

From: Matthew Scott, Kent Police and Crime Commissioner
To: Kent and Medway Police and Crime Panel
Subject: Annual Report 2017/18
Date: 19 July 2018



INTRODUCTION:

1. Attached at Appendix A is the Police and Crime Commissioner's (PCCs) Annual Report for 2017/18.
2. As per the requirements outlined in Section 12 of the Police Reform and Social Responsibility Act 2011, the Annual Report documents progress made between 1 April 2017 and 31 March 2018 in meeting the objectives within the Police and Crime Plan.
3. In addition, the Annual Report:
 - discharges the PCCs duty under the Ministry of Justice's Grant Agreement for victim services funding¹; and
 - reports on the number of deaths and serious incidents in Kent Police custody suites².
4. With the agreement of Panel Officers, and in light of the financial year closedown being completed earlier than previously, the Annual Report also includes Key Financial Information for 2017/18.

STATEMENT OF ACCOUNTS 2017/18:

5. The Statement of Accounts is a statutory document that is produced annually. It presents financial performance in a legally defined way in line with The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice. As the PCC and Chief Constable are both classified as corporations sole they both have to produce their own set of accounts. The Chief Constable accounts show the financial resources used for operational purposes during the year. The PCC accounts incorporate the Chief Constable's accounts and are the financial statements for the Group.
6. Further to discussion with Panel Officers, there is no statutory requirement for the Statement of Accounts to be presented to the Police and Crime Panel. However, for Members information, and in light of the full set of accounts running to over 180 pages, please find below the Chief Finance Officer's update on the Statement of Accounts for 2017/18.
7. The closedown of the financial year was completed and the draft Statement of Accounts were published by the end of April 2018. This was a month ahead of the statutory deadline and earlier than Kent have closed before. The external auditors have examined the accounts and have provided an unqualified opinion. The final audited Statement of Accounts will be published in July, again ahead of the statutory deadline. This is a significant achievement and all those involved should rightly be congratulated. The early closedown for 2017/18 has been a success and the process highlighted a number of lessons to be learned to enable future year's closedown to become even more efficient.
8. It should be noted that during the audit of the accounts an error of approximately £1m was discovered on the balance sheet. Although this did not meet the materiality threshold for the accounts, it did have a significant impact on a number of the notes to the accounts and increased the level of reserves held by the PCC. The PCC felt that in the interests of transparency that the accounts should be reworked to reflect the error. The PCC's Chief Finance Officer is also going to commission an independent review of the financial figures included in the balance sheet to provide assurance to the PCC that there are no further issues.
9. The full Statement of Accounts, Audit Results Report and details of the changes between the draft and final audited accounts were discussed at the Joint Audit Committee on 10 July 2018, and can be found [here](#).

¹ Section 3.2 'The PCC must specify the Support Services they have commissioned or provided with a Grant, including referral services, in any Annual Report they produce pursuant to Section 12 of the Police Reform and Social Responsibility Act 2011

² Recommendation 53, Independent Review of Deaths and Serious Incidents in Police Custody 'PCCs should report annually on deaths and serious incidents in police custody in their jurisdictions'.

