

Joint Audit Committee

27 October 2025

Responsible Officer:	Impact on Business:		Risk Register Reference & RAG
Jack Hudson Chief Executive	High		
	Medium	X	
	Low		
Lead Manager:	Report Type:		
	Governance	X	
	Strategic		
	Operational		
Previous papers to Committee:			

Report summary	CIPFA published a Position Statement and updated its practical guidance for Audit Committees in 2022.			
Related Police and Crime Plan objective				
Action (tick one box only)	Information <input checked="" type="checkbox"/>	Assurance <input type="checkbox"/>	Approval <input type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation	To review guidance along with the annual review of the committee Terms of Reference, scheduled for February 2026 meeting.			

1. The Chartered Institute of Public Finance and Accountancy (CIPFA) produced 'Practical Guidance for Local Authorities and Police' in 2018.
2. CIPFA issued a Position Statement in 2022 (Appendix A) along with a revised version of the 'Practical Guidance' (Guidance).
3. The revised Guidance is to support audit committee members to understand the purpose of the committee and its functions and responsibilities.
4. The Guidance states it builds on previous editions and is aimed at audit committee members in local authorities; however, there are suggested terms of reference for police audit committees.
5. The Guidance sets out the core functions of an audit committee as shown below:

Maintenance of governance, risk and control arrangements

- Support a comprehensive understanding of governance across the organisation and among all those charged with governance, fulfilling the principles of good governance.
- Consider the effectiveness of the authority's risk management arrangements. It should understand the risk profile of the organisation and seek assurances that active arrangements are in place on risk-related issues, for both the body and its collaborative arrangements.
- Monitor the effectiveness of the system of internal control, including arrangements for financial management, ensuring value for money, supporting standards and ethics and managing the authority's exposure to the risks of fraud and corruption.

Financial and governance reporting

- Be satisfied that the authority's accountability statements, including the annual governance statement, properly reflect the risk environment, and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
- Support the maintenance of effective arrangements for financial reporting and review the statutory statements of account and any reports that accompany them.

Establishing appropriate and effective arrangements for audit and assurance

- Consider the arrangements in place to secure adequate assurance across the body's full range of operations and collaborations with other entities.
- In relation to the authority's internal audit functions:
 - oversee its independence, objectivity, performance and conformance to professional standards
 - support effective arrangements for internal audit
 - promote the effective use of internal audit within the assurance framework.
- Consider the opinion, reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control, and monitor management action in response to the issues raised by external audit.
- Contribute to the operation of efficient and effective external audit arrangements, supporting the independence of auditors and promoting audit quality.
- Support effective relationships between all providers of assurance, audits and inspections, and the organisation, encouraging openness to challenge, review and accountability.

6. The Guidance provides more information on the Position Statement and this is a good reference document for committee members and relevant for reviewing the terms of reference for the committee.