

To: Kent and Medway Police and Crime Panel

Subject: Annual Report 2021/22

Date: 27 September 2022

Introduction:

1. Attached at Appendix A is the Police and Crime Commissioner's (PCCs) Annual Report for 2021/22.
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 2021 and 31 March 2022 in meeting the objectives within the Police and Crime Plan.
3. In addition, the Annual Report:
 - discharges the PCC's duty under the Ministry of Justice's Grant Agreement for victim services funding¹;
 - includes Key Financial Information for 2021/22; and
 - reports on the number of deaths and serious incidents in Kent Police custody suites².

Statement of Accounts 2021/22:

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 statement for the PCC and for the Group as a whole.
5. There is no statutory requirement for the Statement of Accounts to be presented to the Police and Crime Panel. However, the financial information contained within the PCC's Annual Report is taken directly from the narrative foreword to the accounts. For Members' information, please find below the Chief Finance Officer's (CFO's) update on the current progress for the completion of the Statement of Accounts for 2021/22.
6. The production of the Statement of Accounts for 2021/22 has gone well. The complexities of producing a large document of interconnected financial information is no small feat and the continued challenges of Covid; a number of significant vacancies within the Force Finance Team; alongside dealing with the current year budget have all provided complications during the closedown process.
7. The extended deadlines for publishing the draft and final accounts were retained for this year meaning that the draft accounts had to be published by the end of July 2022. We made our draft accounts available for public inspection on 1 July ahead of the statutory deadline and in line with the previous year. Ernst and Young (EY), who are our external auditors have completed their initial audit work in line with expectations.
8. EY still have further work to undertake but shared their draft Audit Results Report at the Joint Audit Committee (JAC) on 20 September. At this stage the report states that EY are expecting to issue an unqualified opinion on the accounts for 2021/22. There have been no material misstatements or errors that have required correction and EY have provided a positive value for money opinion. We still have to wait for the audit of the Pension Fund operated by KCC, the timing of which sits outside of our control, but it is hoped that this will be completed ahead of the final sign off at the end of September.

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'.

9. Due to the unknown timing of the Pension Fund audit, there is a risk that sign off may not occur in September, however, we should be able to complete the process by 30 November which is the deadline for publication of the audited Statement of Accounts.
10. Both CFOs are pleased at how well the accounts and audit have progressed this year despite numerous challenges and competing demands. This is down to the fantastic cooperation between the Force Finance Team and EY who have continued to work effectively together.
11. The draft Statement of Accounts were scrutinised by the JAC at their meeting on 17 June 2022 ahead of publication. The audited Statement of Accounts, Audit Results Report and details of the changes between the draft and final audited accounts are scheduled to be discussed and scrutinised at a future JAC meeting.

Recommendation:

12. The Kent and Medway Police and Crime Panel is asked to review and comment on the Annual Report.