

The Joint Audit Findings Report for the Police and Crime Commissioner for Wiltshire and the Chief Constable for Wiltshire

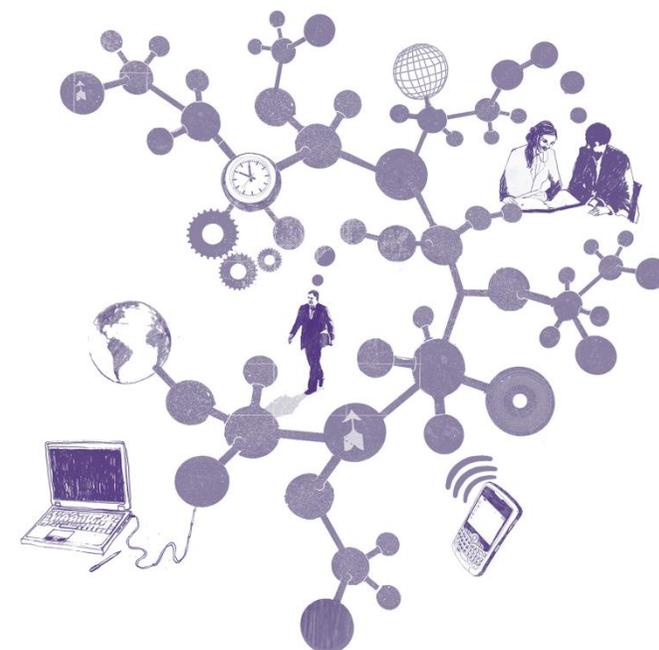
Year ended 31 March 2015

18 September 2015

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Dear Police and Crime Commissioner and Chief Constable

Audit Findings for the Police and Crime Commissioner of Wiltshire Police and Crime Commissioner and Chief Constable of Wiltshire for the year ending 31 March 2015

This Audit Findings report highlights the significant findings arising from the audits of the Police and Crime Commissioner (PCC) and Chief Constable for the benefit of those charged with governance, as required by International Standard on Auditing (UK & Ireland) 260. For police bodies, those charged with governance are the Police and Crime Commissioner and the Chief Constable for the respective corporations sole. The contents of this report have been discussed with management.

As auditors we are responsible for performing the audits, in accordance with International Standards on Auditing (UK & Ireland), which are directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance for each corporation sole. The audit of the financial statements for each body does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Yours sincerely

Alex Walling

Chartered Accountants

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Section 1: Executive summary

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Executive summary

Purpose of this report

As the external auditor appointed to both the PCC for Wiltshire and the Chief Constable for Wiltshire, we are required by the Audit Commission's Code of Audit Practice to report our audit findings to the PCC and the Chief Constable as the individuals charged with governance for their respective corporations sole.

This report (our joint Audit Findings Report) highlights the key matters arising from our audits of the single entity PCC and the single entity Chief Constable's financial statements for the year ended 31 March 2015, as well as the group financial statements for the year ended 31 March 2015. It is also used to report our audit findings to management and those charged with governance (the PCC and the Chief Constable) in accordance with the requirements of International Standard on Auditing 260 (ISA UK&I).

Under the Audit Commission's Code of Audit Practice we are required to report whether, in our opinion, the PCC's and the Chief Constable's financial statements each present a true and fair view of the financial position and their expenditure and income for the year and whether they have been properly prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting. We issue separate audit opinions on the financial statements of the PCC and the Chief Constable.

We are also required to reach a formal conclusion on whether the PCC and Chief Constable have each put in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources (the Value for Money conclusion). We issue separate conclusions for the PCC and the Chief Constable based on our assessment of the arrangements each has established.

Introduction

In the conduct of our audits we have not had to alter or change our planned audit approach, which we communicated to you in our joint Audit Plan in May 2015.

Our audits are both substantially complete, although we are finalising our work in the following areas:

- review of the final version of the financial statements of both the PCC and Chief Constable
- completing our work on the pension fund audit and receiving pension fund letter of assurance from pension fund auditor
- obtaining and reviewing the management letters of representation for both audits
- obtaining legal letter of representation
- review of final version of the Annual Governance Statement of the PCC
- updating our post balance sheet events review, to the date of signing the opinion for both audits
- final senior management review and
- agreement of the national position on how to report the implications of the Milne v GAD decision on commutation of police pension lump sums

We received the draft financial statements and accompanying working papers for both the PCC and Chief Constable at the start of our audits, in accordance with the agreed timetable.

Key messages – audit of the Police and Crime Commissioner

Financial statements opinion

Subject to the satisfactory completion of the outstanding matters set out on page 5, we anticipate providing an unqualified opinion on the PCC's financial statements, including the group financial statements, which consolidate the financial activities of the Chief Constable.

We have identified a small number adjustments to the group and PCC's financial statements which management has agreed to make. There were no adjustments affecting reported financial performance for the year.

We have included further details of our financial statements audit findings, including details of the adjustments referred to above, in section two of this report.

Value for Money conclusion

We are pleased to report that, based on our review of the PCC's arrangements to secure economy, efficiency and effectiveness in their use of resources, we propose to give an unqualified VfM conclusion.

Further detail of our work on Value for Money is set out in section three of this report.

Whole of Government Accounts (WGA):

We have completed our work on the PCC Whole of Government Accounts and have no issues which we wish to highlight for your attention.

Key messages – audit of the Chief Constable

Financial statements opinion

Subject to the satisfactory completion of the outstanding matters set out on page 5, we anticipate providing an unqualified opinion on the Chief Constable's financial statements, including the police officer pension fund accounting statements.

There were no adjustments affecting reported financial performance for the year and.

We have included further details of our financial statements audit findings, including details of the adjustments referred to above, in section two of this report.

Value for Money conclusion

We are pleased to report that, based on our review of the Chief Constable's arrangements to secure economy, efficiency and effectiveness in their use of resources, we propose to give an unqualified VfM conclusion.

Further detail of our work on Value for Money is set out in section three of this report.

Controls

Roles and responsibilities

The PCC and the Chief Constable are each responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control in their respective organisations.

Management has operated a common set of financial systems and controls to produce both sets of financial statements for 2014/15. Our work on the material financial systems used to prepare the financial statements has therefore supported our audits of both the PCC and the Chief Constable.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the PCC and to the Chief Constable.

Findings

Our work has not identified any control weaknesses which we wish to highlight for your attention, other than the previously reported internal IT controls where two of the three recommendations have been accepted but not yet implemented. Further details are provided within section two of this report.

The way forward

Matters arising from both of the financial statements audits and our reviews of the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in their use of resources have been discussed and agreed with the Chief Finance Officer and the Independent Audit Committee as well as the PCC and the Chief Constable as the two individuals charged with overall governance for the office of the PCC and the force respectively.

We have made a small number of recommendations, which are outstanding from our previous audit. These are set out in the action plan in this report at Appendix A. Recommendations have been discussed and agreed with the Chief Finance Officer where shown in the Appendix..

Acknowledgment

We would like to take this opportunity to record our appreciation for the assistance provided by finance staff and other officers in both the office of the PCC and the force during our audits.

Grant Thornton UK LLP
September 2015

Section 2: *Audit findings*

01. Executive summary

02. Audit findings

03. Value for Money

04. Fees, non-audit services and independence

05. Communication of audit matters

Audit findings

In this section we present our findings in respect of matters and risks identified at the planning stage of the audits and additional matters that arose during the course of our work. We set out on the following pages the work we have performed and the findings arising from our work in respect of the audit risks we identified in our audit plan, presented to the Independent Audit Committee in May 2015. We also set out the adjustments to the financial statements arising from our audit work and our findings in respect of internal controls.

Changes to Audit Plan

We have not made any changes to our Audit Plan as previously communicated to you in May 2015

Audit opinion

We expect to issue an unqualified opinion on both the PCC's financial statements and the Chief Constable's financial statements. Our proposed audit opinions are set out in Appendices B and C.

Audit findings against significant risks

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty" (ISA (UK&I) 315).

In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

	Risks identified in our audit plan	Relevant to? PCC/CC/Both	Work completed	Assurance gained and issues arising
2.	Management override of controls Under ISA (UK&I) 240 there is a presumed risk of management over-ride of controls	Both	Both PCC and Chief Constable audits <ul style="list-style-type: none"> • review of accounting estimates, judgements and decisions made by management • testing of journal entries • review of unusual significant transactions 	PCC audit Our audit work has not identified any evidence of management override of controls. In particular the findings of our review of journal controls and testing of journal entries has not identified any significant issues. We set out later in this section of the report our work and findings on key accounting estimates and judgments. Chief Constable audit Our audit work has not identified any evidence of management override of controls. In particular the findings of our review of journal controls and testing of journal entries has not identified any significant issues. We set out later in this section of the report our work and findings on key accounting estimates and judgments.

Our Audit Plan referred to the guidance in ISA 240 that there is also a presumed significant risk that revenue may be misstated due to the improper recognition of revenue. We determined that the risk of fraud is not significant because there is little incentive to manipulate revenue recognition and opportunities to manipulate revenue recognition are very limited. Our audit work did not cause us to believe that we needed to change this planning assumption.

Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Audit Plan. Recommendations, together with management responses, are attached at Appendix A for the PCC and for the Chief Constable.

Transaction cycle	Relevant to: PCC/CC/Both	Description of risk	Work completed	Assurance gained & issues arising
Operating expenses	Both	Creditors understated or not recorded in the correct period	<p>PCC and Chief Constable audits</p> <p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> documented our understanding of the controls operating the creditors system Performed walkthrough to confirm that controls are operated as described Obtained an understanding of the accruals process Completed substantive testing of operating expenses Tested for unrecorded liabilities Reviewed creditors balances 	<p>PCC audit</p> <p>Our audit work has not identified any significant issues in relation to the risk identified.</p> <p>Chief Constable audit</p> <p>Our audit work has not identified any significant issues in relation to the risk identified.</p>
Employee remuneration	Both	Employee remuneration and benefit obligations and expenses understated	<p>PCC and Chief Constable audits</p> <p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> Documented our understanding of the controls operating the payroll system Performed walkthrough to confirm that controls are operated as described Completed substantive testing of staff and officer payroll payments Performed a payroll trend analysis Reconciled the payroll system to general ledger 	<p>PCC audit</p> <p>Our audit work has not identified any significant issues in relation to the risk identified</p> <p>Chief Constable audit</p> <p>Our audit work has not identified any significant issues in relation to the risk identified.</p>

Audit findings against other risks (continued)

Transaction cycle	Relevant to: PCC/CC/Both	Description of risk	Work completed	Assurance gained & issues arising
<p>Pensions Benefits Payable</p>	<p>Chief Constable</p>	<p>Benefits improperly computed/ Claims liability understated</p>	<p>We have undertaken the following work in relation to this risk:</p> <ul style="list-style-type: none"> • Documented our understanding of the controls operating • Performed walkthrough using the auditor assurance report for Capita to confirm that controls are operated as described • Undertaken analytical procedures to confirm that balances are in line with expectations • Tested a sample of new pension benefits coming into payment and confirmed eligibility, agreeing amounts to underlying evidence • Tested a sample of communication payments to underlying evidence to confirm properly computed. 	<p>Our audit work has not identified any significant issues in relation to the risk identified.</p>

Accounting policies, estimates & judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the Authority's financial statements.

Accounting area	Relevant to? PCC/CC Both	Summary of policy	Comments	Assessment
Revenue recognition	Both	<p>PCC</p> <ul style="list-style-type: none"> Revenue recognition policies for significant income streams adopted by the bodies and disclosed within the 2013-14 Statements Income is inclusive of future obligations to pay cash for benefits already received by the Group and cash to be received in the future for benefits already provided by the Group Where grants are received but the conditions are not yet met they are carried in the Balance Sheet as a creditor (Government Grants Received in Advance), where the conditions are met but the grant has not yet been used it is posted to the Capital Grants Unapplied reserve. 	<p>PCC audit</p> <p>Revenue recognition policies have been reviewed and were determined to be in accordance with the requirements set out in the CIPFA code of practice.</p> <p>Disclosure requirements have been assessed in accordance with CIPFA disclosure checklist and are deemed to be appropriate.</p> <p>Chief Constable audit</p> <p>All income is recognised in the PCC accounts</p>	●
Cost recognition	Both	<p>PCC and Chief Constable audits</p> <ul style="list-style-type: none"> Policies in respect of cost recognition for the PCC group accounts were in accordance with the requirements 	<p>PCC and Chief Constable audits</p> <p>Policies in respect of cost recognition for the PCC group accounts were in accordance with the requirements set out in the CIPFA code of practice.</p>	●

Assessment

- Marginal accounting policy which could potentially attract attention from regulators
- Accounting policy appropriate and disclosures sufficient

- Accounting policy appropriate but scope for improved disclosure

Accounting policies, estimates & judgements (continued)

Accounting area	Relevant to? PCC/CC Both	Summary of policy	Comments	Assessment
Other accounting policies	Both	<p>PCC and Chief Constable</p> <p>We have reviewed the Police and Crime Commissioner's and the Chief Constable's policies against the requirements of the CIPFA Code and accounting standards.</p>	<p>PCC and Chief Constable</p> <p>Our review of accounting policies has not highlighted any issues which we wish to bring to your attention</p>	
Estimates and judgements	Both	<p>PCC and Chief Constable</p> <p>The Police and Crime Commissioner for Wiltshire's freehold and leasehold properties were independently valued on 31 March 2015 by BNP Paribas Real Estate, Chartered Surveyors. The valuations were in accordance with the requirements of the International Valuation Standards and the RICS Valuation Standards.</p> <p>Bear Case</p> <p>During 2014/15 the Employment Appeal Tribunal (EAT) found that overtime which is not guaranteed by the employer, but which the worker is obliged to work, if it is offered should be included in the calculation of holiday pay. No claims have been made at Wiltshire Police to date, the maximum liability is not material and the PCC has a healthy balance of reserves so no provision has been made in the accounts.</p>	<p>PCC and Chief Constable audits</p> <p>The LG Code of Practice has clarified the requirements for valuing property, plant and equipment. It now states explicitly that revaluations must be 'sufficiently regular to ensure that the carrying amount does not differ materially from that which would be determined using the fair value at the end of the reporting period'. This means the PCC will need to satisfy itself that the value of assets in the balance sheet is not materially different from the amount that would be given by a full valuation carried out on the balance sheet date.</p> <p>All properties were revalued on 31 March 2015 and therefore this requirement has been met in full.</p> <p>Our review of key estimates and judgements has not highlighted any other issues which we wish to bring to your attention.</p> <p>A contingent liability has been disclosed for this case.</p>	

Assessment

 Marginal accounting policy which could potentially attract attention from regulators

 Accounting policy appropriate but scope for improved disclosure

Accounting policies, estimates & judgements (continued)

Accounting area	Relevant to? PCC/CC Both	Summary of policy	Comments	Assessment
Estimates and judgements – pension fund liability	Both	PCC/Chief Constable	<p>PCC/Chief Constable audit</p> <p>Outstanding considerations:</p> <ul style="list-style-type: none"> • Appropriateness of policy under relevant accounting framework • agreement of the national position on how to report the implications of the Milne v GAD decision on commutation of police pension lump sums • Extent of judgement involved, including range of possible outcomes and potential financial statement impact of different accounting policy choices • Reasonableness of key assumptions (e.g. discount rates, life expectancy, increases in salary) • Adequacy of disclosure of accounting policy • Sensitivity analysis • Benchmark against industry practice 	
Going concern	Both	<p>PCC and Chief Constable</p> <p>The Police and Crime Commissioner and the Chief Constable both have a reasonable expectation that the services they provided will continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.</p>	<p>PCC audit</p> <p>We have reviewed the Police and Crime Commissioner's financial position and the medium term financial plans and are satisfied with management's assessment that the going concern basis is appropriate for the 2014/15 financial statements.</p> <p>Chief Constable audit</p> <p>We have reviewed the Chief Constable's financial position and medium term financial plans and are satisfied with management's assessment that the going concern basis is appropriate for the 2014/15 financial statements.</p>	

Assessment

 Marginal accounting policy which could potentially attract attention from regulators
 Accounting policy appropriate and disclosures sufficient

 Accounting policy appropriate but scope for improved disclosure

Other communication requirements

We set out below details of other matters which we are required by auditing standards to communicate to those charged with governance.

	Issue	Commentary
1.	Matters in relation to fraud	<ul style="list-style-type: none"> We have previously discussed the risk of fraud with the Audit Committee. We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit.
2.	Matters in relation to laws and regulations	<ul style="list-style-type: none"> We are not aware of any significant incidences of non-compliance with relevant laws and regulations.
3.	Written representations	<ul style="list-style-type: none"> A letter of representation has been requested from the Police and Crime Commissioner and the Chief Constable.
4.	Disclosures	<ul style="list-style-type: none"> There were a small number of amendments to disclosures within the financial statements of the PCC and the Chief Constable
5.	Matters in relation to related parties	<ul style="list-style-type: none"> We are not aware of any related party transactions which have not been disclosed
6.	Confirmation requests from third parties	<ul style="list-style-type: none"> We requested from management permission to send confirmation requests to third parties for bank and investment balances. This permission was granted and the requests were sent. Of these requests, all were returned with positive confirmation The following communication requests are outstanding as at September 2015 <ul style="list-style-type: none"> - Response from the internal legal advisor

Internal controls

The purpose of an audit is to express an opinion on the financial statements.

Our audits included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. We considered and walked through the internal controls for Employee Remuneration, Operating Expenses and Benefits Payable as set out on pages 12 and 13 above.

The controls were found to be operating effectively and we have no matters to report to the Audit Committee, other than the previously reported internal IT controls where two of the three recommendations have been accepted but not yet implemented. We refer to these in Appendix A to this report. These were previously reported in our 2013/14 AFR and in our 2014/15 audit plan.

Police and Crime Commissioner and Chief Constable financial statements

We are required to report all non-trivial misstatements to those charged with governance, whether or not the financial statements have been adjusted by management. The table below shows that we have not identified any such misstatements. **Note this will need to be updated if any issues arise from our final audit work.**

Detail	PCC	CC
1 Adjusted Misstatements	No adjustments affecting the reporting position in the draft financial statements have been identified during the audit process	No adjustments affecting the reporting position in the draft financial statements have been identified during the audit process
2 Unadjusted Misstatements	No uncorrected misstatement to the draft accounts have been identified during the audit process	No uncorrected misstatement to the draft accounts have been identified during the audit process

Misclassifications & disclosure changes – Police and Crime Commissioner financial statements

The table below provides details of misclassification and disclosure changes to the PCC's financial statements, including the group consolidation, identified during the audit which management has agreed to amend in the final set of financial statements.

Adjustment type	Value £'000	Account balance	Impact on the financial statements
1 Misclassification	-	Contingent liability	A contingent liability has been added to the financial statements regarding the results of an employment Appeal Tribunal in 2014/15 which concluded that overtime which is not guaranteed by the employer, but which the employee is obliged to work should be included in the calculation of holiday pay.
2 Disclosure	828	Property, plant and Equipment	Note 15 property, plant and equipment has been updated to correct the following; - Reversal of other land and buildings depreciation charged for the year due to the assets being revalued as at 31 March 2015. These changes have no impact on the carrying value of PPE in the Balance Sheet.
3 Disclosure	1,158	Vehicles and equipment	The figure in Note 15 for capital expenditure during the year was amended from £5,105 to £6,263.
4 Disclosure	Various	Financial Instruments	Creditors and debtors disclosed as financial instruments incorrectly included those which are statutory debts and did not arise from contracts. These have now been excluded from financial instruments.
5 Disclosure	-	Various	A small number of other minor disclosure issues were identified within the Statement of Accounts

Section 3: Value for Money

01. Executive summary

02. Audit findings

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Value for Money

Value for money conclusion

The Code of Audit Practice 2010 (the Code) describes the PCC's and the Chief Constable's responsibilities to put in place proper arrangements to:

- secure economy, efficiency and effectiveness in its use of resources;
- ensure proper stewardship and governance; and
- review regularly the adequacy and effectiveness of these arrangements.

We are required to give our VfM conclusion based on two criteria specified by the Audit Commission which support our reporting responsibilities under the Code.

These criteria are:

The PCC and the Chief Constable each has proper arrangements in place for securing financial resilience - the PCC and the Chief Constable each has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future.

The PCC and the Chief Constable each has proper arrangements for challenging how it secures economy, efficiency and effectiveness - the PCC and the Chief Constable are each prioritising their resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.

Key findings – PCC and Chief Constable

Securing financial resilience

We have undertaken a review which considered the PCC's arrangements against the three expected characteristics of proper arrangements as defined by the Audit Commission:

- Financial governance;
- Financial planning; and
- Financial control.

Overall our work highlighted that the PCC and Chief Constable have adequate arrangements in place to secure financial resilience including a comprehensive medium term strategic financial plan. The PCC and Chief Constable have relatively low comparative costs and the lowest council tax in the SW region. The PCC and Chief Constable have sound systems of financial governance and financial control is sound and planned savings were achieved.

Challenging economy, efficiency and effectiveness

We have considered the PCC's and Chief Constable's arrangements to challenge economy, efficiency and effectiveness against the following themes:

- Prioritising resources
- Improving efficiency & productivity

Overall our work highlighted that both the PCC and the Chief Constable have developed sound joint plans to prioritise resources and demonstrate leadership. The organisation has challenged delivery methods and alternative options. In 2015 the PCC and Chief Constable entered into a strategic alliance with the Police and Crime Commissioner from Avon and Somerset and the Chief Constable of Avon and Somerset to share support services with a target of delivering £6m savings for Wiltshire.

Overall VfM conclusion – PCC and Chief Constable

On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the PCC and Chief Constable have both put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.

Detailed findings – Police and Crime Commissioner and Chief Constable

We set out below our detailed findings against six risk areas which have been used to assess the PCC and Chief Constable's performance against the Audit Commission's criteria. We summarise our assessment of each risk area using a red, amber or green (RAG) rating, based on the following definitions:

Green	Adequate arrangements
Amber	Adequate arrangements, with areas for development
Red	Inadequate arrangements

The table below and overleaf summarises our overall rating for each of the themes reviewed:

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable																				
Key indicators of performance	<p>Wiltshire increased its Council tax precept by 1.99% for 2014-15 but it remains lowest in the SW region for council tax band D at £160.92.</p> <p>Value for Money profiles show Wiltshire has relatively low comparative costs (HMIC 2014 cost profile).</p> <table border="1"> <thead> <tr> <th>COSTS</th> <th>£m</th> <th>£/head</th> <th>Avg</th> <th>Diff £m</th> </tr> </thead> <tbody> <tr> <td>Local policing</td> <td>40.5</td> <td>58.4</td> <td>66.4</td> <td>-5.6</td> </tr> <tr> <td>Support functions</td> <td>24.4</td> <td>35.2</td> <td>38.3</td> <td>-2.2</td> </tr> <tr> <td>Total exc. national policing</td> <td>103.7</td> <td>149.5</td> <td>165.2</td> <td>-10.9</td> </tr> </tbody> </table> <p>There are no indications of any liquidity issues. The PCC group holds £25m in investments and has no long term debt other than the PFI.</p> <p>HMIC commented that "The force has well-managed plans for how the workforce will change over the spending review". (Policing for Austerity July 2014).</p>	COSTS	£m	£/head	Avg	Diff £m	Local policing	40.5	58.4	66.4	-5.6	Support functions	24.4	35.2	38.3	-2.2	Total exc. national policing	103.7	149.5	165.2	-10.9	Green	Green
COSTS	£m	£/head	Avg	Diff £m																			
Local policing	40.5	58.4	66.4	-5.6																			
Support functions	24.4	35.2	38.3	-2.2																			
Total exc. national policing	103.7	149.5	165.2	-10.9																			

Detailed findings – Police and Crime Commissioner and Chief Constable - continued

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable
Strategic financial planning	<p>The PCC/Chief Constable's Medium Term Financial Strategy 2015/16 to 2017/18 sets out the estimated financial position over the three year period (December 2014). This shows that the estimated shortfall over the next three years, assuming a 1.90% increase in council tax amounts to £10.25m. The strategy for dealing with the financial pressures includes making annual savings, increasing council tax and maintaining reserves at a safe level to support revenue expenditure.</p> <p>It identifies three themes (Regional Collaboration, Wiltshire Integration and Local Savings) to deliver the majority of the savings required in 2015-16. Further work is required to consider how the £7m to 8m for the next 2 years will be delivered.</p> <p>The plan includes detailed assumptions around government grants, inflation, income generation and deliverability of savings which we have concluded are reasonable.</p> <p>A further medium term financial planning update was presented to Commissioner's Monitoring Board (CMB) in May 2015. This showed the revised estimated funding available over the next four years based on the Office of Budget Responsibility report. This showed that further savings in excess of £3m are likely to be required in the next 2 years.</p> <p>In common with other Police bodies, the risks and challenges facing the sector are increasing and we have assessed this theme as amber given the need to make further, as yet, unspecified savings.</p> <p>An updated Capital Plan was included in the MTFs. Estimated resources are adequate to fund current needs and allow a small amount for future funding. The plan does not identify the need to borrow during the period, but it does rely on £5.7m of capital receipts. These are anticipated from the sale of property at Corsham, Chippenham and Salisbury. (Salisbury was sold in 2015). There is a risk that the actual receipts will be delayed through slippage in the programme.</p>	Amber	Amber

Detailed findings – Police and Crime Commissioner and Chief Constable - continued

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable
Financial governance	<p>The Police and Crime Panel is required to hold the PCC to account and its role includes scrutinising the performance of the PCC in delivering the Police and Crime Plan. The Police and Crime Panel supported the PCC's proposal to increase the police precept by 1.9% for 2015/16.</p> <p>The PCC established the CMB to ensure strong governance. The Board receives reports on performance, risk, and finance. CMB is attended by the PCC, the PCC's Chief Executive and all Force Chief Officers including the Joint Chief Finance Officer.</p> <p>Although the Chief Constable is responsible for operational policing matters, the PCC is required to hold him to account for the exercise of those functions. The Chief Constable is supported by the Chief Officer Group/Senior Command Team. Monthly performance reporting occurs at the Strategic Improvement Board.</p> <p>The PCC has also established a joint independent audit committee to receive and review internal and external audit reports and the financial statements.</p>	Green	Green

Detailed findings – Police and Crime Commissioner and Chief Constable - continued

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable														
Financial control	<p>The process for setting and monitoring the budget is sound and provides a reliable budget. The budget was delivered with an underspend of £2.48m (2.36%) in 2014/15. Quarterly budget reports are presented to the Police and Crime panel.</p> <p>The PCC's Group statements showed a net decrease in reserves of £0.86m in 2014/15 to £23.8m.</p> <p>In October 2010 the Police Authority approved the Vision Programme. This was a 4 year strategy to save £14million by reducing middle and back office costs. £13.45m, (95%) of the plan was delivered. In July 2014 HMIC reported that "<i>Wiltshire is on track to meet its financial challenge for the spending review period and also for the following financial year of 2015/16. The force is also looking beyond this period and is planning now for further funding reductions and financial pressures in the future</i>".</p> <p>In order to balance the 2014/15 budget additional savings (over and above Vision) were required. The table below shows how £1.492m of savings were delivered.</p> <table border="1" data-bbox="437 825 1021 1086"> <thead> <tr> <th data-bbox="437 825 907 853">Area</th> <th data-bbox="907 825 1021 853">2014-15 £</th> </tr> </thead> <tbody> <tr> <td data-bbox="437 865 907 893">Management Savings</td> <td data-bbox="907 865 1021 893">609,000</td> </tr> <tr> <td data-bbox="437 905 907 933">Command Savings</td> <td data-bbox="907 905 1021 933">500,000</td> </tr> <tr> <td data-bbox="437 945 907 973">Emergency Control Centre Consolidation</td> <td data-bbox="907 945 1021 973">83,000</td> </tr> <tr> <td data-bbox="437 985 907 1013">Mobile and Remote</td> <td data-bbox="907 985 1021 1013">94,500</td> </tr> <tr> <td data-bbox="437 1025 907 1053">Forensics</td> <td data-bbox="907 1025 1021 1053">205,763</td> </tr> <tr> <td data-bbox="437 1065 907 1093"></td> <td data-bbox="907 1065 1021 1093">1,492,263</td> </tr> </tbody> </table>	Area	2014-15 £	Management Savings	609,000	Command Savings	500,000	Emergency Control Centre Consolidation	83,000	Mobile and Remote	94,500	Forensics	205,763		1,492,263	Green	Green
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Detailed findings – Police and Crime Commissioner and Chief Constable - continued

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable																										
Prioritising resources	<p>The PCC and the Chief Constable have developed sound joint plans to prioritise resources and demonstrate leadership. The S151 officer is closely involved in preparing the plans and reports. The organisation has challenged delivery methods and alternative options. There is clarity about the local implementation of the roles and responsibilities and the relationship between the PCC and the Chief Constable.</p> <p>A list of detailed savings areas for 2015/16 has been identified.</p> <table border="1" data-bbox="437 661 911 1158"> <thead> <tr> <th data-bbox="437 661 787 686">Area</th> <th data-bbox="787 661 911 686">£</th> </tr> </thead> <tbody> <tr> <td data-bbox="437 696 787 722">Command Savings</td> <td data-bbox="787 696 911 722">55,000</td> </tr> <tr> <td data-bbox="437 732 787 758">ECC Consolidation</td> <td data-bbox="787 732 911 758">167,000</td> </tr> <tr> <td data-bbox="437 768 787 793">Mobile and Remote</td> <td data-bbox="787 768 911 793">86,000</td> </tr> <tr> <td data-bbox="437 803 787 829">Forensics (Budget Sh.)</td> <td data-bbox="787 803 911 829">200,000</td> </tr> <tr> <td data-bbox="437 839 787 865">PCSO reduction</td> <td data-bbox="787 839 911 865">558,764</td> </tr> <tr> <td data-bbox="437 875 787 901">SLT (13/2 SCT Paper)</td> <td data-bbox="787 875 911 901">381,000</td> </tr> <tr> <td data-bbox="437 911 787 936">Tri-Service (additional)</td> <td data-bbox="787 911 911 936">250,000</td> </tr> <tr> <td data-bbox="437 946 787 972">Strategic Alliance – WC</td> <td data-bbox="787 946 911 972">110,000</td> </tr> <tr> <td data-bbox="437 982 787 1008">Estates Collaboration</td> <td data-bbox="787 982 911 1008">250,000</td> </tr> <tr> <td data-bbox="437 1018 787 1043">Enquiry Offices</td> <td data-bbox="787 1018 911 1043">300,000</td> </tr> <tr> <td data-bbox="437 1053 787 1079">Gen Eff/Reg Procurement</td> <td data-bbox="787 1053 911 1079">301,000</td> </tr> <tr> <td data-bbox="437 1089 787 1115">Total</td> <td data-bbox="787 1089 911 1115">2,658,764</td> </tr> </tbody> </table>	Area	£	Command Savings	55,000	ECC Consolidation	167,000	Mobile and Remote	86,000	Forensics (Budget Sh.)	200,000	PCSO reduction	558,764	SLT (13/2 SCT Paper)	381,000	Tri-Service (additional)	250,000	Strategic Alliance – WC	110,000	Estates Collaboration	250,000	Enquiry Offices	300,000	Gen Eff/Reg Procurement	301,000	Total	2,658,764	Green	Green
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Detailed findings – Police and Crime Commissioner and Chief Constable - continued

Theme	Summary findings	RAG rating PCC	RAG rating Chief Constable
Improving efficiency & productivity	<p>Last year we highlighted that HMIC had commented that "<i>People plans are well managed and hierarchy has been reduced by the reduction of Chief inspector and Chief superintendent ranks. To date, the force has achieved the bulk of the required savings through reducing pay costs and has developed plans to target non-pay costs as a way of saving as many jobs as possible</i>".</p> <p>This year HMIC carried out the first PEEL inspection. In summary HMIC reported:</p> <p><i>The available evidence indicates that:</i></p> <ul style="list-style-type: none"> • <i>in terms of its effectiveness, in general, the force is good at reducing crime and preventing offending, is good at investigating offending and good at tackling anti-social behaviour;</i> • <i>the efficiency with which the force carries out its responsibilities is good; and</i> • <i>the force is acting to achieve fairness and legitimacy in most of the practices that were examined this year.</i> <p>In 2015 the PCC and Chief Constable entered into a strategic alliance with the Police and Crime Commissioner from Avon and Somerset and the Chief Constable of Avon and Somerset to share support services. The alliance with Avon and Somerset has a target of delivering £18m savings of which £6m savings are expected for Wiltshire Police.</p> <p>These savings are planned to occur over a 3 to 4 year period. 50% of the savings are expected (£3m) to be made in 2016-17 and 2017-18.</p>	Green	Green

Section 4: Fees, non-audit services and independence

01. Executive summary

02. Audit findings

03. Value for Money

04. Fees, non-audit services and independence

05. Communication of audit matters

Fees, non-audit services and independence

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

Fees services

	Per Audit plan £	Actual fees £
Police and Crime Commissioner audit	42,310	42,310
Chief Constable audit	20,000	20,000
Total audit fees	62,310	62,310

Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standards.

Section 5: Communication of audit matters

01. Executive summary

02. Audit findings

03. Value for Money

04. Fees, non-audit services and independence

05. Communication of audit matters

Communication of audit matters to those charged with governance

International Standard on Auditing ISA (UK&) 260, as well as other (UK&I) ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

The Audit Plan outlined our audit strategy and plan to deliver the audit, while this Audit Findings report presents the key issues and other matters arising from the audits, together with an explanation as to how these have been resolved.

Respective responsibilities

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission (www.audit-commission.gov.uk).

We have been appointed as the PCC's and the Chief Constable's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice (the Code) issued by the Audit Commission and includes nationally prescribed and locally determined work. Our work considers the PCC's and the Chief Constable's key risks when reaching our conclusions under the Code.

It is the responsibility of the PCC and the Chief Constable to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the PCC and the Chief Constable are fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Compliance with laws and regulations		✓
Expected auditor's reports		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓
Matters in relation to the Group audit.	✓	✓

Appendices

Appendix A: Action plan

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
1	<p>The logs relating to information security events on each system and the network should be formally reviewed for the purpose of detecting inappropriate or anomalous activity. These reviews should be performed by one or more knowledgeable individuals who are independent of the day-to-day use or administration of these systems.</p>	M	<p>Event logs are in line with PSN requirements. Implementation of logarhythms relating to information security events is in progress – will be implemented after the 14/15 financial year.</p>	<p>Clive Barker In progress</p>
2	<p>Management should consider the allocation of system administrator rights where members of the team have a financial reporting responsibility to ensure that it does not cause a conflict. If this is not practical then a process should be put in place to independently review audit logs regularly as a compensating control.</p>	M	<p>The department is small and as a resilience requirement on systems are unable to split administrator rights from team members responsible for financial reporting. The current financial system audit log records every key stroke and is therefore unsuitable for regular review as a control measure.</p>	<p>As this is not possible, a risk remains.</p>

Priority
High, Medium or Low

Appendix A: Action plan

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
3	Management should consider a more robust user management process, to be implemented immediately, whereby all departments are notified of leavers prior to their departure so that users can be removed from the system in a timely manner and equipment recovered.	M	The implementation of this process is currently in progress. IT are currently in discussion with Police HR to align the starter/leaver process for IT with the starter/leaver progress for the police as well as looking into management of IT assets for leavers.	Clive Barker In progress

Priority
High, Medium or Low

Appendix B: Audit opinion for the Police and Crime Commissioner

We anticipate we will provide the PCC with an unmodified audit report

INDEPENDENT AUDITOR'S REPORT TO THE POLICE AND CRIME COMMISSIONER FOR WILTSHIRE

We have audited the financial statements of the Police and Crime Commissioner for Wiltshire for the year ended 31 March 2015 under the Audit Commission Act 1998. The financial statements comprise the Police and Crime Commissioner Single Entity and Group Movement in Reserves Statement, the Police and Crime Commissioner Single Entity and Group Comprehensive Income and Expenditure Statement, the Police and Crime Commissioner Single Entity and Group Balance Sheet, the Police and Crime Commissioner Single Entity and Group Cash Flow Statement and the related notes and include the Wiltshire police pension fund financial statements comprising the Fund Account, the Net Assets Statement and the related note. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

This report is made solely to the Police and Crime Commissioner for Wiltshire, as a body, in accordance with Part II of the Audit Commission Act 1998 and as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Chief Finance Officer and auditor

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards also require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Police and Crime Commissioner Single Entity and Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Finance Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword, [the Group's explanatory foreword] to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Police and Crime Commissioner for Wiltshire as at 31 March 2015 and of its expenditure and income for the year then ended;
- give a true and fair view of the financial position of the Group as at 31 March 2015 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We are required to report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007; or
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998; or
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Police and Crime Commissioner to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Conclusion on the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in the use of resources**Respective responsibilities of the Police and Crime Commissioner and the auditor**

The Police and Crime Commissioner is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission in October 2014.

We report if significant matters have come to our attention which prevent us from concluding that the Police and Crime Commissioner has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2014, as to whether the Police and Crime Commissioner has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Police and Crime Commissioner put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Police and Crime Commissioner had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2014, we are satisfied that, in all significant respects, the Police and Crime Commissioner for Wiltshire put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

Certificate

We certify that we have completed the audit of the financial statements of the Police and Crime Commissioner for Wiltshire in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Alex Walling for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Hartwell House
55-61 Victoria Street
Bristol BS1 6FT

September 2015

Appendix C: Audit opinion for the Chief Constable

We anticipate we will provide the Chief Constable with an unmodified audit report

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR Wiltshire

We have audited the financial statements of the Chief Constable for Wiltshire for the year ended 31 March 2015 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes and include the Wiltshire police pension fund financial statements comprising the Fund Account, the Net Assets Statement and the related note. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

This report is made solely to the Chief Constable for Wiltshire, as a body, in accordance with Part II of the Audit Commission Act 1998 and as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Chief Finance Officer and auditor

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards also require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Chief Constable's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Finance Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable for Wiltshire as at 31 March 2015 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We are required to report to you if:

- in our opinion the annual governance statement does not reflect compliance with ‘Delivering Good Governance in Local Government: a Framework’ published by CIPFA/SOLACE in June 2007; or
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998; or
- we designate under section 11 of the Audit Commission Act 1998 a recommendation as one that requires the Chief Constable to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Conclusion on the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in the use of resources**Respective responsibilities of the Chief Constable and the auditor**

The Chief Constable is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission in October 2014.

We report if significant matters have come to our attention which prevent us from concluding that the Chief Constable has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2014, as to whether the Chief Constable has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Chief Constable put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Chief Constable had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2014, we are satisfied that, in all significant respects, the Chief Constable for Wiltshire put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

Certificate

We certify that we have completed the audit of the financial statements of the Chief Constable for Wiltshire in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Alex Walling

for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Hartwell House
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Bristol BS1 6FT

September 2015



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