

**INTERIM INDEPENDENT AUDIT COMMITTEE
15 FEBRUARY 2013**

SUBJECT		AUDIT COMMITTEE TERMS OF REFERENCE
REPORT BY		CHIEF EXECUTIVE & CHIEF FINANCE OFFICER
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SUMMARY AND PURPOSE OF REPORT		
To present the Terms of Reference for the Interim Independent Audit Committee and to consider the co-option of up to two additional members.		
RECOMMENDATIONS		<p><i>That:</i></p> <ol style="list-style-type: none"> <i>1. the Terms of Reference attached at Appendix 1 be noted;</i> <i>2. the Committee considers the co-option of up to two additional members.</i>

A. SUPPORTING INFORMATION

1. It is a requirement of the new Financial Management Code of Practice for the Police Service that the Police and Crime Commissioner and Chief Constable establish an independent Audit Committee. The Code also recommends that this be a combined body which will consider the internal and external audit reports of both the Commissioner and the Chief Constable.
2. The Joint Audit Committee Chair, together with members of the Committee will be openly recruited during the spring of 2013 in accordance with the principles set out by the Committee on Standards in Public Life.
3. At its meeting held on 20 July 2012, the former Police Authority determined that an Interim Joint Audit Committee should be established, comprising a minimum of 3 members up to a maximum of 5, with a clear remit based on internal/external audit, risk management and financial governance. It was further agreed that members of the Committee would be appointed jointly by the Police Authority Chair and the Chief Constable.
4. Terms of reference for the Interim Joint Audit Committee were approved by the former Police Authority and are attached at **Appendix 1** for noting. The approval of the Terms of Reference for the substantive Independent Audit Committee will be a matter for the Police and Crime Commissioner and Chief Constable in due course.

B. FINANCIAL CONSIDERATIONS

None.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

None.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES (including any impact or issues relating to Children and Young People.)

None.

E. REVIEW ARRANGEMENTS

The Terms of Reference will be reviewed in due course following the establishment of a substantive Independent Joint Committee.

F. RISK MANAGEMENT

None.

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.