

Northamptonshire Police, Fire and Crime Commissioner and Northamptonshire Chief Constable

Audit progress report and sector updates

September 2025



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Audit Progress Report

Introduction

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This paper provides the Joint Independent Audit Committee (JIAC) with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

[Local government | Grant Thornton](#)

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at September 2025

Financial Statements Audit

The PCC and Chief Constable both published their draft accounts in advance of the 30 June 2025 deadline.

Our audit fieldwork started on 18 August 2025. We are aiming to complete our work on in-year transactions and closing balances by November 2025. This would be more than 2 months in advance of the statutory backstop date of 27 February 2025.

We have performed a reassessment of materiality based on the draft financial statements, we have decided to continue to use the same materiality levels as previously reported in our audit plan, noting that there is minimal change when updating for the draft accounts figures.

We have agreed with management to perform additional procedures to enable us to regain assurance over the balances which continue to be impacted by the previously backstopped audit opinions. More detail on this is provided on page 13 of this report.

There are no other financial statement audit matters to draw to your attention at this time.

Value for Money

We aim to complete our value for money audit review by 30 November 2025.

From current trends around cost pressures and service demand, we anticipate that risks around financial sustainability and reserves will require consideration across most value for money reviews for 2024/25. Arrangements for governance and improving economy, efficiency and effectiveness will also be reviewed. The current estimated financial trajectory of the sector is shown within the sector update in this report.

Where there are lessons to be learnt from the findings for our 2024/25 value for money reviews, we will seek to share them on a timely basis, to inform future practice.

We anticipate issuing our Auditor's Annual Report in November 2025.

Progress at September 2025 (cont.)

Meetings

We met with Finance Officers in September as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the Police and Crime Commissioner and Chief Constable. Your officers attended our Accounts Workshop in March 2025, where we highlighted financial reporting requirements for the 2024/25 accounts and gave insight into elements of the audit approach.

Further details of the publications that may be of interest to the Police and Crime Commissioner, Chief Constable and JIAC members are set out in our Sector Update section of this report.



Audit Deliverables

Below are some of the audit deliverables planned for 2024/25

2024/25 Deliverables	Planned Date*
Audit Findings Report The Audit Findings Report will be reported to the Joint Independent Audit Committee (JIAC) .	December 2025*
Auditors Report This includes the opinion on your financial statements.	December 2025*
Auditor’s Annual Report This report communicates the key outputs of the audit, including our commentary on the Group’s value for money arrangements.	December 2025

* We have agreed with management that we will look to complete additional work to regain assurance as part of the 2024/25 audit. The timing of our Audit Findings and Auditors Reports may be moved back to February 2025, to provide the opportunity for this work to be completed in advance of the 27 February 2025 backstop date.

Policing Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up-to-date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logo below:



Grant Thornton Publications
Insights from sector specialists
Accounting and regulatory updates

In his third annual assessment of policing in England and Wales, Sir Andy Cooke has said now is the moment to make sure the Government's Safer Streets mission and other policing reforms are properly funded, otherwise they risk falling short. They are vital to building the public's trust and making our communities safer. The previous Home Secretary should be recognised for her determination in taking forward reform and her support of policing over many years.

There has been a renewed focus on neighbourhood policing to help forces be more visible and responsive to community concerns. While further work is needed in this area, pledges such as the Neighbourhood Policing Guarantee are welcomed and helping forces to strengthen their approach.

New structures proposed by the then Home Secretary in November 2024, including a National Centre of Policing, should also help improve police procurement and access to technology and equipment. By centralising many support functions that forces rely on, such as IT, it could improve consistency between forces and potentially lead to efficiency savings.

In previous 'State of Policing' reports, HM Chief Inspector of Constabulary Sir Andy Cooke QPM DL raised his concerns over the decline in public confidence in the police service. This year, he has said it is promising that the evidence shows that this appears to be levelling out, but policing must continue to make concerted efforts before public confidence starts to improve.

The full report can be found [here](#).

HMICFRS



In a new PEEL spotlight report, 'How effectively do the police record crime?', His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) found that over the past decade, forces' awareness and understanding of how to prioritise and accurately record crimes has increased.

The full report can be found [here](#).

Wider sector updates

A briefing for audit committees on the wider sector updates across Public Sector Audit, Financial Reporting and the responsibilities of Audit Committee members

Lessons from 2023/24 auditors' annual reports

Recommended reading for Audit Committees:

In August 2025, we published a review of 100 Auditors' Annual Reports (AARs) produced by Grant Thornton for our local government audited bodies across England. This represents about a third of all authorities in the country. The AARs offer a wealth of insights on what works, and what doesn't, when it comes to value for money and governance.

The reports in our sample showed that financial sustainability remains the major challenge for the majority of authorities. Poor governance has led to some authorities depleting their reserves and others incurring excessive borrowing, which current government policies around exceptional financial support and statutory override for dedicated schools grant deficits are not helping.

Common challenges for councils include gaps in risk management; high vacancy rates in internal audit; de-centralised contract management; under-supported project management; and the need for stronger, timelier data on performance. For councils with Housing Revenue Accounts, there are also significant challenges with identifying, costing and managing high volumes of backlog repairs and maintenance work needed to meet regulatory standards.

However, with this being the second year of reporting on lessons from AARs, we also charted notable examples of cases where arrangements have been strengthened since 2022/23, yielding benefits. As well as good practice questions and reminders, the report includes case studies showing better: Control over transformation planning; approach to internal audit; project management; key performance indicator reporting; and rightsized workforce.

AAR findings in August 2025 can be compared to those from one year earlier by accessing the two years of full reporting here:

[Lessons from 2023/24 auditors' annual reports](#)

[Lessons from recent auditor's annual reports](#)



The Local Authority Backstop

Key information for Audit Committees to be aware of:

On 5th June 2025, the National Audit Office published [Local Audit Reset and Recovery Implementation Guidance \(LARRIG 06I\)](#). This followed on from the fact that on 28 February 2025, approximately 40% of local authorities received an unqualified opinion on their financial statements for 2023/24; and the remaining 60% of audits were disclaimed as auditors had not been able to conclude work by the deadline.

We are pleased to report that Grant Thornton issued unqualified opinions on 65% of our local authority audits, well ahead of the national average. Nevertheless, all Audit Committees need to be aware of work currently ongoing across the sector to help rebuild assurance for stakeholders.

How you can support us

Timely preparation of draft accounts and high quality supporting working papers is fundamental to the success of audit closedown. We look for all local authorities to prioritise this in enabling the sector to return to balance. In addition, agreeing timescales for build back work will also be key.

An audit approach to build back assurance on financial statements

The LARRIG provides principles as well as indicative procedures which, with the application of professional judgement, enable the auditor to regain assurance in respect of opening balances. These include a framework for auditors to:

- ❖ Assess risk at an entity wide level
- ❖ Assess risk at a line-item level including in respect of specific balances and reserves
- ❖ Determine a response to risk, including appropriate testing of prior year transactions.

This will enable auditors to undertake audit work in respect of old year transactions (e.g. years which were not subject to an audit). Without that work, there would be uncertainty as whether reserves are properly accounted for.

Audit Committee resources

The Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

Public Sector Internal Audit Standards

<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

Code of Audit Practice for local auditors (NAO):

<https://www.nao.org.uk/code-audit-practice/>

Governance risk and resilience framework: material for those with a leadership responsibility on good governance (CfGS):

<https://www.cfgs.org.uk/material-for-those-with-a-leadership-responsibility-on-good-governance/>

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>

CIPFA Guidance and Codes

The following all have a charge, so do make enquiries to determine if copies are available within your organisation.

- Audit Committees: Practical Guidance For Local Authorities And Police

<https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

- Delivering Good Governance in Local Government

<https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

- Financial Management Code

<https://www.cipfa.org/fmcode>

- Prudential Code

<https://www.cipfa.org/policy-and-guidance/publications/t/the-prudential-code-for-capital-finance-in-local-authorities-2021-edition>

- Treasury Management Code

<https://www.cipfa.org/policy-and-guidance/publications/t/treasury-management-in-the-public-services-code-of-practice-and-crosssectoral-guidance-notes-2021-edition>



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