

From: Matthew Scott, Kent Police and Crime Commissioner
To: Kent and Medway Police and Crime Panel
Subject: Annual Report 2018/19
Date: 12 June 2019



INTRODUCTION:

1. Attached at Appendix A is the Police and Crime Commissioner's (PCCs) Annual Report for 2018/19.
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 2018 and 31 March 2019 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;
 - includes Key Financial Information for 2018/19; and
 - reports on the number of deaths and serious incidents in Kent Police custody suites².

STATEMENT OF ACCOUNTS 2018/19:

4. 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.
5. 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 2018/19.
6. The closedown of the financial year was completed and the [draft Statement of Accounts](#) made available for public inspection on 1 May 2019. This was a day later than planned due to a late notification from our actuary regarding their pension figures which necessitated last minute changes. However, it was still a month ahead of the statutory deadline. The external auditors have examined the draft accounts and initial feedback has identified a couple of adjustments required before publication of the final accounts. The lead auditor has stated that preparation for the accounts has been 'good' and that there are 'no governance or control issues'. The auditors overall opinion is expected in July. 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. Whilst the early closedown is a success, it is also challenging and all processes will be reviewed to ensure the production of the Statement of Accounts is as efficient and accurate as possible.
7. Members may recall that during the 2017/18 accounts process an error of approximately £1m was discovered on the balance sheet. As a result, the PCC instigated an independent review of the financial system used by the force which reported back earlier this year. The review has provided assurance that the system is configured correctly and in line with business processes. However, there were some recommendations around user training and performance monitoring which either have been, or are in the process of being implemented. The PCC's Chief Finance Officer retains oversight and it is being monitored by the Joint Audit Committee (JAC).
8. The draft Statement of Accounts were scrutinised by the JAC at their Annual Review meeting on 23 May 2019. The full Statement of Accounts, Audit Results Report and details of the changes between the draft and final audited accounts are scheduled to be discussed at the JAC on 11 July 2019.

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'.