



Decision No	2018/20
REPORT TO:	PCC for Lancashire and Chief Constable
REPORT BY:	Steve Freeman
DATE:	14 June 2018
TITLE:	Joint Audit & Ethics Committee membership
	Appendix A refers

EXECUTIVE SUMMARY

This report sets out a proposal to extend the contracts of the current members of the Joint Audit & Ethics Committee to **31st March 2022** and agree to the recruitment of a new Chair for the Committee to be in place from 1st January 2019.

RECOMMENDATION

The Police and Crime Commissioner and the Chief Constable are asked to

- i) Agree to the extension of the contract for each of the existing members of the Joint Audit and Ethics Committee until **31st March 2022**
- ii) Authorise the Director, in conjunction with the Constabulary's Director of Resources, to commence the appointment of a Chair of the Committee (with effect from 1st January 2019)

Should an existing Committee member become chair of the Committee, then the PCC and Chief Constable are recommended to:

- iii) Authorise the Director, in conjunction with the Constabulary's Director of Resources, to undertake a recruitment of one additional member to the Committee if required

Decision taken by the Police and Crime Commissioner for Lancashire:

Original decision, as set out in the attached report, approved without amendment
(please delete as appropriate)

Yes

No

Original decision required to be amended and decision as detailed below:

The reasons for the amended decision are as detailed below:

Police and Crime Commissioner: Comments

DECLARATIONS OF INTEREST

The PCC is asked to consider any personal / prejudicial interests he may have to disclose in relation to the matter under consideration in accordance with the law, the Nolan Principles and the Code of Conduct.

STATEMENT OF COMPLIANCE

The recommendations are made further to legal advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation.

Signed:

Police and Crime Commissioner

Date:

Signed:

Director of the OPCC

Date:

Signed:

Chief Constable

Date:

Signed:

Chief Finance Officer, OPCC

Date:

PART I

1. Background and Advice

Background

The Financial Management Code of Practice for the Police Service of England and Wales sets out a requirement for all Police and Crime Commissioners (PCC) and Chief Constables (CC) to establish an independent audit committee. The Joint Audit and Ethics Committee is key to the PCC's and the CC's delivery of effective governance, assurance, risk management and statutory financial duties.

In 2014 the Joint Audit and Ethics Committee was created for Lancashire consisting of a Chair with a Committee made up of 4 members. The Chair's tenure is for five years ending 31st December 2018 with the option of extending for a maximum of 10 years. The members were appointed for 4 years ending 31st March 2018 with the option of extending for a maximum of 8 years.

The four current members of the Joint Audit and Ethics Committee have confirmed that they would like to take up the option to extend their membership for a further four years. The Chair of the Committee has stated that he does not want to take up the option to extend his tenure beyond 31st December 2018.

The PCC and the CC are asked to consider the request of the current members to extend their tenure on the committee for a further four years.

The PCC and CC are asked to consider the arrangements to be put in place to replace the Chair of the Committee with effect from 1st January 2019.

Performance

The Joint Audit and Ethics Committee meets on a quarterly basis and considers a range of issues and reports.

Reports are received from the Internal Audit team, the PCC and CCs' external auditors and senior managers from both the Office of the PCC (OPCC) and Constabulary. Members of the Committee also provide regular reports to the Committee.

The Committee also provides views on ethical issues reported to the Committee by both the OPCC and the Constabulary.

Appendix A shows the annual report for the Committee that sets out the work undertaken by the committee in 2017/18.

Recommendations

The PCC and CC are asked to consider the performance of the current members of the Joint Audit Committee.

The PCC and CC are **recommended to agree to extend the membership of the current Committee members to 31st March 2022**, those members being:

Mr Stephen Dobson

Mr David Jones

Ms Karol Sanderson

Mr Russ Weaver

The PCC and CC are **recommended to authorise the Director of the Office of the PCC, in conjunction with the Constabulary Director of Resources, to recruit a Chair for the Committee for a period of five years beginning on 1st January 2019.**

If an existing member of the Committee should be successful in becoming the Chair of the Committee, **the PCC and CC are recommended to approve the Director of the Office of the PCC, in conjunction with the Constabulary Director of Resources to recruit a new member to the Joint Audit and Ethics committee until 31st March 2022.**

2. Link to Police and Crime Plan

The arrangements set out in the Terms of Reference meet the requirements of the Police and Reform and Social Responsibility Act 2011 (PRSRA), Home Office Financial Management Code of Practice (FMCoP) and the Chartered Institute of Public Finance and Accountancy Audit Committee Guidance.

The Joint Audit and Ethics Committee demonstrates to all stakeholders that the PCC and CC take their governance and risk management responsibilities seriously.

The Joint Committee assists the PCC in discharging statutory responsibilities in holding the CC to account and helping to deliver an improved policing service. This will be achieved by providing independent assurance on the adequacy of the risk management framework and the associated control environment, independent scrutiny of the organisation's financial and non-financial performance to the extent that it affects exposure to risk and weakens the control environment, and to oversee the financial accounts preparation.

3. Consultation

None

4. Implications:

4.1 Legal considerations

No legal issues have been identified.

4.2 Financial considerations

The cost of any required recruitment will be contained within the existing revenue budget

4.3 Equality considerations

No equality issues have been identified.

5. Background Papers

Officer declaration	Date
LEGAL IMPLICATIONS – As above	

FINANCIAL IMPLICATIONS – As above	
EQUALITIES IMPLICATIONS – As above	
CONSULTATION – As above	
Director to the Office of the Police and Crime Commissioner (Monitoring Officer) I have been informed about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner for Lancashire. Signature.....Date.....	