

**WEST MIDLANDS POLICE  
AND CRIME  
COMMISSIONER**

NON-CONFIDENTIAL

**NOTICE OF DECISION**

**003/2013**

---

Contact Officer: David Giles  
Telephone Number: 0121 626 5380  
Email: d.giles@west-midlands.pnn.police.uk  
Title: Establishment of and Appointments to the Joint Audit Committee

---

**EXECUTIVE SUMMARY**

To approve arrangements for the establishment of a Joint Audit Committee with effect from 1 April 2013 and the process for the selection and appointment of Members of the Joint Audit Committee.

**DECISION**

1. That a Joint Audit Committee of 5 members be established with effect from 1 April 2013 with its terms of reference and working protocols being, as set out in this paper.
2. That the process for the selection and appointment of members to the Joint Audit Committee, as set out in this report, be approved as meeting the principles of obtaining value for money as required by the Rules for Contracts and Financial Regulations.

---

**West Midlands Police and Crime Commissioner**

I confirm that I do not have any disclosable pecuniary interests in this decision and take the decision in compliance with the Code of Conduct for the West Midlands Office for Policing and Crime. Any interests are indicated below.

Signature...Bob Jones.....

Date.....16 January 2013.....

## **NON - CONFIDENTIAL FACTS AND ADVICE TO THE POLICE AND CRIME COMMISSIONER**

### **INTRODUCTION AND BACKGROUND**

1. The Home Office Financial Management Code of Practice requires the Commissioner and Chief Constable, as separate Corporations Sole to establish an independent Joint Audit Committee, which amongst other things, will advise the Commissioner and Chief Constable about good governance principles, ensure appropriate risk management arrangements and consider internal and external audit reports to both the Commissioner and Chief Constable. In setting up the Joint Audit Committee the Commissioner and Chief Constable have taken due regard of the CIPFA Guidance for Local Authorities on Audit Committees. The arrangements and proposals detailed herein are compliant with this and other guidance and do represent best practice, in this area.
2. The Joint Audit Committee (JAC) will comprise 5 members, made up of the 3 Non-Executive Members of the Strategic Policing and Crime Board and 2 Independent Members, one of which will undertake the role of Independent Chair of the Joint Audit Committee. The terms of reference and working protocols of the JAC are detailed in Appendix 1 and the role profile for the Independent Chairman is attached in Appendix 2 to this report. The Independent appointments will be made under the principles of public life set out by the Committee on Standards in Public Life (Nolan Principles).

### **APPOINTMENT AND SELECTION PROCESS OF THE INDEPENDENT MEMBERS**

3. The proposed appointments will be made following an open application process. The selection process will be based upon the principles set out in the Code of Practice published by the Commissioner for Public Appointments which relate to ministerial appointments to public bodies. The three basic principles are that appointments be made on merit by an objective, fair and open selection process.
4. Interviews will take place in March 2013. The interview panel will include the Commissioner, the Chief Constable, or their representatives.
5. Persons appointed as Independent Members, to the JAC will not be members of the Commissioner's /Chief Constables' staff nor will they be employees. They will be engaged on a contract for services with detailed terms and conditions which will secure the proper performance of their role in the public interest. Appointees will be engaged for an initial period of 3 years, and the contract for services will be liable for termination by the Commissioner/Chief Constable at any time with immediate effect without any further payment other than outstanding fees. The contract for services will include a requirement for regular reviews of performance under the contract.
6. Fees will be paid at the rate of £5,000 per annum in respect of the Independent Chairman's role and £2,500 per annum in respect of the Independent Members role. The JAC meets 4 times a year. The time commitment expected of the Independent Chair is between 8 and 16 days per annum and in the case of the Independent JAC member, an average of 4 to 8 days per annum. Attendance at required JAC meetings and associated events will be monitored and failure to attend meetings without good reason may lead to deduction from fees or termination of the contract.
7. All applicants will be required to demonstrate that they meet the following selection criteria for appointment to JAC membership:

- Experience in governance of a public body and governing board membership (essential), with Audit experience preferred
- Experience of acting as a Chair (desirable)
- Experience in governance in a policing body (desirable)
- Independence of mind, objectivity and impartiality
- Skill in questioning, probing and holding to account
- Good interpersonal skills, including communication skills and the ability to co-operate with others in a committee setting
- Commitment to the general principles governing conduct, in general and matters of probity and integrity in particular.

### **FINANCIAL IMPLICATIONS**

8. The full year costs of appointments is £7,500. The budget set by the Police Authority for 2012/2013 in respect of Members costs and support was £332,800. The full year total costs for salaries for the PCC, DPCC and members of the Strategic Board, and JAC including national insurance and pension costs will be £300,000. Implementation of the proposals in this report will not therefore create any additional commitment to the provision made for members' costs by the former West Midlands Police Authority.

### **LEGAL IMPLICATIONS**

9. The Commissioner and Chief Constable are required to establish a Joint Independent Audit Committee in accordance with the requirements of the Home Office Code of Practice on Financial Management, which is made, by the Secretary of State under section 17 of the Police Reform and Social Responsibility Act 2011 (the Act) and section 39A of the Police Act 1996.

### **EQUALITY IMPLICATIONS**

10. Appointments will be made in accordance with the Commissioner's/Chief Constables' Equality Policies.

### **ENVIRONMENTAL IMPLICATIONS**

11. Nil

### **Schedule of Background Papers**

Nil

### **Public Access to Information**

Information contained in this decision is subject to the Freedom of Information Act 2000 and other legislation. This decision will be made available on the Commissioner's web site.