

OFFICE OF THE POLICE & CRIME COMMISSIONER FOR HUMBERSIDE/  
HUMBERSIDE POLICE

**JOINT INDEPENDENT AUDIT COMMITTEE**

Monday, 25 September 2023 - 10.00AM

Office of the Police and Crime Commissioner, The Lawns, Harland Way, Cottingham,  
HU16 5SN

**A G E N D A**

<b>Business</b>		<b>Lead</b>	<b>Primary Action Requested</b>
1. Minutes of meeting 17 July 2023	Pages (1 - 3)	Chair	To approve
2. JIAC Action Schedule	Page (4)	Chair	To receive
3. Annual Cycle of Business 2023/24	Page (5)	Chief Finance Officer (OPCC) & Head of Finance and Business Services (HP)	To receive

**External Audit**

4. Draft Audit Strategy Memorandum 2022-23	Pages (6 - 40)	Mazars	To receive
5. Audit Certificates (OPCC and HP)	Pages (41 - 44)	Mazars	To receive

**Internal Audit**

6. Progress Reports	Pages (45 - 53)	West Yorkshire Police (Internal Audit)	To receive
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**Other Business**

7. Any Other Business	-	Chair	-
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**HUMBERSIDE POLICE/OFFICE OF THE POLICE & CRIME COMMISSIONER****JOINT INDEPENDENT AUDIT COMMITTEE****MONDAY, 17 JULY 2023****Office of the Police and Crime Commissioner, The Lawns, Harland Way, Cottingham,  
HU16 5SN****PRESENT****Members:**

Chris Brown (Chair), Melissa Dearey, Kathryn Lavery, Nigel Saxby and Gerard Wareham

**Officers:**Humberside Police (HP)

Andrea Mennell - Head of Finance, and James Tabor - Strategic Planning Manager

Office of Police and Crime Commissioner (OPCC)

Martyn Ransom - Deputy Joint Chief Finance Officer/Section 151 Officer, Paul Wainwright - Head of Assurance and Statutory Duties, and Kevin Wilson - Chief Finance Officer

Auditors

Louise Stables (External Audit) and Neil Rickwood (Internal Audit)

Committee Manager

Samm Campbell

**24/23 MINUTES OF 20 MARCH – Agreed** - That the minutes of the meeting held on 20 March 2023 be confirmed as a correct record.**25/23 JIAC ACTION SCHEDULE - Received** - That the Action Schedule be received.**26/23 ANNUAL CYCLE OF BUSINESS 2023/24****Agreed** - (a) That the Annual Cycle of Business 2023/24 be received, and

(b) that, from 2024/25 forward, the Committee's July meeting be replaced with a training event.

**27/23 STRATEGIC RISK UPDATE** - The Committee received updates on the strategic risk registers of the Office of the Police and Crime Commissioner, and Humberside Police submitted by James Tabor - Strategic Planning Manager and Paul Wainwright - Head of Assurance and Statutory Duties respectively.

With regard to the OPCC, two further strategic risks had been added since the previous report: Volunteer Schemes and PCC Election 2024. The Volunteer Schemes risk referred to potential data loss by volunteers but was mitigated through a range of approaches including volunteers being with staff at all times, paperwork being destroyed after each meeting, volunteers being vetted and trained, and access only to redacted printed material. The PCC Election 2024 risk referred to the next PCC Election in May 2024. As with the two previous

elections, the OPCC (not the actual incumbent PCC, who would not be able to utilise the Office's resources for election purposes) would pay close attention to manifestos and campaigns. The OPCC staff would receive regular updates and media briefings on protocol.

With regard to Humberside Police, two risks had been archived since the previous report:

**Archived Risk: 06/22 Firearms Licensing** - Based on the implementation of Niche and migration of the risk flags which notified departments if certificate holders had an interaction with the police/court as well as how certificate holders were all updated on PNC, which meant that if one was arrested it would link directly into the National Firearms Licensing Management System. Humberside Police was now satisfied that the original risk as defined had been mitigated.

**Archived Risk: 09/21 BMW N57 3.0 litre 6-cylinder engine** - Changing oil and filters at circa 4,500 miles had proven to be effective in managing the risk of oil and bearing deterioration with no concerns being highlighted in oil test results. The operational capability of the core SOU fleet is in the main restored to pre-N57 levels and, subsequently, could be managed through fleet services.

The Committee asked about reporting on police legitimacy and it was explained that, while this risk had previously been de-escalated, the Police continued to gauge public mood on this issue. The Committee was keen to see more reporting on police legitimacy

**Agreed** - That the updates be received.

**28/23 EXTERNAL AUDIT PROGRESS UPDATE** - The Committee received an update presented by Louise Stables (Mazars).

The Committee received the following updates on the three open audits:

**2020/21 audit** - We received group instructions from the National Audit Office (NAO) allowing us to complete our work on 2020/21 Whole of Government accounts and we issued an assurance statement to the National Audit Office on 18 December 2022. However, we are unable to issue our certificate formally closing the 2020/21 audit because the NAO have not yet responded to our query about whether the Group has been selected for additional procedures. When we receive confirmation on this, we will be able to issue the audit certificate and finally bring the 2020/21 audit to a conclusion.

**2021/22 audit** - We completed our audit of the 2021/22 financial statements and issued our audit opinion on 14 December 2022. We completed our work on the Commissioner and Chief Constable's value for money arrangements and issued our Auditor's Annual Report (AAR) on 7 March 2023. We presented the AAR to JIAC on 20 March 2023. We received group instructions from the National Audit Office for the 2021/22 Whole of Government accounts in February 2023. We issued an assurance statement to the National Audit Office on 19 June 2023. However, again the instructions suggest additional procedures will be required at a sample of authorities, and details of these authorities and procedures remains outstanding at the time of drafting this report, meaning we are unable to issue the audit certificate and conclude our work for 2021/22.

**2022/23 audit** - We are updating our risk assessment and our planning for the 2022/23 audit. We will present our formal Audit Strategy Memorandum to a future meeting of the JIAC. At this stage we do not anticipate any significant changes in the scope of the audit opinion work, the approach or timeline. However, we wish to draw your attention to the requirements of the revised ISA 315 which applies to the Commissioner and Chief Constable's 2022/23 audits and underpins the work we are required to carry out to Audit progress 5 Audit progress identify and assess the risks of material misstatement. This enhanced standard will require additional audit work and it is likely that we will need additional information and responses from the Commissioner and Chief Constable's management beyond those asked at previous audits. We have included a short summary of the key points from the revised ISA315 within this report and we will continue to liaise with management on the information required and any impact on our risk assessment. The NAO has confirmed that there are no changes to their requirements for the auditor's value for money commentary on the Commissioner and Chief Constable's arrangements for 2022/23. The 2022/23 audit will be the last one under the current contract with Public Sector Audit Appointments Limited (PSAA). We are pleased to confirm that PSAA have recently appointed us as your auditors for a further five years, commencing with the 2023/24 audit.

**Agreed** - That the update be received.

**29/23 INTERNAL AUDIT PROGRESS REPORTS** - The Committee received the progress report presented by Neil Rickwood - Head of Audit.

Since the previous meeting, the only outstanding audit relating to the 2022/23 audit cycle was the Custody Services Review which had been issued as a draft report (June 2023 - reasonable assurance) and a meeting had been arranged to agree management feedback/responses in early July. As reported previously the IS audit work had been carried forward for completion as part of the 2023/24 audit plan due to the delays in obtaining agreement and approval for a joint audit programme with SYP.

**Agreed** - That the Progress Reports be received.

**30/23 FEEDBACK FROM THE FORCE HMICFRS ASSURANCE GROUP** - The Committee had received an update from Members that had attended the recent Assurance Group meetings.

**Agreed** - That the update be noted.

**31/23 OTHER BUSINESS** - It was noted that Kevin Wilson was due to leave the OPCC and that the Committee's 25 September 2023 meeting would be his last. Members thanked Kevin and wished him well in his future endeavours.



**ROLLING ACTION SCHEDULE OF JOINT INDEPENDENT AUDIT COMMITTEE - HUMBERSIDE POLICE/OFFICE OF POLICE & CRIME COMMISSIONER**

Date of Meeting	Agenda Item	Minute Number	Action	Officer to Action	Complete/Update
19 June 2023	Other Business - Training	23/23	That the Committee received training on internal governance	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	
12 December 2022	Auditor's Completion Report Follow Up Letter 2021/22	54/22	(b) That, once the follow up letter Auditor's Completion Report Follow Up Letter 2021/22 is available, it be shared via email to the GAS Committee for information prior to formal consideration of it at the next meeting.	Gavin Barker - External Audit	<b>Complete</b>
26 September 2022	External Audit Completion Report	43/22	(b) that the Committee be updated in relation to the disaster recovery exercise referred to in the report; (c) that the Committee be updated on the actions arising from the report, and (d) that future reports contain more detailed management responses to recommendations.	Gavin Barker - External Audit	<b>Complete</b>
20 June 2022	Strategic Risk Update	21/22	(c) that the full risk register be circulated to the Committee.	James Tabor - Strategic Planning Manager	<b>Complete</b> – the register was circulated.
20 June 2022	Internal Audit Progress Update	24/22	(b) that subsequent internal audit reports contain timelines for recommendations.	Neil Rickwood (West Yorkshire Police)	<b>Complete</b> – the report was updated at the 26 September meeting..
21 March 2022	Declarations of Gifts, Hospitality and Sponsorship	09/22	(a) That the Gifts and Hospitality form be amended to include an additional column to include who offered the gift/hospitality.	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	<b>Complete</b> – this is now included.
21 March 2022	Declarations of Gifts, Hospitality and Sponsorship	09/22	(b) That the Chief Executive of the OPCC publish a separate register of interests form.	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	<b>Complete</b> – register of interests completed annually.





**JIAC Annual Cycle of Business**

Agenda Item/Issue	19 Jun 2023	17 Jul 2023	25 Sep 2023	11 Dec 2023	18 Mar 2024	Lead
<b>Standing Items</b>						
Minutes of previous meeting	X	X	X	X	X	Committee Manager
Action Schedule	X	X	X	X	X	Committee Manager
Draft Annual Cycle of Business for next financial year					X	Committee Manager
Timetable of Meetings				X		Committee Manager
<b>Statutory and Corporate Governance &amp; Risk Management</b>						
Risk Registers (full review)		X		X		Paul Wainwright - Assurance Manager (OPCC)/James Tabor - Strategic Planning Manager (HP)
Force Complaints Update			X		X	Clare Rex - Statutory Operations Manager (OPCC)
Draft Annual Governance Statements					X	Paul Wainwright - Assurance Manager (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Declarations of Gifts, Hospitality & Sponsorship ( <i>link to Force &amp; OPCC websites</i> )					X	Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>Finance</b>						
Treasury Management Strategy					X	Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Mid-Term Review				X		Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Annual Report	X					Kevin Wilson - Chief Finance Officer (OPCC)
Draft Accounts	X					Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Audited Accounts	X					Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>External Audit</b>						
Audit Strategy Memorandum	X					Gavin Barker - Mazars (External Audit)
Report Updates	X			X		Gavin Barker - Mazars (External Audit)
Audit Completion Report		X				Gavin Barker - Mazars (External Audit)
Auditor's Annual Report	X			X		Gavin Barker - Mazars (External Audit)
Audit Opinion		X			X	Gavin Barker - Mazars (External Audit)
<b>Internal Audit</b>						
Annual Audit Plan (Review and Approve)					X	Neil Rickwood - West Yorkshire Police (Internal Audit)
Progress Reports (including any final reports)	X	X	X	X	X	Neil Rickwood - West Yorkshire Police (Internal Audit)
Head of Internal Audit Opinion and Annual Report						Neil Rickwood - West Yorkshire Police (Internal Audit)
<b>Force Update</b>						
Force HMICFRS Assurance Group Update	X	X	X	X	X	JIAC Members
Update on Numbers and Deployment of Additional Recruited Officers	X			X		Emma Bowen - Head of People Services (HP)

<b>Additional Items</b>						





# Audit Strategy Memorandum

Police and Crime Commissioner for  
Humberside

Year ending 31 March 2023



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- 07** Our commitment to independence
- 08** Materiality and misstatements
  
- A** Appendix A – Key communication points
- Appendix B – Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

This document is to be regarded as confidential to the Police and Crime Commissioner for Humberside and the Chief Constable for Humberside. It has been prepared for the sole use of the Police and Crime Commissioner and Chief Constable. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

Mr J Evison – Police and Crime Commissioner for Humberside  
Mr P Anderson – Chief Constable for Humberside  
Humberside Police Headquarters  
Priory Road

HU5 5SF

13 September 2023

Dear Sirs

## Audit Strategy Memorandum – Year ending 31 March 2023

We are pleased to present our Audit Strategy Memorandum for the Police and Crime Commissioner for Humberside and the Chief Constable for Humberside for the year ending 31 March 2023. The purpose of this document is to summarise our audit approach, highlight significant audit risks and areas of key judgements and provide you with the details of our audit team. As it is a fundamental requirement that an auditor is, and is seen to be, independent of its clients, section 7 of this document also summarises our considerations and conclusions on our independence as auditors. We consider two-way communication with you to be key to a successful audit and important in:

- reaching a mutual understanding of the scope of the audit and the responsibilities of each of us;
- sharing information to assist each of us to fulfil our respective responsibilities;
- providing you with constructive observations arising from the audit process; and
- ensuring that we, as external auditors, gain an understanding of your attitude and views in respect of the internal and external operational, financial, compliance and other risks facing the Police and Crime Commissioner for Humberside and the Chief Constable for Humberside which may affect the audit, including the likelihood of those risks materialising and how they are monitored and managed.

With that in mind, we see this document, which has been prepared following our initial planning discussions with management, as being the basis for a discussion around our audit approach, any questions, concerns or input you may have on our approach or role as auditor. This document also contains an appendix that outlines our key communications with you during the course of the audit and explains the implications of the introduction of the new auditing standard for Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019).

Client service is extremely important to us and we strive to provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations so, if you have any concerns or comments about this document or audit approach, please contact me on 07896 684 771.

Yours faithfully

*Gavin Barker*

Gavin Barker

Mazars LLP

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We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) under reference number C001139861. VAT number: 839 8356 73

# 01

Section 01:

## **Engagement and responsibilities summary**

# 1. Engagement and responsibilities summary

## Overview of engagement

We are appointed to perform the external audit of the Police and Crime Commissioner for Humberside (PCC) and the Chief Constable for Humberside (CC) for the year to 31 March 2023. The scope of our engagement is set out in the Statement of Responsibilities of Auditors and Audited Bodies, issued by Public Sector Audit Appointments Ltd (PSAA) available from the PSAA website: <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/>. Our responsibilities are principally derived from the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (NAO), as outlined below.

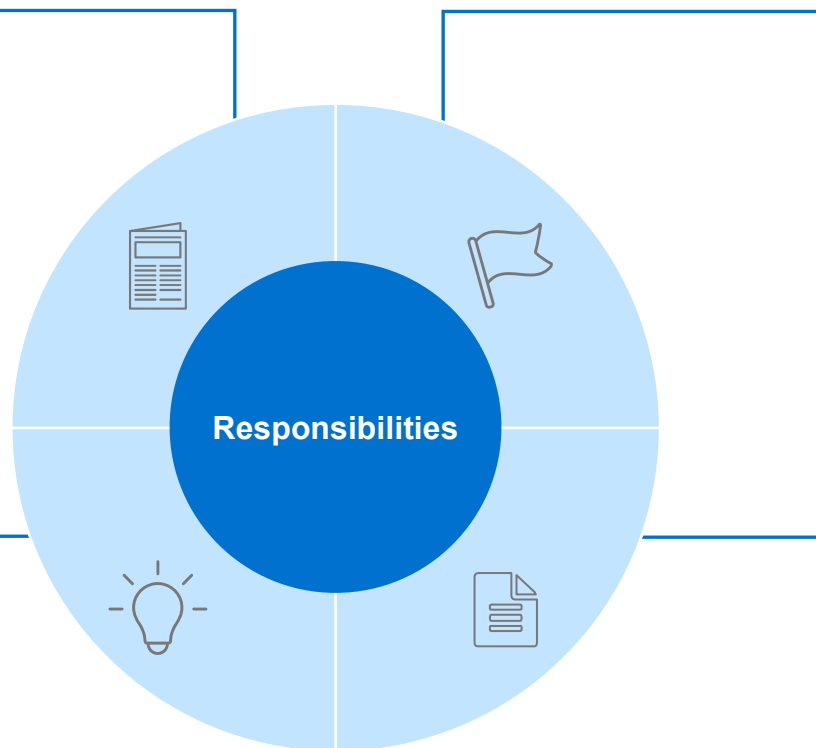
### Audit opinion

We are responsible for forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in accordance with the Code of Practice on Local Authority Accounting. Our audit does not relieve management, the PCC or CC, as those charged with governance, of their responsibilities.

The Chief Finance Officer for the PCC and Chief Finance Officer for the CC are responsible for the assessment of whether it is appropriate for the PCC and CC to prepare its accounts on a going concern basis. As auditors, we are required to obtain sufficient appropriate audit evidence regarding and conclude on: a) whether a material uncertainty related to going concern exists; and b) consider the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements.

### Value for money

We are also responsible for forming a commentary on the arrangements that the PCC and CC has in place to secure economy, efficiency and effectiveness in its use of resources. We discuss our approach to Value for Money work further in section 5 of this report.



### Fraud

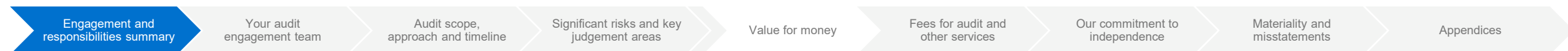
The responsibility for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with both those charged with governance and management. This includes establishing and maintaining internal controls over reliability of financial reporting.

As part of our audit procedures in relation to fraud we are required to enquire of those charged with governance, including key management as to their knowledge of instances of fraud, the risk of fraud and their views on internal controls that mitigate the fraud risks. In accordance with International Standards on Auditing (UK), we plan and perform our audit so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. However, our audit should not be relied upon to identify all such misstatements.

### Wider reporting and electors' rights

We report to the NAO on the consistency of the PCC and CC's financial statements with its Whole of Government Accounts (WGA) submission.

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the PCC and CC and consider any objection made to the accounts. We also have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom



# 02

Section 02:

**Your audit engagement team**



# 2. Your audit engagement team

Your external audit service will be led by Gavin Barker.

Who	Role	E-mail
Gavin Barker	Engagement lead	<a href="mailto:gavin.barker@mazars.co.uk">gavin.barker@mazars.co.uk</a>
Louise Stables	Engagement manager	<a href="mailto:louise.stables@mazars.co.uk">louise.stables@mazars.co.uk</a>
Sophie Hirst	Engagement team leader	<a href="mailto:sophie.hirst@mazars.co.uk">sophie.hirst@mazars.co.uk</a>



# 03

Section 03:

**Audit scope, approach and timeline**

# 3. Audit scope, approach and timeline

## Audit scope

Our audit approach is designed to provide an audit that complies with all professional requirements.

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit approach and in accordance with the terms of our engagement. Our work is focused on those aspects of your activities which we consider to have a higher risk of material misstatement, such as those impacted by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations or areas which have been found to contain material errors in the past.

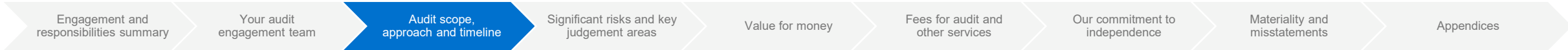
## Audit approach

Our audit approach is risk-based and primarily driven by the issues that we consider lead to a higher risk of material misstatement of the accounts. Once we have completed our risk assessment, we develop our audit strategy and design audit procedures in response to the risks identified.

If we conclude that appropriately-designed controls are in place then we may plan to test and rely upon these controls. If we decide controls are not appropriately designed, or we decide it would be more efficient to do so, we may take a wholly substantive approach to our audit testing. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise: tests of details (of classes of transactions, account balances, and disclosures); and substantive analytical procedures. Irrespective of the assessed risks of material misstatement, which take into account our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transactions, account balance, and disclosure.

Our audit will be planned and performed so as to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. The concept of materiality and how we define a misstatement is explained in more detail in section 8.

The diagram on the next page outlines the procedures we perform at the different stages of the audit.



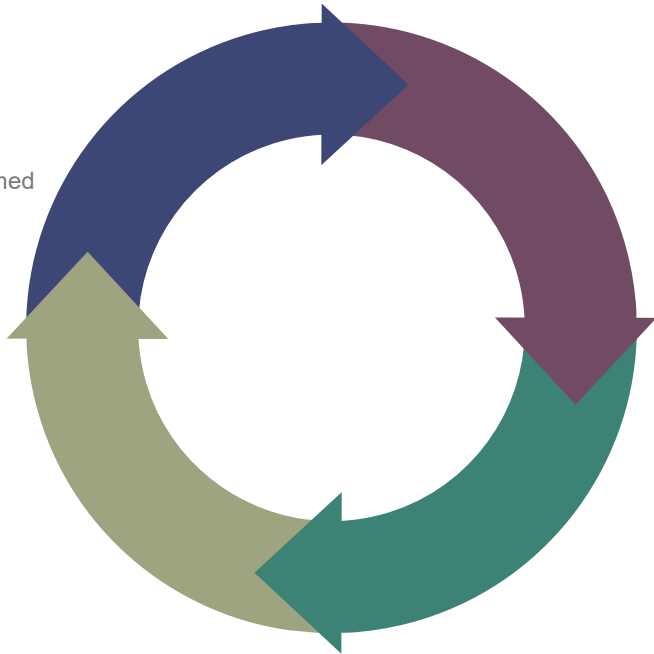
# 3. Audit scope, approach and timeline

## Planning and Risk Assessment – September/October 2023

- Planning visit and developing our understanding of the PCC and CC
- Initial opinion and value for money risk assessments
- Considering proposed accounting treatments and accounting policies
- Developing the audit strategy and planning the audit work to be performed
- Agreeing timetable and deadlines
- Risk assessment analytical procedures
- Determination of materiality

## Completion – December 2023

- Final review and disclosure checklist of financial statements
- Final partner review
- Agreeing content of letter of representation
- Reporting to the PCC and CC
- Reviewing subsequent events
- Signing the independent auditor's report

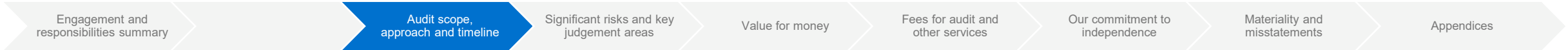


## Interim – November 2023

- Documenting systems and controls
- Performing walkthroughs
- Interim controls testing including tests of IT general controls
- Early substantive testing of transactions
- Reassessment of audit plan and revision if necessary

## Fieldwork – November/December 2023

- Receiving and reviewing draft financial statements
- Delivering our audit strategy starting with significant risks and high risk areas including detailed testing of transactions, account balances and disclosures
- Communicating progress and issues
- Clearance meeting



# 3. Audit scope, approach and timeline

## Reliance on internal audit

Where possible we will seek to utilise the work performed by internal audit to modify the nature, extent and timing of our audit procedures. We will meet with internal audit to discuss the progress and findings of their work prior to the commencement of our controls evaluation procedures.

Where we intend to rely on the work on internal audit, we will evaluate the work performed by your internal audit team and perform our own audit procedures to determine its adequacy for our audit.

## Management’s and our experts

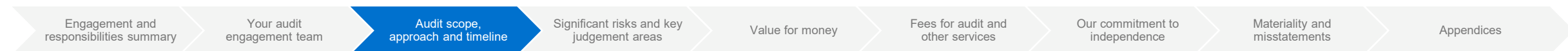
Management makes use of experts in specific areas when preparing the PCC and CC’s financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management’s expert	Our expert
Pensions Defined Benefit Liability/Asset	Government Actuary’s Department (Police Pension Scheme) Hymans Robertson (LGPS)	NAO’s consulting actuary (PWC)
Property, plant and equipment valuation	NPS Property Consultants Ltd	We will take into account relevant information which is available from third parties.

## Service organisations

International Auditing Standards (UK) (ISAs) define service organisations as third party organisations that provide services to the PCC and CC that are part of its information systems relevant to financial reporting. We are required to obtain an understanding of the services provided by service organisations as well as evaluating the design and implementation of controls over those services. The table below summarises the service organisations used by the PCC and CC and our planned audit approach.

Items of account	Service organisation	Audit approach
Treasury management system which underpins loans and investment figures and financial instrument disclosures within the financial statements.	Hull City Council	We are also the auditor of the Council and have direct access to accounting records and staff. Accordingly, we can substantively test the financial statements in the same way as if the PCC did not rely on a service organisation. We will review and document the controls in place for production of the financial statements and also within the material financial information systems.
Payment of pension lump sums and monthly pension payroll to retirees under the Police Pension schemes.	XPS	Sufficient access provided by the PCC and CC to perform walkthrough of transactions as part of planning work. Testing of pensions at the year-end.
IT systems	South Yorkshire Police	Although IT systems are provided by South Yorkshire Police, we have full access to everything needed to test the inputs and outputs to and from the financial systems.



### 3. Audit scope, approach and timeline

Entity	Auditor	Scope
Office of the Police and Crime Commissioner for Humberside	Mazars	Full
Chief Constable for Humberside	Mazars	Full

# 04

Section 04:

**Significant risks and other key  
judgement areas**

# 4. Significant risks and other key judgement areas

Following the risk assessment approach discussed in section 3 of this document, we have identified risks relevant to the audit of financial statements. The risks that we identify are categorised as significant, enhanced or standard. The definitions of the level of risk rating are given below:

### Significant risk

Significant risks are those risks assessed as being close to the upper end of the spectrum of inherent risk, based on the combination of the likelihood of a misstatement occurring and the magnitude of any potential misstatement. Fraud risks are always assessed as significant risks as required by auditing standards, including management override of controls and revenue recognition.

### Enhanced risk

An enhanced risk is an area of higher assessed risk of material misstatement at audit assertion level other than a significant risk. Enhanced risks require additional consideration but does not rise to the level of a significant risk, these include but may not be limited to:

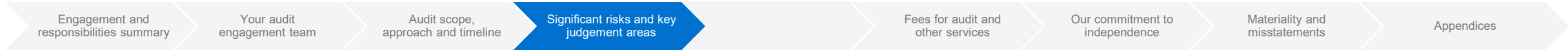
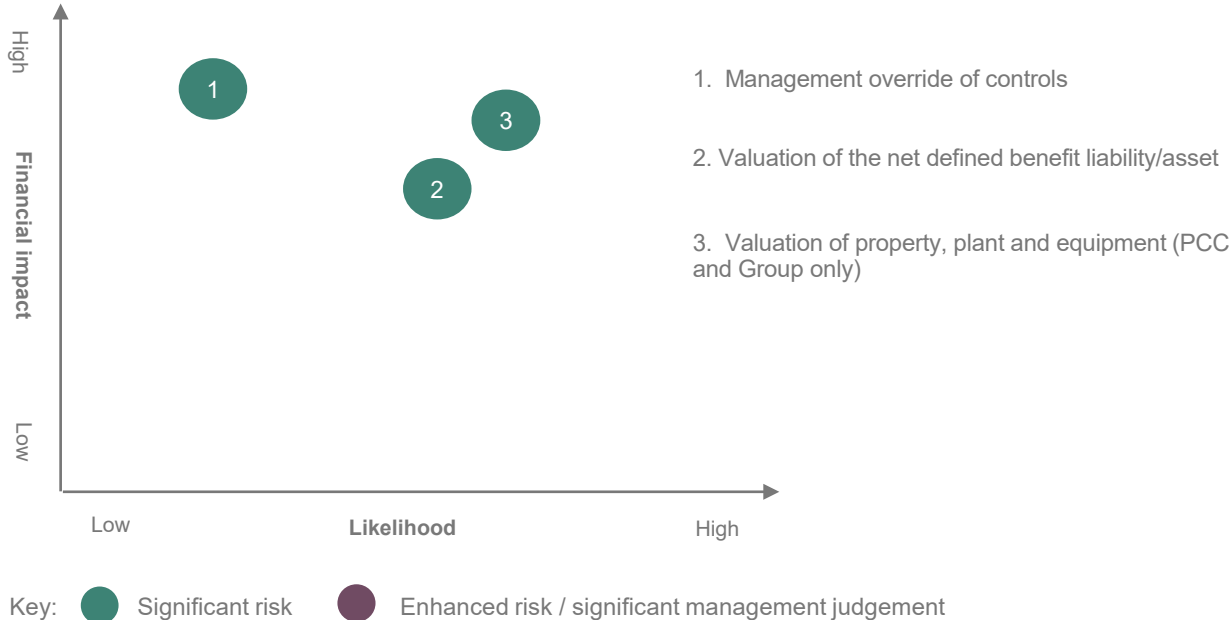
- key areas of management judgement, including accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement; and
- other audit assertion risks arising from significant events or transactions that occurred during the period.

### Standard risk

This is related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement. Although it is considered that there is a risk of material misstatement (RMM), there are no elevated or special factors related to the nature, the likely magnitude of the potential misstatements or the likelihood of the risk occurring.

### Summary risk assessment

The summary risk assessment, illustrated in the table below, highlights those risks which we deem to be significant and other enhanced risks in respect of the PCC and CC. We have summarised our audit response to these risks on the next page.



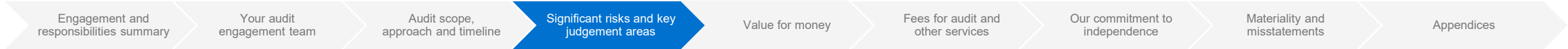


# 4. Significant risks and other key judgement areas

We have presented below in more detail the reasons for the risk assessment highlighted above, and also our testing approach with respect to significant risks. An audit is a dynamic process, should we change our view of risk or approach to address the identified risks during the course of our audit, we will report this to the Joint Independent Audit Committee.

## Significant risks

	Description	Fraud	Error	Judgement	Planned response
1	<p><b>Management override of controls</b> This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.</p> <p>Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>	●	○	○	We plan to address the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.



## 4. Significant risks and other key judgement areas

### Significant risks

	Description	Fraud	Error	Judgement	Planned response
2	<p><b>Net defined benefit liability/asset valuation</b></p> <p>The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement.</p> <p>For 2022/23, a net asset position is being reported for the LGPS for the first time.</p>	○	●	●	<p>We will discuss with key contacts any significant changes to the pension estimates. In addition to our standard programme of work in this area, we will evaluate the management controls you have in place to assess the reasonableness of the figures provided by the Actuary and consider the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally.</p> <p>We will review the appropriateness of the key assumptions included within the valuations, compare them to expected ranges and review the methodology applied in the valuation. We will consider the adequacy of disclosures in the financial statements. We will also seek assurance from the auditor of East Riding Pension Fund.</p> <p>We will consider the accounting treatment in respect of the reporting of a net asset position on the LGPS for 2022/23.</p>
3	<p><b>Valuation of property, plant and equipment</b></p> <p>The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the PCC and Group's holding of PPE. Although the PCC uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of PPE due to the significant judgements and number of variables involved in providing revaluations. We have therefore identified the valuation of PPE to be an area of significant risk.</p>	○	●	●	<p>We plan to address this risk by considering the PCC and Group's arrangements for ensuring that PPE values are reasonable. We will use third party data on valuation trends and relevant indices to assess the reasonableness of the valuations provided by the external valuer. We will also assess the competence, skills and experience of the valuer.</p> <p>We plan to discuss methods used with the valuer and examine supporting information. We will use indices provided by NAO's valuation expert (Montague Evans) to confirm the assets not revalued are unlikely to have materially changed in value. We will test a sample of revaluations in year to valuation reports and supporting calculation sheets and ensure that the calculations are correct and source data agrees.</p>

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# 05

Section 05:

**Value for money**

# 5. Value for money

## The framework for Value for Money work

We are required to form a view as to whether the PCC and CC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our view and sets out the overall criterion and sub-criteria that we are required to consider.

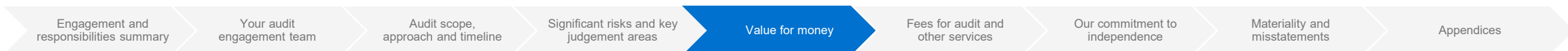
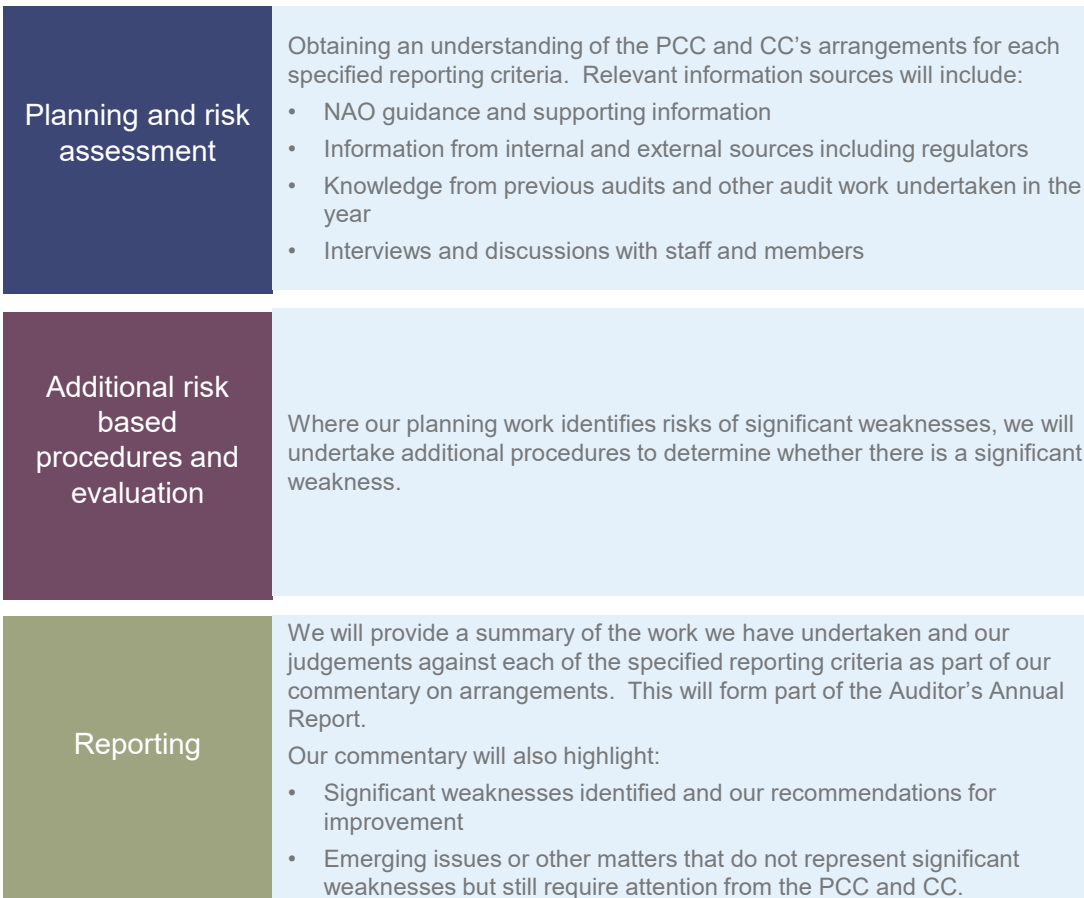
2022/23 will be the third audit year where we are undertaking our value for money (VFM) work under the 2020 Code of Audit Practice (the Code). Our responsibility remains to be satisfied that the PCC and CC has proper arrangements in place and to report in the audit report and/or the audit completion certificate where we identify significant weaknesses in arrangements. Separately we provide a commentary on the PCC and CC's arrangements in the Auditor's Annual Report.

## Specified reporting criteria

1. **Financial sustainability** – how the PCC and CC plans and manages its resources to ensure it can continue to deliver its services
2. **Governance** – how the PCC and CC ensures that it makes informed decisions and properly manages its risks
3. **Improving economy, efficiency and effectiveness** – how the PCC and CC uses information about its costs and performance to improve the way it manages and delivers its services

## Our approach

Our work falls into three primary phases as outlined opposite. We need to gather sufficient evidence to support our commentary on the PCC and CC's arrangements and to identify and report on any significant weaknesses in arrangements. Where significant weaknesses are identified we are required to report these to the PCC and CC and make recommendations for improvement. Such recommendations can be made at any point during the audit cycle and we are not expected to wait until issuing our overall commentary to do so.

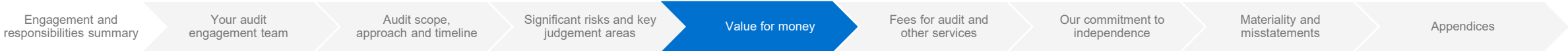


# 5. Value for money

## Identified risks of significant weaknesses in arrangements

The NAO's guidance requires us to carry out work at the planning stage to understand the PCC and CC's arrangements and to identify risks that significant weaknesses in arrangements may exist.

Although we have not fully completed our planning and risk assessment work, at this stage we have not identified any risks of significant weakness in arrangements. We will report any identified risks to the Joint Independent Audit Committee on completion of our planning and risk identification work.



# 06

Section 06:

**Fees for audit and other services**

## 6. Fees for audit and other services

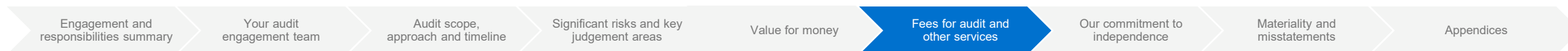
### Fees for work as the PFCC and CC's appointed auditor

At this stage we are proposing one area where there will be a fee increase in 2022/23 compared to our final fees for 2021/22 (this relates to the implementation of revised ISA 315). There is also an inflationary fee increase which is to be funded by PSAA and is not included in the tables below. Additional fees for 2021/22, which in turn will impact on the 2022/23 audit fee, are still subject to finalisation and PSAA approval. All fees are subject to VAT.

Area of work	2022/23 Proposed audit fee	2021/22 Actual Fee
Scale audit fee	£32,599	£26,045
Recurring increases in the base audit fee arising from regulatory pressures (as originally agreed in the 2019/20 audit, uplifted for PSAA 25% increase in rates); note that the 2021/22 fee has been incorporated into the 2022/23 scale audit fee by PSAA	£0	£6,553
Additional fees in respect of the VFM approach (recurring, as agreed from the 2020/21 audit)	£5,500	£5,500
Additional fees in respect of the revised ISA 540 (recurring, as agreed from the 2020/21 audit), note that the 2021/22 fee has been incorporated into the 2022/23 scale audit fee by PSAA	£1,750	£1,750
ISA 315 revised – additional work in relation to understanding the entity, including documenting risks, risk assessments, and an additional focus on IT general controls (new standard applied from 2022/23 for the first time)	To be confirmed <sup>1</sup>	£0
<b>Grand total</b>	<b>£39,849 <sup>1</sup></b>	<b>£39,848</b>

Note 1 – there will be an additional fee in the 2022/23 audit for the implementation of ISA 315 (revised), the level of this fee can not be confirmed at this stage.

The 2022/23 fee is subject to a 5.2% inflationary increase included within the scale fee in the table above. As set out in the PSAA's 'Consultation on 2022/23 audit fee scale' published in August 2022, PSAA will fund the inflationary increase using "surplus funds not required for PSAA's operations, which would otherwise be distributed to opted-in bodies" (page 8 of the consultation).



## 6. Fees for audit and other services

### Fees for the Chief Constable

Area of work	2022/23 Proposed audit fee (£ excluding VAT)	2021/22 Actual Fee (£ excluding VAT)
Scale audit fee	£14,500	£11,550
Recurring increases in the base audit fee arising from regulatory pressures (as originally agreed in the 2019/20 audit, uplifted for PSAA 25% increase in rates); note that the 2021/22 fee has been incorporated into the 2022/23 scale audit fee by PSAA	£0	£2,950
Additional fees in respect of the VFM approach (recurring, as agreed from the 2020/21 audit)	£3,500	£3,500
Additional fees in respect of the revised ISA 540 (recurring, as agreed from the 2020/21 audit), note that the 2021/22 fee has been incorporated into the 2022/23 scale audit fee by PSAA.	£750	£750
ISA 315 revised – additional work in relation to understanding the entity, including documenting risks, risk assessments, and an additional focus on IT general controls (new standard applied from 2022/23 for the first time)	To be confirmed <sup>1</sup>	£0
<b>Grand total</b>	<b>£18,750 <sup>1</sup></b>	<b>£18,750</b>

Note 1 – there will be an additional fee in the 2022/23 audit for the implementation of ISA 315 (revised), the level of this fee can not be confirmed at this stage.

The 2022/23 fee is subject to a 5.2% inflationary increase included within the scale fee in the table above. As set out in the PSAA's 'Consultation on 2022/23 audit fee scale' published in August 2022, PSAA will fund the inflationary increase using "surplus funds not required for PSAA's operations, which would otherwise be distributed to opted-in bodies" (page 8 of the consultation).

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## 6. Fees for audit and other services

### Fees for non-PSAA work

At this stage we are not expecting to undertake any non-PSAA work for the PFCC & Group or the Chief Constable for 2022/23.

Before agreeing to carry out any additional work, we would consider whether there were any actual, potential or perceived threats to our independence. Further information about our responsibilities in relation to independence is provided in section 7.

# 07

Section 07:

**Our commitment to independence**

# 7. Our commitment to independence

We are committed to independence and are required by the Financial Reporting Council to confirm to you at least annually in writing that we comply with the FRC's Ethical Standard. In addition, we communicate any matters or relationship which we believe may have a bearing on our independence or the objectivity of the audit team.

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that in our professional judgement there are no relationships between us and any of our related or subsidiary entities, and you and your related entities creating any unacceptable threats to our independence within the regulatory or professional requirements governing us as your auditors.

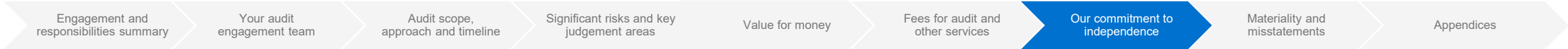
We have policies and procedures in place which are designed to ensure that we carry out our work with integrity, objectivity and independence. These policies include:

- all partners and staff are required to complete an annual independence declaration;
- all new partners and staff are required to complete an independence confirmation and also complete computer based ethical training;
- rotation policies covering audit engagement partners and other key members of the audit team; and
- use by managers and partners of our client and engagement acceptance system which requires all non-audit services to be approved in advance by the audit engagement partner.

We confirm, as at the date of this document, that the engagement team and others in the firm as appropriate, Mazars LLP are independent and comply with relevant ethical requirements. However, if at any time you have concerns or questions about our integrity, objectivity or independence please discuss these with Gavin Barker in the first instance.

Prior to the provision of any non-audit services Gavin Barker will undertake appropriate procedures to consider and fully assess the impact that providing the service may have on our auditor independence.

Any emerging independence threats and associated identified safeguards will be communicated in our Audit Completion Report.



# 08

Section 08:

**Materiality and misstatements**

# 8. Materiality and misstatements

## Summary of initial materiality thresholds

Threshold	Initial threshold Group £'000s	Initial threshold PCC £'000s	Initial threshold CC £'000s
Overall materiality	6,800	4,700	5,500
Performance materiality	5,400	3,760	4,400
Specific materiality:			
• Exit packages	5	5	5
• Trivial threshold for errors to be reported to the Joint Independent Audit Committee	50	50	50
Trivial threshold for errors to be reported to the Joint Independent Audit Committee	205	141	165

## Materiality

Materiality is an expression of the relative significance or importance of a particular matter in the context of financial statements as a whole.

Information is considered to be material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Judgements on materiality are made in light of surrounding circumstances and are affected by the size and nature of a misstatement, or a combination of both. Judgements about materiality are based on consideration of the common financial information needs of users as a group and not on specific individual users.

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- have a reasonable knowledge of business, economic activities and accounts;
- have a willingness to study the information in the financial statements with reasonable diligence;
- understand that financial statements are prepared, presented and audited to levels of materiality;
- recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement and the consideration of future events; and
- will make reasonable economic decisions on the basis of the information in the financial statements.

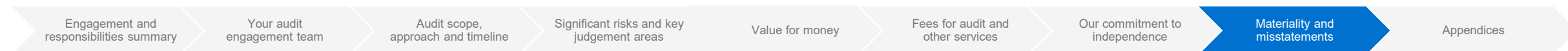
We consider materiality whilst planning and performing our audit based on quantitative and qualitative factors.

Whilst planning, we make judgements about the size of misstatements which we consider to be material and which provides a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

The materiality determined at the planning stage does not necessarily establish an amount below which uncorrected misstatements, either individually or in aggregate, will be considered as immaterial.

We revise materiality for the financial statements as our audit progresses should we become aware of information that would have caused us to determine a different amount had we been aware of that information at the planning stage.

Our provisional materiality is set based on a benchmark of 2% of gross revenue expenditure at surplus/deficit on provision of services level. We will identify a figure for materiality but identify separate levels for procedures designed to detect individual errors, and also a level above which all identified errors will be reported to the Joint Independent Audit Committee. We consider that the gross revenue remains the key focus of users of the financial statements and, as such, we base our materiality levels around this benchmark.



# 8. Materiality and misstatements

## Materiality (continued)

We expect to set a materiality threshold at 2% of gross revenue expenditure at surplus/deficit on provision of services level. Based on the draft 2022-23 financial statements we anticipate the overall materiality for the year ending 31 March 2022 to be in the region of £6.8m for the group, ££4.7m for the PCC and £5.5m for the CC (£6.1m for the group, £5.2m for the PCC and £4.3m for the CC in the prior year).

After setting initial materiality, we continue to monitor materiality throughout the audit to ensure that it is set at an appropriate level.

## Performance Materiality

Performance materiality is the amount or amounts set by the auditor at less than materiality for the financial statements as a whole to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Our initial assessment of performance materiality is based on low inherent risk, meaning that we have applied 80% of overall materiality as performance materiality.

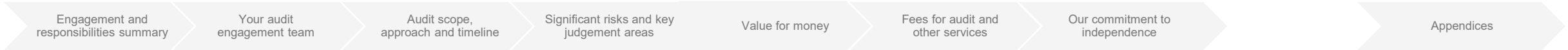
## Misstatements

We accumulate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Joint Independent Audit Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. Based on our preliminary assessment of overall materiality, our proposed triviality threshold is £205k for the Group, £141k for the PCC and £165k for the CC based on 3% of overall materiality. If you have any queries about this please do not hesitate to raise these with Gavin Barker.

## Reporting to the Joint Independent Audit Committee

The following three types of audit differences above the trivial threshold will be presented to the Joint Independent Audit Committee:

- summary of adjusted audit differences;
- summary of unadjusted audit differences; and
- summary of disclosure differences (adjusted and unadjusted).





## Appendices

A: Key communication points

B: Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

# Appendix A: Key communication points

We value communication with Those Charged With Governance as a two way feedback process at the heart of our client service commitment. ISA 260 (UK) 'Communication with Those Charged with Governance' and ISA 265 (UK) 'Communicating Deficiencies In Internal Control To Those Charged With Governance And Management' specifically require us to communicate a number of points with you.

Relevant points that need to be communicated with you at each stage of the audit are outlined below.

## Form, timing and content of our communications

We will present the following reports:

- Audit Strategy Memorandum;
- Audit Completion Report; and
- Auditor's Annual Report

These documents will be discussed with management prior to being presented to yourselves and their comments will be incorporated as appropriate.

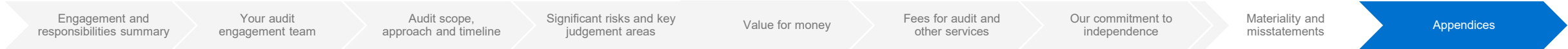
## Key communication points at the planning stage as included in this Audit Strategy Memorandum

- 
- The planned scope and timing of the audit;
- Significant audit risks and areas of management judgement;
- Our commitment to independence;

- Responsibilities for preventing and detecting errors;
- Materiality and misstatements; and
- Fees for audit and other services.

## Key communication points at the completion stage to be included in our Audit Completion Report

- Significant deficiencies in internal control;
- Significant findings from the audit;
- Significant matters discussed with management;
- Significant difficulties, if any, encountered during the audit;
- Qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures;
- Our conclusions on the significant audit risks and areas of management judgement;
- Summary of misstatements;
- Management representation letter;
- Our proposed draft audit report; and
- Independence.





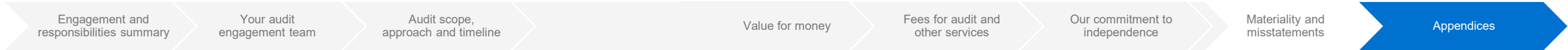
# Appendix A: Key communication points

ISA (UK) 260 'Communication with Those Charged with Governance', ISA (UK) 265 'Communicating Deficiencies In Internal Control To Those Charged With Governance And Management' and other ISAs (UK) specifically require us to communicate the following:

Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and those charged with governance.	Audit Strategy Memorandum
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Strategy Memorandum
With respect to misstatements: <ul style="list-style-type: none"> <li>• uncorrected misstatements and their effect on our audit opinion;</li> <li>• the effect of uncorrected misstatements related to prior periods;</li> <li>• a request that any uncorrected misstatement is corrected; and</li> <li>• in writing, corrected misstatements that are significant.</li> </ul>	Audit Completion Report
With respect to fraud communications: <ul style="list-style-type: none"> <li>• enquiries of the Police and Crime Commissioner and Chief Constable to determine whether they have a knowledge of any actual, suspected or alleged fraud affecting the entity;</li> <li>• any fraud that we have identified or information we have obtained that indicates that fraud may exist; and</li> <li>• a discussion of any other matters related to fraud.</li> </ul>	

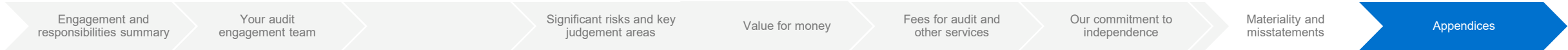
# Appendix A: Key communication points

Required communication	Where addressed
<p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> <li>• non-disclosure by management;</li> <li>• inappropriate authorisation and approval of transactions;</li> <li>• disagreement over disclosures;</li> <li>• non-compliance with laws and regulations; and</li> <li>• difficulty in identifying the party that ultimately controls the entity.</li> </ul>	<p>Audit Completion Report</p>
<p>Significant findings from the audit including:</p> <ul style="list-style-type: none"> <li>• our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;</li> <li>• significant difficulties, if any, encountered during the audit;</li> <li>• significant matters, if any, arising from the audit that were discussed with management or were the subject of correspondence with management;</li> <li>• written representations that we are seeking;</li> <li>• expected modifications to the audit report; and</li> <li>• other matters, if any, significant to the oversight of the financial reporting process or otherwise identified in the course of the audit that we believe will be relevant to the Joint Independent Audit Committee in the context of fulfilling their responsibilities.</li> </ul>	<p>Audit Completion Report</p>
<p>Significant deficiencies in internal controls identified during the audit.</p>	<p>Audit Completion Report</p>
<p>Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.</p>	<p>Audit Completion Report</p>



# Appendix A: Key communication points

Required communication	Where addressed
<p>Audit findings regarding non-compliance with laws and regulations where the non-compliance is material and believed to be intentional (subject to compliance with legislation on tipping off) and enquiry of the Police and Crime Commissioner and Chief Constable into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Police and Crime Commissioner and Chief Constable may be aware of.</p>	<p>Audit Completion Report and Joint Independent Audit Committee meetings</p>
<p>With respect to going concern, events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> <li>• whether the events or conditions constitute a material uncertainty;</li> <li>• whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements; and</li> <li>• the adequacy of related disclosures in the financial statements.</li> </ul>	<p>Audit Completion Report</p>
<p>Reporting on the valuation methods applied to the various items in the annual financial statements including any impact of changes of such methods</p>	<p>Audit Completion Report</p>
<p>Indication of whether all requested explanations and documents were provided by the entity</p>	<p>Audit Completion Report</p>



# Appendix B: Revised auditing standard on Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

## Background

ISA (UK) 315 (Revised 2019) introduces major changes to the auditor's risk identification and assessment approach, which are intended to drive a more focused response from auditors undertaking work to obtain sufficient appropriate audit evidence to address the risks of material misstatement. The new standard is effective for periods commencing on or after 15 December 2021 and therefore applies in full for the PCC and CC's 2022/23 audit.

The most significant changes relevant to the PCC and CC audit are outlined below.

### Enhanced risk identification and assessment

The standard has enhanced the requirements for the auditor to understand the audited entity, its environment and the applicable financial reporting framework in order to identify and assess risk based on new inherent risk factors which include:

- Subjectivity
- Complexity
- Uncertainty and change
- Susceptibility to misstatement due to management bias or fraud.

Using these inherent risk factors, we assess inherent risk on a spectrum, at which the higher end of which lies significant risks, to drive an audit that is more focused on identified risks. Auditors are now also required to obtain sufficient, appropriate evidence from these risk identification and assessment procedures which means documentation and evidence requirements are also enhanced.

### Greater emphasis on understanding IT

In response to constantly evolving business environments, the standard places an increased emphasis on the requirements for the auditor to gain an understanding of the entity's IT environment to better understand the possible

risks within an entity's information systems. As a result, we are required to gain a greater understanding of the IT environment, including IT general controls (ITGCs).

### Increased focus on controls

Building on the need for auditors to gain a greater understanding of the IT environment, the standard also widens the scope of controls that are deemed relevant to the audit. We are now required to broaden our understanding of controls implemented by management, including ITGCs, as well as assess the design and implementation of those controls.

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## Gavin Barker – Director

[gavin.barker@mazars.co.uk](mailto:gavin.barker@mazars.co.uk)

### **Mazars**

The Corner  
Bank Chambers  
Mosley Street  
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NE1 1DF

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws.

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ID: Mazars



## **Audit Completion Certificate issued to the Chief Constable for Humberside for the year ended 31 March 2021**

In our auditor's report dated 15 March 2022 we explained that the audit could not be formally concluded until we had completed the work necessary to issue our assurance statement in respect of the Group's Whole of Government Accounts consolidation pack and the work necessary to satisfy ourselves that the Chief Constable had made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

This work has now been completed.

No matters have come to our attention since 15 March 2022 that would have a material impact on the financial statements on which we gave our unqualified opinion.

### **The Chief Constable's arrangements for securing economy, efficiency and effectiveness in the use of resources**

We are required to report to you if, in our opinion, we are not satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2021.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in April 2021, we have nothing to report in this respect.

### **Certificate**

We certify that we have completed the audit of the Chief Constable for Humberside for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice issued by the National Audit Office.



Gavin Barker  
Key Audit Partner  
For and on behalf of Mazars LLP

The Corner  
Bank Chambers  
26 Mosley Street  
Newcastle upon Tyne  
NE1 1DF

15 September 2023

Ms Andrea Mennell  
Chief Finance Officer  
For the Chief Constable for Humberside  
Humberside Police  
Headquarters  
Priory Road  
Hull  
HU5 5SF

Direct +44 (0)191 383 6300  
Dial  
Email [gavin.barker@mazars.co.uk](mailto:gavin.barker@mazars.co.uk)

15 September 2023

Dear Ms Mennell

## **Chief Constable for Humberside - Issue of Audit Certificate on the Statement of Accounts 2020/21**

We are pleased to attach our signed Audit Certificate for the 2020/21 financial year which formally concludes the 2020/21 audit.

There was a substantial delay in the issue of the Audit Certificate due to us awaiting confirmation from the National Audit Office (NAO) that the Police and Crime Commissioner for Humberside and Group, including the Chief Constable, would not be selected for additional WGA work as a sampled component. We have now received the confirmation awaited from NAO, and I am delighted to attach our audit certificate dated today.

On 15 March 2022, following approval and certification of the 2020/21 financial statements by the Chief Constable for Humberside we issued our Independent Auditor's Report in relation to the accounts for the year ended 31 March 2021. The audit opinion was unqualified.

At that point, we had not yet completed our other areas of work.

We subsequently issued our commentary on Value for Money (VFM) arrangements in our Auditor's Annual Report 2020/21 on 5 August 2022. We did not identify any significant weaknesses or recommendations in relation to the Authority's VFM arrangements.

We issued our report on WGA to NAO on 18 December 2022, following a delay in the issue of group audit instructions for this work by NAO.

As the audit certificate has been issued you are now able to issue the notice required by Regulation 16 of the Accounts and Audit (England) Regulations 2015.

Under Regulation 10 of the Accounts and Audit (England) Regulations 2015 you published on your website:



- the statement of accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act;
- the annual governance statement approved in accordance with regulation 6(3); and
- the narrative statement prepared in accordance with regulation 8.

You also provided a notice of explanation for the delay in the issue of the Audit Certificate.

**You will now be able to publish the attached Audit Certificate for 2020/21 alongside the 2020/21 financial statements and with the Notice you are now required to publish under Regulation 16.**

For the avoidance of doubt, the Independent Auditor's Report for the year ended 31 March 2021 comprises the report issued on 15 March 2022 and incorporated into your financial statements and the Audit Certificate issued today.

Following guidance issued to auditors by the National Audit Office, it is now our policy that our signed audit report should be published as part of the publication of your financial statements on your website.

We have provided you with a copy of the financial statements for the year ended 31 March 2021 including our report on those statements. We outline below your responsibilities in respect of the use of our report.

Please ensure that:

- you only publish the financial statements accompanied by our report on those statements;
- you only publish the financial statements accompanied by any 'other information' provided to us before we issued our report and specifically referred to in our report; and
- you do not publish the financial statements accompanied by any other information not provided to us prior to issuing our report.

Please note that:

- the examination of the controls over the electronic publication of audited financial statements is beyond the scope of the audit of the financial statements and we cannot be held responsible for changes made to audited information after the initial publication of the financial statements and our report; and
- where you wish to publish or distribute the financial statements electronically, you are responsible for ensuring that the publication accurately presents the financial statements and our report on those financial statements. This responsibility also applies to the presentation of any financial information published in respect of prior periods.

Please feel free to contact me if you like clarification on any point. Thank you again to you and your team for the support and cooperation in enabling us to complete the audit of the financial statements in the difficult circumstances this year.

Yours sincerely

*Gavin Barker*

Gavin Barker  
Director

# **Audit Completion Certificate issued to the Police and Crime Commissioner for Humberside and Group for the year ended 31 March 2021**

In our auditor's report dated 15 March 2022 we explained that the audit could not be formally concluded until we had completed the work necessary to issue our assurance statement in respect of the Group's Whole of Government Accounts consolidation pack and the work necessary to satisfy ourselves that the Police and Crime Commissioner had made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

This work has now been completed.

No matters have come to our attention since 15 March 2022 that would have a material impact on the financial statements on which we gave our unqualified opinion.

## **The Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources**

We are required to report to you if, in our opinion, we are not satisfied that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in April 2021, we have nothing to report in this respect.

## **Certificate**

We certify that we have completed the audit the Police and Crime Commissioner for Humberside and Group for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice issued by the National Audit Office.



Gavin Barker  
Key Audit Partner  
For and on behalf of Mazars LLP

The Corner  
Bank Chambers  
26 Mosley Street  
Newcastle upon Tyne  
NE1 1DF

15 September 2023

Report of the Head of Audit

**INTERNAL AUDIT PROGRESS REPORT**

**1 PURPOSE OF THE REPORT**

1.1 The report sets out the current progress against the 2023/24 Audit Plan.

**2 BACKGROUND**

2.1 This Progress Report monitors the delivery of work undertaken in relation to the provision of shared Internal Audit services as per the Joint Service arrangements between West Yorkshire and Humberside Police & Crime Commissioner (PCC) and the respective Police Forces.

**Table 1: Summary of Progress against the Audit Plan for 2023/24**

STATUS OF AUDITS	2023/24 (as at 25 September 23) APPENDIX A
Final Reports with Response Received	-
	-
Final Reports – No Response Required	-
Work Completed/ Advice/ briefings provided	-
Draft Reports Issued	1
In Progress	6
<b>TOTAL</b>	<b>7</b>

2.2 Since the July JIAC the only outstanding audit relating to the 2022/23 audit cycle, the Custody Services Review, has been issued as a final report with management responses (September 2023). This report provided REASONABLE ASSURANCE and has been made available on the members portal.

2.3 As reported previously the IS audit work has been carried forward for completion as part of the 2023/24 audit plan due to the delays in obtaining agreement/ approval for a joint audit programme with SYP. The IS Change Management audit finally commenced in late August 2023 and a report is currently being drafted which again will be made available to members once finalised.

2.4 Currently the 2023/24 audit plan has a further 6 audits being scoped/ in progress.

2.5 The recently agreed escalation arrangements whereby the Strategic Planning Department will facilitate the obtaining of management responses in a more timely fashion is currently proving effective (See appendix B). Internal Audit will still confirm the appropriateness of the management responses received for audits given inadequate or limited assurance opinions.

- 2.6 As part of the additional commentary provided as part of the progress report introduced in 2022, both the RAG rated audit progress/ status (Appendix A) and recommendation follow-up/ action tracker (Appendix B) have been updated.

### **3 OPTIONS, RISKS AND OPPORTUNITIES**

- 3.1 If the Internal Audit function does not provide an efficient and effective risk based audit service the Police and Crime Commissioner and Force will be unable to obtain an appropriate level of assurance regarding the system of internal control operating within both organisations.

### **4 POLICING PLAN AND PERFORMANCE**

- 4.1 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

### **5 IMPACTS ON OR LINKS TO COLLABORATION**

- 5.1 The Internal Audit function is provided to the Humberside Police & Crime Commissioner and Chief Constable by internal audit staff from the West Yorkshire Office of the Police & Crime Commissioner under a s22 agreement with the Police and Crime Commissioner for West Yorkshire.

### **6 FINANCIAL IMPLICATIONS**

- 6.1 There are no direct, specific financial implications within the progress report. However, individual audits contained within the report may include recommendations which contribute to a more effective use of resources and enhance the value for money being obtained by the Force/ PCC. In addition, wherever practicable, recommendations are made which do not cause the PCC/ Force to incur additional costs.

### **7 LEGAL IMPLICATIONS**

- 7.1 The Police and Crime Commissioner and Chief Constable are required to ensure that appropriate Internal Audit arrangements are in place.

### **8 EQUALITY AND DIVERSITY AND HUMAN RIGHTS**

- 8.1 There are none in the context of this report.

## **9 CONCLUSION**

- 9.1 The report summarises progress to date against the 2023/24 audit plan and updates members on the findings of the External Quality Assessment.

## **10 RECOMMENDATIONS**

- 10.1 It is recommended that the Joint Independent Audit Committee note the contents of the report and discuss any issues arising.

### **Contact Officer:**

Neil Rickwood, Head of Audit

### **Background documents:**

Appendix A - Audit Plan 2023/24 (to date)

Appendix B – Recommendation Follow-up & Action Tracker Report

**Appendix A – 2023/24 Internal Audit Plan and Progress (as at 25 Septemebr 2023)**

<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit</i>	<i>Audit Progress &amp; Status (RAG rated)</i>	<i>Audit Opinion</i>	<i>Description</i>
Use of Forensic Hits	Q1	Risk	In Progress.		Review to undertake an audit of the effectiveness of the Use of forensic hits in the outcomes of investigation of volume crimes. <i>(NB Much of data necessary is available from similar audit undertaken in WY).</i>
Violence Against Women & Girls Strategy	Q1-4	Risk	Two areas scoped & In Progress:  (1) Domestic Abuse Risk Assessments (2) MARAC Processes		Ongoing programme of work to evaluate/ provide assurance regarding HP's various workstreams and overall prevention approach to VAIWG. This audit will include coverage under the three 'pillars' of the VAIWG framework, namely: build trust and confidence, relentless perpetrator pursuit and safer spaces. A number of crime types reviewed in line with the national VAIWG strategy will include Stalking, Sexual and other forms of Harassment, Domestic Abuse, and Violence in public places and online.
Police Complaints	Q1-2	Governance	Meeting held in July to scope work. Draft audit brief agreed.		The audit will consider compliance with current complaints legislation, examining complaints processes from end to end, taking into consideration how effectively phone triaging is used for low-level service issues. The audit will also assess processes withing the OPCC for the management of appeals.
OPCC Community Safety Fund	Q1-2	Assurance/ Support			The PCC's Community Safety Fund offers grants towards the costs of community safety and crime reduction projects across the Humber area. It is designed to support community organisations to kick-start local projects that will cut crime and antisocial behaviour and improve feelings of safety. The Fund can provide funding of between £500 and £35,000 towards projects that meet the scheme criteria. A total of £1.1m has been allocated to the Fund between 2022/23 and 2024/25.

<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit</i>	<i>Audit Progress &amp; Status (RAG rated)</i>	<i>Audit Opinion</i>	<i>Description</i>
					The audit will consider the due diligence around the allocation of monies within this fund, and overall transparency of these decision-making processes
Right Care Right Person	Q1-2	Risk	In Progress		HP have adopted a Right Care Right Person policy within the Force Control Room. This approach signals a significant change in how HP will respond to calls for service in relation to areas including Concerns for Safety, Mental Health, and Missing Persons. The audit will be an in-depth assessment of this policy, across each of the key phases of policy implementation.
IS Change Management	Q3	Assurance/Support	DRAFT REPORT	TBC	IS Audit Programme signed-off by Chief Officers in HP & SYP (late 2022). The objective of these reviews is to undertake a risk based, system audit relating to the change management & asset management processes to provide assurance that the process is controlled, monitored, and follows good practice.
IS Asset Management	Q3-4	Assurance/Support	In Progress- c/f 22/23		
Financial Systems Assurance & Testing	Q3-4	Financial Systems			Annual review of Key Financial Systems, including Payroll, Debtors, Creditors & Budget Monitoring.
Follow-Up Exercises	Q1-4	Follow-up			

Mr Kevin Wilson  
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HU16 5SN

Direct +44 (0)191 383 6300  
Dial  
Email [gavin.barker@mazars.co.uk](mailto:gavin.barker@mazars.co.uk)

15 September 2023

Dear Mr Wilson

## **Police and Crime Commissioner for Humberside - Issue of Audit Certificate on the Statement of Accounts 2020/21**

We are pleased to attach our signed Audit Certificate for the 2020/21 financial year which formally concludes the 2020/21 audit.

There was a substantial delay in the issue of the Audit Certificate due to us awaiting confirmation from the National Audit Office (NAO) that the Police and Crime Commissioner for Humberside and Group would not be selected for additional WGA work as a sampled component. We have now received the confirmation awaited from NAO, and I am delighted to attach our audit certificate dated today.

On 15 March 2022, following approval and certification of the 2020/21 financial statements by the Police and Crime Commissioner for Humberside we issued our Independent Auditor's Report in relation to the accounts for the year ended 31 March 2021. The audit opinion was unqualified.

At that point, we had not yet completed our other areas of work.

We subsequently issued our commentary on Value for Money (VFM) arrangements in our Auditor's Annual Report 2020/21 on 5 August 2022. We did not identify any significant weaknesses or recommendations in relation to the Authority's VFM arrangements.

We issued our report on WGA to NAO on 18 December 2022, following a delay in the issue of group audit instructions for this work by NAO.

As the audit certificate has been issued you are now able to issue the notice required by Regulation 16 of the Accounts and Audit (England) Regulations 2015.

Under Regulation 10 of the Accounts and Audit (England) Regulations 2015 you published on your website:



- the statement of accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act;
- the annual governance statement approved in accordance with regulation 6(3); and
- the narrative statement prepared in accordance with regulation 8.

You also provided a notice of explanation for the delay in the issue of the Audit Certificate.

**You will now be able to publish the attached Audit Certificate for 2020/21 alongside the 2020/21 financial statements and with the Notice you are now required to publish under Regulation 16.**

For the avoidance of doubt, the Independent Auditor's Report for the year ended 31 March 2021 comprises the report issued on 15 March 2022 and incorporated into your financial statements and the Audit Certificate issued today.

Following guidance issued to auditors by the National Audit Office, it is now our policy that our signed audit report should be published as part of the publication of your financial statements on your website.

We have provided you with a copy of the financial statements for the year ended 31 March 2021 including our report on those statements. We outline below your responsibilities in respect of the use of our report.

Please ensure that:

- you only publish the financial statements accompanied by our report on those statements;
- you only publish the financial statements accompanied by any 'other information' provided to us before we issued our report and specifically referred to in our report; and
- you do not publish the financial statements accompanied by any other information not provided to us prior to issuing our report.

Please note that:

- the examination of the controls over the electronic publication of audited financial statements is beyond the scope of the audit of the financial statements and we cannot be held responsible for changes made to audited information after the initial publication of the financial statements and our report; and
- where you wish to publish or distribute the financial statements electronically, you are responsible for ensuring that the publication accurately presents the financial statements and our report on those financial statements. This responsibility also applies to the presentation of any financial information published in respect of prior periods.

Please feel free to contact me if you like clarification on any point. Thank you again to you and your team for the support and cooperation in enabling us to complete the audit of the financial statements in the difficult circumstances this year.

Yours sincerely

*Gavin Barker*

Gavin Barker  
Director

**SUBJECT: UPDATE ON TRACKED ACTIONS & THE FOLLOW-UP OF RECOMMENDATIONS**

**REPORT OF THE HEAD OF AUDIT**

**1. PURPOSE OF THE REPORT**

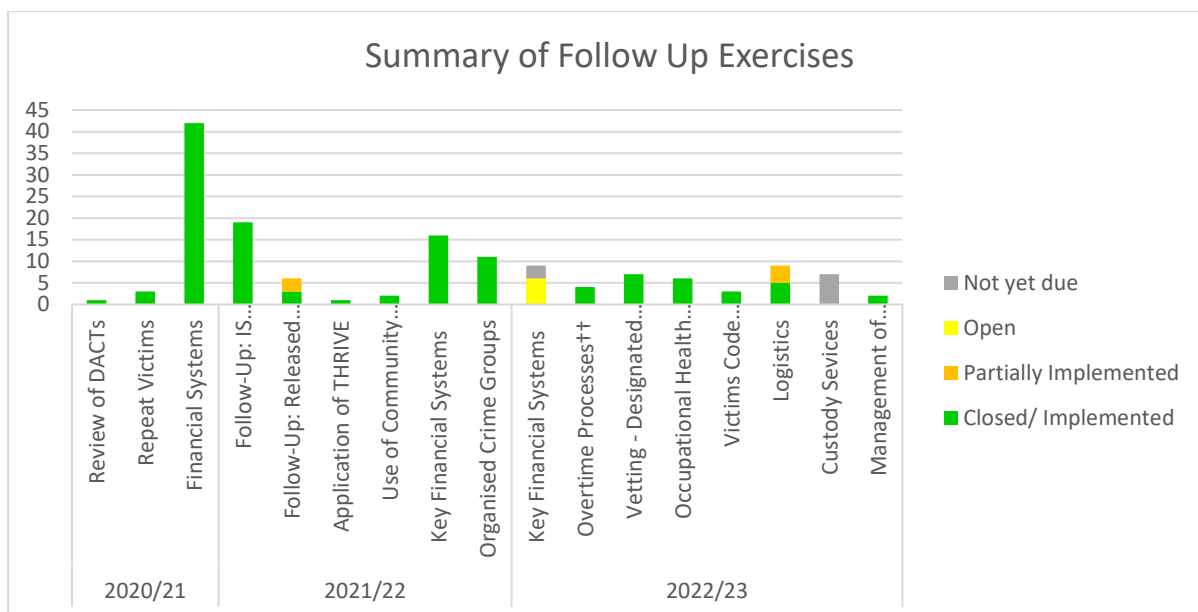
- 1.1 To provide the committee with an update on the implementation of previous audit recommendations.

**2. KEY INFORMATION**

- 2.1 Internal Audit follow up on recommendations included in reports which resulted in an overall assurance opinion of limited or inadequate assurance. Any fundamental recommendations within reports with an opinion of substantial or reasonable assurance are also followed up on. 'Significant' recommendations relating to a review with an overall opinion of substantial or reasonable assurance, are followed up by exception, depending on the level of risk posed to the organisation. Monitoring of 'Merits Attention' recommendations does not take place, due to the low level of risk associated with advisory actions. This enables the section to focus on the review of high-risk areas, ensuring that action is taken to address significant issues.
- 2.2 In addition to the primary follow-up activity detailed above Internal Audit also liaise with Humberside Police's Strategic Planning Department who undertake their own action tracker activity which seeks updates on management action against all audit recommendations irrespective of the overall assurance opinions assigned to the audit report, including those assessed as providing reasonable assurance. In order to provide assurance and subsequent reliance on the action tracker work undertaken Internal Audit will also dip-sample selected actions to provide evidence and confirmation that the closure of recommendations can be considered appropriate.
- 2.3 In response to discussions at the June JIAC it has been agreed that the Strategic Planning Department will also become involved in work to elicit management responses to audit reports which have been subject to delays, often where original force 'leads' have moved roles. This arrangement is proving effective in eliciting management responses in a more timely fashion.

**Current Status**

- 2.4 As part of this initial detailed follow-up/ action tracker report Internal Audit have collated the audit reports and follow up work undertaken since 2020/21 into a table below.



2.5 Since the last Audit Committee a satisfactory overarching response has been received to the Golden Hour Principles (GHP) Briefing Note. The recommendations within this report will be captured in activities of the force’s revised Improving Investigation Board.

The Improving Investigation Board is chaired by the force Head of Crime (D/Supt) and with the current Head of Crime having recently taken up the role, the first board is to be held in the weeks ahead.

In support of this, Divisional Local Policing Command OPS Superintendents meet regularly and are currently mapping and planning the phase 6 Professional Development Days (PPD) for every Response Officer / Supervisor in the force.

There will be heavy emphasis and coverage in regard to delivering Excellence in the Basics of Initial Response, Victim Focus and Volume Crime Investigation – with the next phase due to commence in August – with plans around dedicated and patrol focused GOLDEN HOUR input, along with Victim Focused initial Response to Domestic Abuse incidents, Evidence Led prosecutions – and also out of court disposals. The plan for this will be presented and briefed to the head of crime at the upcoming Improving Investigation Board.

Internal Audit will seek to provide assurance that the areas highlighted in the briefing note have been co-ordinated and progressed through the Improving Investigation Board at a later date.