APPENDIX 1

JOINT INDEPENDENT AUDIT COMMITTEE
TERMS OF REFERENCE

1. PURPOSE

1. To provide independent advice about the adequacy and effectiveness of the financial and other controls, corporate governance, financial and contract regulations and risk management arrangements operated by the Police and Crime Commissioner and the Chief Constable.
2. To manage the commissioning and appointment of internal and external auditors to both corporations sole.
3. To approve the annual audit plans for both internal and external audit and the associated fees.
4. To receive the head of internal audit's annual report.
5. To review quarterly summary internal audit reports, including an opinion on the adequacy and effectiveness of risk management and internal controls, and any corporately significant issues arising from internal audit and risk management reports, and to seek assurance that action has been taken where appropriate.
6. To monitor and review the overall effectiveness of the internal audit function.
7. To consider the annual audit letter and to monitor the Commissioner's and Chief Constable's responses to the recommendations made by the external auditor.
8. To monitor and review the Commissioner's and the Chief Constable's procedures for handling allegations from whistle-blowers and their anti-fraud and corruption strategy.
9. To consider the annual statements of accounts for the Commissioner and the Chief Constable and, in particular, to review significant financial judgements contained in them in accordance with the Accounts and Audit Regulations 2006.
10. To consider the external auditor's report to those charged with governance on issues arising from the audit of accounts.
11. To review the effectiveness of internal controls in line with statutory requirements and good practice and to determine the Annual Governance Statement together with associated action plans for addressing areas of improvement.
12. To monitor the implementation of recommendations of reviews such as those by Her Majesty's Inspector of Constabulary or the Force which could affect risk, internal control and corporate control.
13. To have due regard to obtaining value for money.
14. To have due regard to equal opportunities generally and the requirements of all equalities, anti-discrimination and human rights legislation.
15. To review any issue referred to it by the Police and Crime Commissioner, Chief Executive Officer, the Chief Finance Officer or the Chief Constable.

2. NOTICE OF MEETING

2.1 At least 5 clear working days before a scheduled meeting:

- a notice of the date, time and place of the intended meeting and the business proposed to be considered will be published;

- a summons to attend the meeting, specifying the date, time and place of the meeting and the business proposed to be considered, shall be sent to every member of the Committee, at an address nominated by them.

3. ADMISSION OF PRESS AND PUBLIC

3.1 All meetings of the Committee will be open to the press and public, subject to (3.2) below. Accommodation will, as far as is practicable, be made available for them to observe the proceedings.

3.2 The Committee will exclude the press and public from all or part of a meeting if:

- the business being transacted has been classified as Protect, Restricted or Confidential under the Government Protective Marking Scheme (GPMS);

- the conduct of the press and/or the public is disorderly and is inhibiting the holding of the meeting, or is likely to be disorderly and to inhibit the holding of the meeting.

3.3 There is no right for anyone to record the proceedings (for instance, by way of photographs, audio recording, broadcast or video recording) without the approval of the meeting.

4. QUORUM

4.1 The quorum for the Committee will be 3 members.

4.2 Co-opted members will count towards the quorum of the meeting.

4.3 If during any meeting of the Committee the number of members present falls below 3 the meeting will stand adjourned. The consideration of any business not transacted shall be adjourned to a time fixed by the Chair at the time the meeting is adjourned.

5. CHAIRING MEETINGS

5.1 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.

6. VOTING

6.1 Voting at meetings will be determined by a show of hands.

6.2 Co-opted members will have full voting rights.

6.3 The names and votes of members shall not normally be recorded in the minutes, but any member may request that his or her vote or abstention be recorded.

6.4 In the case of an equality of votes, the Chair of the meeting will have a second or casting vote.

7. MINUTES

7.1 Minutes of meetings will summarise the proceedings and accurately record any resolution(s) passed.

7.2 Minutes will be submitted to the next following ordinary meeting for approval. When the minutes have been confirmed as a correct record, they will be signed by the Chair.

8. COMMENCEMENT

8.1 These Terms of reference came into effect on _____ on the decision of the Joint Independent Audit Committee meeting that day. They replace all previous Terms of Reference for the Committee.