

# Warwickshire Police Audit Progress Report and Sector Update

**Year ending 31 March 2022**

January 2023



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the entity or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Introduction & headlines

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This paper provides the Joint Audit and Standards 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.



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# Progress at January 2023

## 2021/22 Financial Statements audits and Value for Money work

Following the Joint Audit and Standards Committee meeting held 29 November 2022 we issued unmodified opinions on the financial statements of both the PCC and the Chief Constable on 30 November 2022. This was in accordance with the provisions of the Accounts and Audit (Amendment) Regulations 2022 (SI 2022 No. 708) that came into force on 22 July 2022, which required publication of audited local authority accounts by 30 November 2022 for the 2021/22 financial year, or a notice to explain that the audit was ongoing.

On the same date we also issued our final Auditors Annual Report for 2021/22 which set out our commentary on the arrangements in place to secure Value for Money.

As raised to the JASC on 29 November 2022, we were unable to certify the closure of the 2021/22 audits as the national guidance for Whole of Government Accounts audit procedures has yet to be issued.

We set out the final fees for the audits, which are in line with those previously reported to management:

PCC - £37,847 (PY £37,897)

CC - £18,113 (PY £17,900)

# 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.

Public Sector

A purple rectangular button with the text "Police" in white.

Police

# Home Office



## NPCC led review: operational productivity of policing

Total funding for policing in 2022 to 2023 is nearly £17 billion - the highest for over a decade. By April 2023 central government will have invested over £3.5 billion in supporting the recruitment of 20,000 additional police officers through the Police Uplift Programme, of which 13,790 have been recruited so far.

It is therefore crucial that national forces deliver the best possible value for the public from this investment. The Home Secretary has asked the National Police Chiefs' Council to lead a review of productivity in policing. This review intends to improve the understanding of effectiveness and productivity in policing, identifying the barriers and the most efficient operating models. The review will also look at the scope for using new technology or streamlining processes and removing bureaucracy to drive efficiency and better outcomes.

The review will be led by Sir Stephen House, supported by an advisory board including His Majesty's Chief Inspector of Constabulary and Fire & Rescue Services (HMICFRS), the chief executive of the College of Policing and Association of Police and Crime Commissioners (APCC). Terms of reference will be published in due course, following agreement by the advisory board and Home Office. It is expected to report within 12 months and with interim findings in spring 2023

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

# Association of Police and Crime Commissioners

## NCA Director General set to prioritise fraud

Home Secretary Priti Patel has appointed Graeme Biggar CBE as Director General of the National Crime Agency (NCA) to lead the fight against serious and organised crime and bring drug and people traffickers to justice.

One of his focuses as Director General will be on improving fraud investigations and ensuring the NCA have the resources it needs to investigate and disrupt widespread corruption, tackle fraud as well as go after businesses that enable money laundering.

APCC Lead for Fraud and Police and Crime Commissioner, Mark Shelford said: “I am delighted to hear the news that the new Chief of the NCA will be prioritising fraud, especially as this type of crime continues to increase exponentially. Fraud is one of the fastest growing crime types and I have heard first-hand how it impacts those who fall victim to it. We must get a handle on this situation to stop more people becoming victims and recognising fraud as a priority is the first step in effectively investigating this type of crime.”

See the full article [here](#).



# Association of Police and Crime Commissioners

## Leading the way in tackling climate change

APCC Environment and Sustainability Leads say Police and Crime Commissioners (PCCs) are ‘at the heart of the decarbonisation agenda’ in the latest In Focus report published in August.

Climate change is an important issue for the British public and this gives PCCs a strong mandate as the public’s voice to ensure that policing is striving to meet its challenges and taking the steps to mitigate the risks that it poses. Joint National Leads and Police and Crime Commissioners Joy Allen and Tim Passmore pledge their commitment to ensuring all commissioners play their full part in achieving the Net Zero ambition in the latest In Focus report on Environment and Sustainability.

The report highlights the work that PCCs are doing up and down the country to reduce the carbon footprint in their force area and ensure a sustainable future.

With the Government committed to achieving Net Zero carbon emissions by 2050, and the College of Policing identifying climate change as one of the ten most significant challenges for policing over the next ten years, the APCC has joined forces with its policing partners at the National Police Chiefs Council and Bluelight Commercial, to deliver a policing decarbonisation programme, first launched in November 2021.

Review the full report [here](#).





# Association of Police and Crime Commissioners

## APCC Impact Report 2021/2022

The Association of Police and Crime Commissioners has published its annual Impact Report, setting out how the organisation and PCCs have been making a difference over the past year. Work highlighted within the 2021/22 report includes how the APCC has supported members post the 2021 elections and how membership has grown.

Review the full report [here](#).



# Audit Committees: Practical Guidance For Local Authorities And Police – CIPFA

In October CIPFA published this guide, stating “This fully revised and updated edition takes into account recent legislative changes and professional developments and supports the 2022 CIPFA Position Statement. It includes additional guidance and resources to support audit committee members, and those working with and supporting the committee’s development.”

CIPFA go on to state “Audit committees are a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams, elected representatives, police and crime commissioners and chief constables.

This edition updates CIPFA’s 2018 publication to complement the 2022 edition of the CIPFA Position Statement on audit committees.

The suite of publications has separate guidance resources for audit committee members in authorities, members of police audit committees, and a supplement for those responsible for guiding the committee.

New aspects include legislation changes in Wales and new expectations in England following the Redmond Review. All authorities and police bodies are encouraged to use the publication to review and develop their arrangements in accordance with the Position Statement.

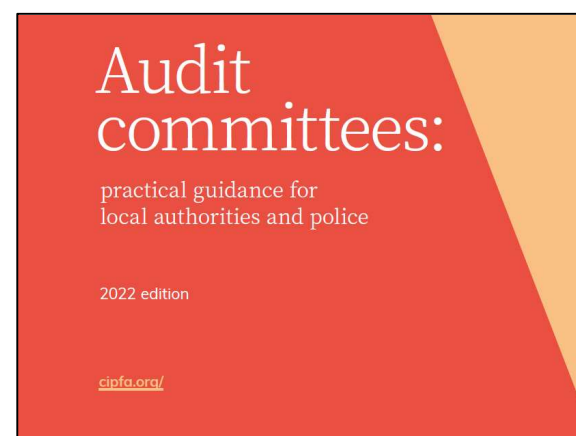
The appendices include suggested terms of reference, a knowledge and skills framework and effectiveness improvement tools.”

The guide covers a number of key areas for Audit Committees, including:

- Purpose
- Core functions:
  - Governance, Risk and Control
  - Accountability and Public Reporting
  - Assurance and Audit arrangements
  - Ensuring focus
- Independence and accountability
- Membership and effectiveness

The guide can be purchased via the CIPFA website:

[Audit Committee Guidance: 2022 update | CIPFA](#)



# Audit Market Developments

## Financial Reporting Council Report On The Quality Of Local Audit

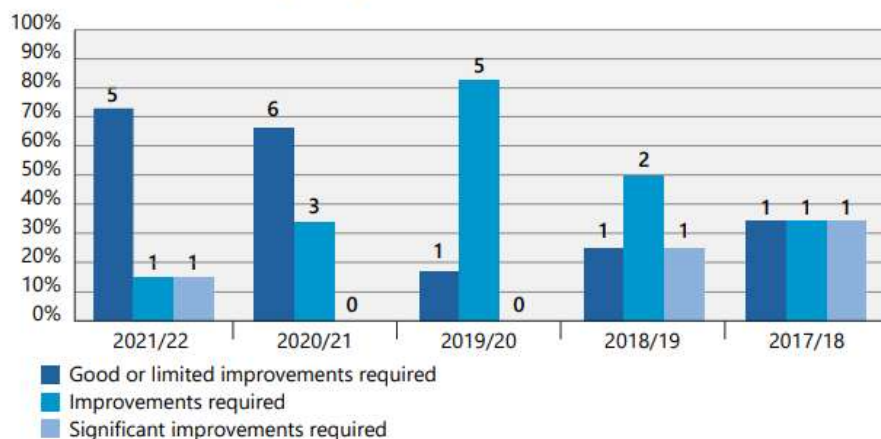
In late October 2022 the Financial Reporting Council (FRC) published its inspection findings into the quality of major local body audits in England, which includes large health and local government bodies.

The Quality Assurance Department (QAD) of the Institute of Chartered Accountants in England and Wales (ICAEW) inspects a sample of local audits that do not meet the definition of a 'major' local audit and the FRC's report also includes a summary of their findings.

The FRC reported that 71% of Grant Thornton audits inspected (7 in total) were assessed as either good or limited improvements required.

This is a pleasing result and reflects on our significant investment in audit quality over recent years. The positive direction of travel over the past five years is illustrated below:

Our assessment of the quality of financial statement audits reviewed



The FRC also inspected our work on VfM arrangements at four bodies.

It is pleasing to note that all of these inspections were assessed as requiring no more than limited improvements (which is the same as the previous year).

As far as the ICAEW are concerned, overall, the audit work reviewed was found to be of a good standard.

Seven of the eight files reviewed (88%) were either 'good' or 'generally acceptable', but one file 'required improvement'.

The ICAEW identified one of our files as requiring 'Improvement' – but it should be noted that this was a 2019-20 file and therefore the learnings from prior years' review could not have been taken into account, an issue recognised by the ICAEW in their report to us.

The ICAEW found that our VfM work was good on each of the files reviewed, and they did not identify any issues with this aspect of the audit teams' work.

Whilst are pleased with our continuing improvement journey, we continue to invest in audit quality to ensure that the required standards are met.

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



Financial Reporting Council



