

West Mercia Police Audit Progress Report and Sector Update

Year ending 31 March 2023

September 2023



Contents

Section	Page
Key Grant Thornton team members	03
Introduction & headlines	04
The auditor's statutory responsibilities	05
2022/23 Deliverables	07
Sector Update	08

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 30 Finsbury Square, London, EC2A 1AG. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

Key Grant Thornton team members



Jackson Murray,
Key Audit Partner

T 0117 305 7859
E Jackson.Murray@uk.gt.com

Jackson will have ultimate responsibility for the delivery of your audit service. Specifics of the role include:

- leading our relationship with the Police and Crime Commissioner and Chief Constable, ensuring you have access to Grant Thornton's full service offering;
- being a key contact for the Chief Finance Officer and the Joint Audit and Standards Committee (JASC) meeting frequently with key members of management;
- taking overall responsibility for delivering high quality audits which meet professional standards;
- agreeing with you the annual joint audit plan, and a timetable for delivering the work;
- reviewing the audit file, giving particular focus to any key areas of risk or critical judgements exercised during the audits;
- reviewing and signing off all audit reports;
- attending JASC to discuss key issues arising from our work and any recommendations;
- acting as a 'sounding board' on key decisions relevant to our responsibilities as your auditors; and
- sharing good practice identified at other organisations.



Meriel Clementson,
Manager

T 0121 232 5436
E Meriel.H.Clementson@uk.gt.com

Meriel will ensure that all work allocated is carried out on a timely basis in accordance with the firm's professional standards and to the satisfaction of clients and engagement lead.

As the key contact Meriel will be responsible for building and maintaining good working relationships with all colleagues and clients.

To support delivery of the testing strategy she will:

- assist the engagement lead in establishing audit objectives and overall scope;
- ensure key matters which arise during the audits which were not identified at the planning stage are properly assessed and dealt with;
- review the work of in-charge auditor and the wider fieldwork team;
- finalise our draft reports to management;
- manage, motivate and coach team members; and
- control the audits in relation to timescales, budgets and risk management procedures.

Oyin will work as part of the team, leading the on site audit team, providing a service which meets or exceeds client expectations and supports the engagement lead / manager team. Specifics of the role include:

- taking an active part in the audit planning discussions to identify audit risks and appropriate audit strategy;
- communicating any issues relating to the audit with the engagement manager or engagement lead;
- overseeing all aspects of audit fieldwork and completion;
- addressing and discussing queries in respect of technical and audit issues identified during the course of the audit;
- maintaining good working relationships with client staff; and
- delegating work to other members of the audit team, ensuring they understand their responsibilities and have received appropriate on-the-job training / coaching.

Introduction & headlines

This paper provides the Joint Audit and Standards Audit Committee with a report on progress in delivering our responsibilities as your external auditors

The paper also includes a summary of emerging national issues and developments that may be relevant to you.

Members of the Joint Audit and Standards Committee can find further useful material on our website where we have a section dedicated to our work in the public sector. Here you can download copies of our publications.

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

We continue to bring specialists to our update conversations where appropriate to share any learning from our position as a leading audit supplier to the police sector.

You will also have access to our annual Chief Accountant Workshops and any other networking opportunities we create for the various stakeholders.



The auditor's statutory responsibilities

Opinion on the audited body's financial statements

Our work enables us to give an opinion as to whether the financial statements:

- give a true and fair view of the financial position of the audited body and its expenditure and income; and
- have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards and other directions.

Our planning documents our understanding of your key risks, your control environment and informs our testing strategy, which we then undertake during our final accounts testing.

Our joint audit plan summarising our approach to key risks on the audit was discussed at the May 2023 Committee.

We expect to deliver our final accounts audits from November 2023 and anticipate reporting our findings to the Joint Audit and Standards Committee meeting in January 2024.

Work on value-for-money arrangements

Under the 2020 Audit Code of Practice, we are required to undertake sufficient work to satisfy ourselves that the Police and Crime Commissioner and Chief Constable "has made proper arrangements for securing economy, efficiency and effectiveness in their use of resources."

Our initial risk assessment built on our understanding of your arrangements, taking into account any findings from previous work on value for money. We reported our risk assessment against the following reporting criteria to you in May 2023:

- Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the body ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

We will keep our risk assessment under continuous review. Where appropriate, we will update our risk assessment to reflect emerging risks or findings and report this to you. Our final commentary in the Auditors' Annual Report will include:

- a summary of our findings on any risks identified during our work;
- our judgements on the adequacy of the Police and Crime Commissioner and Chief Constable's arrangements for each of the three reporting criteria, as set out above;
- any recommendations made to management as a result of our work; and
- a follow up of progress against any recommendations raised in previous audits.

The auditor's statutory responsibilities

Other responsibilities

We are required to give an opinion on whether:

- other information published together with the financial statements is consistent with the financial statements.

We are also required to:

- consider whether the Annual Governance Statement complies with relevant disclosure requirements and whether it is consistent with the information we are aware of from our audit; and
- examine and report on the consistency of 'Whole of Government Accounts' consolidation schedules with the financial statements.

We will complete this work as part of our financial statements visit.

Other statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audits.

Our work to date has not required us to report any such matters to you.

Added value

Grant Thornton has a large Public Sector practice and is a key supplier to the market. As a valued audit client, you will receive:

- the opportunity to access support from experienced technical colleagues. This means you will be at the forefront of accounting developments. Through this relationship we also ensure that communication works both ways and feed issues back from our clients;
- insight from our regular meetings within the sector where we discuss emerging developments. We will also raise any areas of concern that you have over policy, procedure, or regulation with your regulators; and
- technical and sector updates for the Joint Audit and Standards Committee.



2022/23 deliverables

2022/23 Deliverables	Planned Date	Status
Accounts Joint Audit Plan We are required to issue a detailed accounts joint audit plan to the Joint Audit and Standards Committee setting out our proposed approach in order to give our opinions on the 2022/23 financial statements.	May 2023	Issued
Joint Audit Findings (ISA260) Report We expect that the Joint Audit Findings Report will be reported to the January 2024 Joint Audit and Standards Committee.	January 2024	Not yet due
Auditors Reports These are the opinions on your financial statements and annual governance statement.	January 2024	Not yet due
Auditor's Annual Report The key output from local audit work on arrangements to secure VFM is an annual commentary on arrangements, which will be published as part of the Auditor's Annual Report (AAR). We expect to issue a final version of the AAR alongside our Auditors Reports in January 2024.	January 2024	Not yet due

Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- **Grant Thornton Publications**
- **Insights from sector specialists**
- **Accounting and regulatory updates**

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logos below:

A teal rectangular button with the text "Public Sector" in white, sans-serif font, centered within the button.

Public Sector

Proposals to help address Local Authority audit delays

In July 2023 a letter was circulated to Local Authority Chief Executives, Local Authority Leaders and Chief Financial Officers in England, and Local Audit Firm Partners setting out work undertaken by DLUHC and Financial Reporting Council colleagues to address the significant backlog in audits. This letter and supporting paper have been circulated to the members of the Joint Audit and Standards Committee by management.

The letter noted that at the time of writing, just 27% of audits of the 2021/22 financial year had been completed across Local Government (including Police). The 2021/22 audits of West Mercia PCC and Chief Constable were concluded in March 2023, and so are included within the 27% and at the time of this report, are up to date.

The letter sets out a summary of proposals. These would require legislation in order to enact them and until such legislation is issued, and the letter notes that it is hoped arrangements would be in place to allow implementation from December 2023. The proposals include:

Introduction of statutory deadlines for accounts and audits, dating back to 2015/16 (“backstop”)

This would require auditors, where accounts and / or audits are not available or complete, to issue qualified opinions by set deadlines. Whilst the dates have not been confirmed, we do not anticipate this being a requirement for West Mercia Police given that we are currently up to date for audit years up to and including 2021/22.

We have previously reported to the Committee that we will not meet the 30 September 2023 audit date for 2022/23 as currently set out in the Local Audit and Accountability Act 2014. We confirm on page 7 that we anticipate issuing our auditors reports and final Auditors Annual Report in January 2024. It is not expected that the 2023/24 backstop date would be prior this, and hence we expect to complete a normal audit and issue normal audit reports for West Mercia PCC and Chief Constable for the 2022/23 financial year.

Changes to NAO Code of Audit Practice

Consideration is being made to the level of audit work required on certain balances – namely the net defined benefit pension liability and non-investment property and land assets. Should these changes be made, it is expected to reduce the level of audit work required on these balances. Your financial statements would still need to comply with the CIPFA Code for reporting these balances. Should any changes come into force before the date of our audit opinions, we will consider if a reduction in the level and/or scope of our work would be appropriate for the 2022/23 financial year.



Department for Levelling Up,
Housing & Communities

Courts operate at full throttle to cut delays

The Crown Court will work at maximum capacity for the third year running to reduce waiting times to deliver access to justice. The decision to continue not to cap judicial 'sitting days' will mean the Crown Court can hear the highest possible number of criminal cases this year.

Court buildings across the country will also benefit from £220 million for essential modernisation and repair work across the next 2 years, meaning annual investment will increase to £120 million by March 2025 - to minimise disruptions caused by old buildings. These improvements will maintain the heritage of the estate while ensuring it is equipped with the latest technology to deliver modern justice, as well as improving accessibility for all court users. The announcement builds on the 24 Nightingale courtrooms – opened as temporary spaces to boost capacity following the pandemic – that have remained open in 2023.

The Crown Court worked for more than 100,000 sitting days across the country last year after the caps in place before the pandemic were removed. It heard cases for more than 98,500 days in 2021/22 after the Ministry of Justice first lifted the cap, compared to around 82,000 in 2019/20. In May and June this year, criminal courts dealt with thousands more cases compared to previous months as judges, court staff and those across the legal profession worked to tackle the outstanding caseload. Over 10,000 days were sat in March alone - the most days in a single month since July 2015.

The full article can be found [here](#).

HMICFRS

New police performance data published

Data about police performance has been consolidated and made available.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) has worked closely with the National Police Chiefs' Council (NPCC), Association of Police and Crime Commissioners (APCC), College of Policing, National Crime Agency (NCA) and Home Office to publish the new public-facing Digital Crime and Performance Pack.

The data shows the performance of all 43 police forces in England and Wales against the measures in the Government's beating crime plan, including homicide and burglary.

The reports can be found [here](#).



HMICFRS

Policing is making progress in some areas, but forces still need to get a grip on performance

In a new report, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) has highlighted police forces' progress in recording crime, increasing from an estimated 80.5 per cent of all crime being recorded (excluding fraud) in 2014 to 92.4 per cent at the end of 2021/2022 inspections.

However, the inspectorate has found that too many forces are failing to properly understand and manage their own performance, meaning they don't know what issues are most important to tackle and where and how they can improve.

Inspectors highlighted several other issues that policing needs to address to improve the service they provide to the public. These include:

- too many forces make decisions based on poor data or insufficient analysis of data;
- forces too often have knee jerk reactions to long term problems and don't work proactively enough to prevent issues arising in the first place;
- first-line supervisors are critical to improving performance and developing the right culture in forces, but they are not getting the investment and support they need;
- the public is too often being failed at the first point of contact, with long call delays, in particular non-emergency 101 calls; and
- the workforce is increasingly under-resourced and under skilled, with forces not doing enough to understand why such a large proportion of its workforce are leaving and having any plans in place to tackle it.

The report can be found [here](#).



