Audit Progress Report

Office of the Cleveland Police and Crime Commissioner

Chief Constable for Cleveland

June 2017

MAZARS

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Our reports are prepared in the context of the Public Sector Audit Appointment Limited's 'Statement of responsibilities of auditors and audited bodies'. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Office of the Cleveland Police and Crime Commissioner and Chief Constable for Cleveland and we take no responsibility to any member or officer in their individual capacity or to any third party.

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Audit progress

Purpose of this report

The purpose of this paper is to provide the Audit Committee (the Committee) with a report on progress in delivering our responsibilities as external auditor of the Police and Crime Commissioner for Cleveland (the Commissioner) and the Chief Constable of Cleveland Police (the Chief Constable).

This paper also seeks to highlight key emerging national issues and developments which may be of interest to members of the Committee.

If you require any additional information regarding the issues included within this briefing, please contact any member of your engagement team.

Finally, please note our website address (www.mazars.co.uk) which sets out the range of work Mazars carries out, both within the UK and abroad. It also details the existing work Mazars does in the public sector.

Progress on the audit

We have almost completed our planning on the 2016/17 audit. We are due to start the audit of the financial statements in late July 2017. As Members will recall, the accounts and audit timetable will be formally brought forward from the 2017/18 audit, with the draft accounts requiring certification by the end of May and the audit being completed by the end of July 2018. We are continuing to work closely with officers ahead of this earlier deadline. Plans are in place to carry out the audit this year.

See Appendix 1 for the position statement on the 2016/17 audit.

Issues arising

At this stage of our audit work, we have no significant deficiencies in internal control to report to you and there are no changes to our risk assessment previously reported to you in our Audit Strategy Memorandum.

National publications and other updates

	National publications and other updates
1	Local Audit (Public Access to Documents) Act 2017
2	2017-18 work programme and scale of fees, Public Sector Audit Appointments Ltd, March 2017
3	Oversight of audit quality: quarterly compliance reports 2016/17, Public Sector Audit Appointments Ltd
4	LAAP bulletin 105: Closure of the 2016/17 accounts, March 2017

1. Local Audit (Public Access to Documents) Act 2017

The Local Audit (Public Access to Documents) Act 2017 received royal assent in April 2017. The Act extends rights of inspection under section 26 of the Local Audit and Accountability Act 2014 to include journalists and citizen journalists. The Act defines a journalist as 'any person who produces for publication journalistic material (whether paid to do so or otherwise).' While the Act extends rights of inspection, there are no changes in respect of our powers and duties under the Local Audit and Accountability Act 2014. The ability to ask the auditor questions about the accounts, and to make an objection at audit, continue to be restricted to local government electors only.

2. 2017-18 work programme and scale of fees, Public Sector Audit Appointments Ltd, March 2017

PSAA has published the work programme and scales of fees for 2017/18 audits of principal local government and police bodies. There are no changes to the overall work programme for 2017/18. Scale fees for 2017/18 have therefore been set at the same level as the fees applicable for 2016/17. This is the final year for which PSSA will set fees under the transitional arrangements made by DCLG.

http://www.psaa.co.uk/audit-and-certification-fees/201718-work-programme-and-scales-of-fees/

3. Oversight of audit quality: quarterly compliance reports 2016/17, Public Sector Audit Appointments Ltd

The latest 2016/17 monitoring report highlights full compliance with the Regulator's standards for Mazars LLP.
http://www.psaa.co.uk/audit-quality/principal-audits/mazars-audit-quality/

4. LAAP bulletin 105: Closure of the 2016/17 accounts, March 2017

This bulletin provides practitioners with additional general guidance and clarification to complement the 2016-17 Code Guidance Notes. The bulletin also includes an annex which provides a summary of the amendments required to the paragraphs and tables throughout the 2016-17 Code Guidance Notes to reflect the requirements of the decision taken by CIPFA/LASAAC on 8 March in respect of the Highways Network Asset.

The bulletin can be found on the attached link http://www.cipfa.org/policy-and-guidance/technical-panels-and-boards/local-authority-accounting-panel/laap-bulletins/laap-bulletin-105-closure-201617-accounts

Appendix 1 – Position statement of 2016/17 audits

Planned output	Expected completion date	Draft report issued to management	Final report issued to management	Final report presented to Audit Committee	Comments
2016/17 Audit Fee Letters (individual letters for Commissioner and Chief Constable).	April 2016	N/A	April 2016	N/A	~
Audit Committee Progress Report and Briefing (joint for both Commissioner and Chief Constable).	N/A	N/A	N/A	N/A	To each and every meeting.
2016/17 Audit Strategy Memorandum (individual plans for Commissioner and Chief Constable).	March 2017	March 2017	March 2017	21 March 2017	~
2016/17 Audit Completion Reports, incorporating the opinion on the financial statements and VFM Conclusion. Separate reports for Commissioner and Chief Constable.	September 2017				
2016/17 Annual Audit Letters. Separate letters for Commissioner and Chief Constable.	October 2017				

Contact details

Please let us know if you would like further information on any items in this report.

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