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## News release

For immediate release - 19 December 2014

### Auditor General reports on 2013/14 audit of Scottish Police Authority accounts

**The Auditor General for Scotland, Caroline Gardner, has issued a report to the Scottish Parliament on matters raised in the audit of the 2013/14 accounts for the Scottish Police Authority (SPA).**

Whilst the 2013/14 accounts were unqualified, the report draws Parliament's attention to the fact that aspects of the SPA's accounting records, and access to information and explanations, were of poor quality. It also states that adequate accounting records were not kept in certain areas during 2013/14.

This is an unusual conclusion from an auditor, reflecting the need for SPA and Police Scotland to make significant progress in improving their accounting records.

The report acknowledges that merging eight predecessor forces' finance functions with the Scottish Police Services Authority and the Scottish Crime and Drug Enforcement Agency was a considerable challenge, at a time when numerous finance staff chose to take voluntary redundancy or early retirement.

The SPA has made progress or completed the majority of the recommendations made in *Police Reform*, published by Audit Scotland in November 2013. However, the report concludes that past uncertainty over the future finance functions of the SPA and Police Scotland, and its impact on permanent recruitment of senior finance staff, has delayed development of a sustainable financial plan for Scottish policing for the next decade.

This plan is needed to achieve the targeted savings of £1.1 billion identified in the outline business case that accompanied the Police and Fire Reform (Scotland) Act 2012, and additional required savings that have arisen from cost pressures such as pay awards and VAT. The SPA and Police Scotland are developing a financial strategy to take account of these additional savings beyond 2015/16.

The Auditor General has requested that the 2014/15 audit assesses progress in improving accounting records in SPA and Police Scotland, and monitors development of a long-term financial strategy.

The Auditor General's report is available at: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

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#### Notes to editors

1. The auditor has given an unqualified opinion on the accounts of the SPA for the year ended 31 March 2014. An auditor's opinion statement can either be unqualified or qualified. An unqualified opinion is given when the auditor considers the information in the financial statements to be sound. When the opinion is qualified, the auditor is questioning the accounting principles and/or scope of the information provided. On this occasion the auditor has issued a modified conclusion on certain matters which are required to be reported by exception. This does not impact on the unqualified

opinion on the accounts. The modification relates to the adequacy of aspects of accounting records in certain areas.

2. The Scottish Government laid these accounts with the Scottish Parliament on 19 December 2014. These will be made available to view on the Scottish Government website.

3. This report has been made under section 22 of the Public Finance and Accountability (Scotland) Act 2000, which allows the Auditor General draw the Scottish Parliament's attention to matters of concern arising from an audit of accounts. The Auditor General will present this report to the Scottish Parliament's Public Audit Committee. The committee will then decide what further steps it may wish to take.

4. The Police and Fire Reform (Scotland) Act 2012 brought together the eight existing regional police forces, the Scottish Police Services Authority and the Scottish Crime and Drug Enforcement Agency into two new national bodies; the Police Service of Scotland (or Police Scotland) and the Scottish Police Authority.

5. Audit Scotland has prepared this report for the Auditor General for Scotland. All Audit Scotland reports published since 2000 are available at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

- The Auditor General appoints auditors to Scotland's central government and NHS bodies; examines how public bodies spend public money; helps them to manage their finances to the highest standards; and checks whether they achieve value for money. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament
- Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.