

<b>For Consideration / Decision</b>	
<b>Public/Non Public</b>	<b>Public</b>
<b>Report to:</b>	<b>Joint Audit and Scrutiny Panel</b>
<b>Date of Meeting:</b>	<b>18<sup>th</sup> February 2014</b>
<b>Report of:</b>	<b>Chief Finance Officer</b>
<b>Report Author:</b>	<b>Charlotte Radford</b>
<b>E-mail:</b>	
<b>Other Contacts:</b>	
<b>Agenda Item:</b>	<b>14</b>

## **REVIEW OF JOINT AUDIT & SCRUTINY PANEL TERMS OF REFERENCE**

### **1. Purpose of the Report**

- 1.1 To identify appropriate persons to review the Panels terms of reference.

### **2. Recommendations**

- 2.1 Members are requested to delegate authority to a nominated member to work with the Chief Finance Officer and in consultation with the ACO Resources on reviewing and changing the terms of reference for the Audit & Scrutiny Panel.

### **3. Reasons for Recommendations**

- 3.1 Good governance

### **4. Summary of Key Points**

- 4.1 In reviewing the work plan for this panel and identifying the need to appoint a Chair at the next meeting; it has come to light that a review of the terms of reference should be undertaken and resolved before the appointment of the next chair is made.
- 4.2 It is therefore proposed that the review of the terms of reference together with approval to make appropriate changes is delegated to a member of the panel and the Chief Finance Officer and in consultation with the ACO Resources.
- 4.3 Where changes are identified these will be communicated to the rest of the panel via email in advance of the next meeting.

### **5. Financial Implications and Budget Provision**

- 5.1 None as a result of this report or the work identified.

### **6. Human Resources Implications**

- 6.1 None as a result of this report.

## **7. Equality Implications**

7.1 None as a result of this report.

## **8. Risk Management**

8.1 The work arising from this report will manage a low risk in relation to governance for the terms of reference.

## **9. Policy Implications and links to the Police and Crime Plan Priorities**

9.1 This complies with the principles of good governance.

## **10. Changes in Legislation or other Legal Considerations**

10.1 None.

## **11. Details of outcome of consultation**

11.1 As detailed within the report

## **12. Appendices**

12.1 Joint Audit and Scrutiny Panel Terms of Reference

# **Nottinghamshire Police and Crime Commissioner**

## **Joint Audit and Scrutiny Panel**

### **TERMS OF REFERENCE**

#### **Membership**

This Panel will consist of 5 members appointed from outside Nottinghamshire Police Force and the Police and Crime Commissioner's Office.

#### **Statement of Purpose**

To provide independent assurance on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices.

To enable effective in depth scrutiny of key areas of policing activity to ensure that the Force is meeting the needs of Nottinghamshire.

#### **Responsibilities**

1. To establish formal and transparent arrangements for considering how the corporate reporting, risk management and internal control principles are applied.
2. To assist the Police and Crime Commissioner (PCC) and Chief Constable (CC) in fulfilling their responsibility for ensuring Value for Money.
3. To assist the Chief Finance Officer to the PCC in fulfilling their responsibility as Section 151 (and section 114 of the Local Government Finance Act 1988) Officer relating to probity, lawfulness of expenditure and internal control.
4. To assist the ACO Resources in fulfilling their responsibility as the statutory officer (Section 114 Local Government Finance Act 1988) relating to probity, lawfulness of expenditure and internal control.
5. To oversee an annual programme of scrutiny of key areas of policing activity on behalf of the Police and Crime Commissioner.
6. To make recommendations to the Police and Crime Commissioner.

## **Terms of Reference**

### **CORPORATE GOVERNANCE & REGULATORY FRAMEWORK**

1. To advise the PCC and CC on the adequacy and effectiveness of the systems of internal control and the arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (Value for Money).
2. To review any issue referred to the Panel by the statutory officers of the PCC and CC and make recommendations as appropriate.
3. To review and scrutinise the CC and make recommendations to the PCC as appropriate.
4. To monitor the effective development and operation of risk management and make recommendations where appropriate to the Police and Crime Commissioner.
5. To ensure there is a whistle blowing procedure and to review and scrutinise it to ensure that this is being complied with.
6. To ensure there is an anti fraud and corruption policy and procedure in place and to receive reports in relation to breaches in this policy.
7. To review and scrutinise that the process has been followed in relation to Grievance Appeals by staff.
8. To monitor and challenge in relation to the appointment of consultants and temporary agency staff
9. To review its own effectiveness on an annual basis.
10. To consult with key stakeholders to identify priorities for scrutiny of policing activity.
11. To ensure there is appropriate co-ordination between the internal audit plan, Her Majesty's Inspector of Constabulary (HMIC) inspection and the annual scrutiny programme to avoid duplication.

### **INTERNAL & EXTERNAL AUDIT**

12. To agree the appointment of the External Auditors and the Internal Auditors.
13. To approve the internal audit strategy and annual internal audit plan and receive the external audit plan.
14. To ensure effective co-ordination between the internal and external auditors.

15. To consider the External Auditors Annual Governance Report and Annual Audit Letter.
16. To consider reports of the Internal and External Auditors and any implications relating to the internal control, risk and governance.
17. To maintain, within an agreed timescale, the implementation of agreed recommendations relating to internal audit reports and HMIC inspections and scrutiny reports
18. To ensure action is taken in response to audit reports and where appropriate challenge and review a management comment that disagrees with a valid recommendation.
19. To ensure that all allegations of fraud and irregularity are properly followed up.
20. To commission work from internal and external auditors as may be necessary.

#### **ACCOUNTS & FINANCE**

21. To contribute to the Annual Governance Assurance process for the legal entities of PCC and CC.
22. To recommend the Annual Governance Statement for the Forces accounts to the PCC.
23. To recommend the Annual Governance Statements of the joint accounts to the PCC.
24. To approve and recommend to the PCC the Statement of Accounts.

#### **SCRUTINY**

25. To undertake specific scrutiny reviews requested by the Police and Crime Commissioner.
26. To establish a Scrutiny Review Group per topic. The Review Group could include one Joint Audit and Scrutiny Panel Member and will be further made up of independent people who have knowledge or experience of the topic under scrutiny. A Review Group will have no less than three members and no more than five members.
27. To establish only one Scrutiny Review Group at a time to enable the detailed work required. Each review is anticipated to take approximately six months, with two reviews scheduled per year.
28. To delegate authority to the Scrutiny Review Group to propose the scope of the review for approval by the Police and Crime Commissioner.

29. To receive and consider the findings and recommendations from each Scrutiny Review Group on completion of the review and present the findings to the Police and Crime Commissioner for consideration and response.
30. To receive regular update reports on responses and actions arising from any recommendations made in completed scrutiny reviews.

**Frequency of Meetings**

31. To meet four times per annum at times where key activities require consideration

Last amended by Joint Audit & Scrutiny Panel at its meeting on 14<sup>th</sup> February 2013