Agenda Item No.

18

JOINT INDEPENDENT AUDIT COMMITTEE
6 MARCH 2024

SUBJECT	**JIAC SELF ASSESSMENT**
REPORT BY	**CHIEF FINANCE OFFICER**
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SUMMARY AND PURPOSE OF REPORT To review the Joint Independent Audit Committee's (JIAC's) approach to their effectiveness and self-assessment.	
RECOMMENDATION	**That** **1. the Committee's self-assessment be noted**

A. SUPPORTING INFORMATION

1. BACKGROUND

1.1 The audit committee's effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the authority's business. Since it is primarily an advisory body, it can be more difficult to identify how the audit committee has made a difference. The Committee has therefore reviewed how that assessment can be determined, alongside the annual review of their Terms of Reference, Procedures and Code of Conduct. This will also help inform the committee's annual report to the PCC and CC.

2. SELF-ASSESSMENT REVIEW & FINDINGS

2.1 The committee explored a number of approaches to taking the audit committee effectiveness assessment forward and found the CIPFA model to be most appropriate.

2.2 Committee members were invited to complete the CIPFA self-assessment of good practice as a high level questionnaire approach to give an indication of areas of strength and/or areas to work on within the Committee.

2.3 Four out of five members kindly completed the assessment in September 2023 with the fifth member finding it difficult to complete as a new member with little experience to date, the Chair noted he is also new to the role, having only attended one formal meeting and therefore decided to exclude his results from the overall figures on this occasion. Results were collated by the Head of Finance and discussed with the Chair and JIAC members.

2.4 An average score of 66% against the CIPFA standard was achieved across the four areas:

- Audit committee purpose & governance (67%)
- Functions of the committee (74%)
- Membership and support (67%)
- Effectiveness of the committee (57%)

2.5 Findings indicate that some members were not aware of the CIPFA Audit Committees Position Statement 2022 or the CIPFA committee member guidance 2022. Not all members

had been involved with the annual report and were therefore not aware if it complied with the guidance, annual evaluation, development and planned improvements, or how it fulfilled its terms of reference and the key issues escalated in the year. Members did not generally feel a robust evaluation of knowledge, skills and training needs of the chair and committee members had been carried out in the last two years which may be in part a knock-on impact of the pandemic arrangements. Some committee members were not aware of whether the committee had obtained positive feedback on its performance from those interacting with the committee or relaying on its work and did not have a clear action plan to improve any areas of weakness. The committee considered they may not engage with a sufficiently wide range of leaders and managers in the discussion of audit findings, risks and action plans. The committee had not formally evaluated whether and how it is adding value to the organisation.

3. ACTIONS AND IMPROVEMENT PLANS

3.1 **JIAC handbook.** A comprehensive JIAC handbook covering a wide range of relevant legislation, regulation and other sources of reference has since been updated to ensure JIAC members have access to the latest guidance and support for members in this sector, including the latest CIPFA updates.

3.2 **Training slide deck.** A detailed set of slides was also developed and made available to support JIAC members for the purposes of induction for new members and/or regular refresher training to help draw attention to all the key points JIAC committees need to be aware of. This is based on the relevant legislation and regulation for policing bodies and JIAC guidance, including CIPFA guidance. The intention is that this slide deck can be used flexibly to support the Committee and individual members by providing sufficient breadth to assist delivery of detailed training events or quick reminder sessions to pick up on elements that JIAC would like to review. As all members have access to the slides it can also be used for reference purposes, providing context and summary of the wide range of legislation and regulation relating to audit committees in policing. Initial feedback received from members is positive.

3.3 **Self-assessment**. Completion of the self-assessment form and discussion between members afterwards helped to assess the current gaps and what can be done to address them. The handbook, training slides and offers from the Head of Finance to facilitate discussion and training sessions going forward should help to build confidence and awareness of JIAC requirements and the skills within the current committee. This also provides a starting point for comparison of self-assessments in future years.

3.4 **Feedback**. The chair will actively seek feedback from stakeholders going forward and report back to members.

3.5 **Engagement with force and OPCC leaders**. Presentation of high level strategic plans at a recent JIAC meeting by the Chief Digital and Information Officer, Director for Digital and Data (CDIO) went down very well with the JIAC members to help increase their knowledge in this area. The Chair of JIAC has discussed this with the Head of Finance who is happy to invite other service directors to future JIAC meetings to explain strategic plans in different areas of the business.

3.6 **Annual Report**. The Chair will involve the members in drafting the annual report to the PCC and Chief Constable at the end of the financial year, to ensure members have an opportunity to contribute and share their views. The Head of Finance will make arrangements to ensure a formal response is provided to JIAC in response.

B. FINANCIAL CONSIDERATIONS

There are no additional financial considerations to those included in the report itself.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

There are no specific issues arising from this report.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People)

There are no specific issues arising from this report.

E. REVIEW ARRANGEMENTS

The Terms of Reference, Procedure Document and Code of Conduct are reviewed by the Committee on an annual basis.

F. RISK MANAGEMENT

Risks are detailed as appropriate within appendices to this report.

G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.