectives 2019/20

Aims and Objectives
Undertake a review of the effectiveness of JIAC by December 2019
<p>Support functions:</p> <ul style="list-style-type: none"> • Continue to monitor the arrangements with the Multi-Force Shared Service and implementation of the change programme • Monitor the support provided by Local Government Shared Services (LGSS) • Understand the medium / long terms plans for support services
Consider the developing governance arrangements for the Fire and Rescue Service under the control of the OPFCC
Develop a better understanding of counter fraud activity within the three organisations
Review the Force Management statement to understand the assurance it provides and the relationship with other plans such as the Police and Crime plan