Grant Thornton

Police, Fire and Crime Commissioner for Cumbria and Chief Constable of Cumbria Constabulary

Auditor’s Annual Report
Year ending 31 March 2025

14 October 2025

Contents

01 Introduction and context

Introduction

This report brings together a summary of all the work we have undertaken for Police, Fire and Crime Commissioner and Chief Constable for Cumbria during 2024/25 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. The responsibilities of the Police, Fire and Crime Commissioner (the PFCC) and the Chief Constable (the CC) are set out in Appendix A. The Value for Money Auditor responsibilities are set out in Appendix B.

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the PFCC and CC as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Auditor's powers

Auditors of a local authority have a duty to consider whether there are any issues arising during their work that require the use of a range of auditor's powers.

These powers are set out on page 8 with a commentary on whether any of these powers have been used during this audit period.

Value for money

We report our judgements on whether the PFCC and CC has proper arrangements in place regarding arrangements under the three specified criteria:

- financial sustainability
- governance
- Improving economy, efficiency and effectiveness

The Value for Money auditor responsibilities are set out in Appendix B.

The NAO has consulted on and updated the Code to align it to accounts backstop legislation. The new Code requires auditors to share a draft Auditor's Annual Report (AAR) with those charged with governance by a nationally set deadline each year, and for the audited body to publish the AAR thereafter. This new deadline requirement is introduced from 30th November 2025 and applies to 2024/25 Audits.

02 Executive Summary

Executive Summary – our assessment of value for money arrangements

Our overall summary of our Value for Money assessment of the PFCC's and CC's arrangements is set out below. Further detail can be found on the following pages.

Criteria	2023/24 Assessment of arrangements		2024/25 Risk assessment	2024/25 Assessment of arrangements	
Financial sustainability	A	No significant weaknesses in arrangements identified, but two improvement recommendations.	No risks of significant weakness identified.	G	No significant weaknesses in arrangements identified and no improvement recommendation made.
Governance	G	Our work did not identify any areas where we considered that key or improvement recommendations were required.	No risks of significant weakness identified.	G	No significant weaknesses in arrangements identified and no improvement recommendation made.
Improving economy, efficiency and effectiveness	G	No significant weaknesses identified and no improvement recommendations raised.	No risks of significant weakness identified.	G	No significant weaknesses in arrangements identified and no improvement recommendation made.

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendation(s) made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Executive Summary

We set out below the key findings from our commentary on the PFCC's and CC's arrangements in respect of value for money.

Financial sustainability

The Police, Fire and Crime Commissioner and Chief Constable demonstrate a good track record of sound financial management including.

The group understands the challenges and risks to future financial sustainability which is articulated in its Medium Term Financial Forecast (MTFF) and the Futures Change Programme is planned to deliver savings to bridge funding gaps from 2026/27.

We have not reported any key or improvement recommendations in this area. We have concluded the improvement recommendations brought forward are addressed.

Further details can be found on pages 15-16 of our report.

Governance

The OPFCC and Constabulary have appropriate arrangements in place to manage risk and internal controls, set and monitor budgets, make properly informed decisions and ensure appropriate standards are in place.

The Head of Internal Audit provided a "Reasonable" opinion on the framework of governance, risk management and control in its overall adequacy and effectiveness for 2024/25.

We have not reported any key or improvement recommendations in this area.

Further details can be found on pages 17-19 of our report.

Improving economy, efficiency and effectiveness

Performance reporting is well-established across both the OPFCC and Constabulary. Regular performance reports help the PFCC and CC manage the delivery of strategic priorities.

The 2024-2025 PEEL inspection report from His Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS) congratulated the Constabulary for good performance.

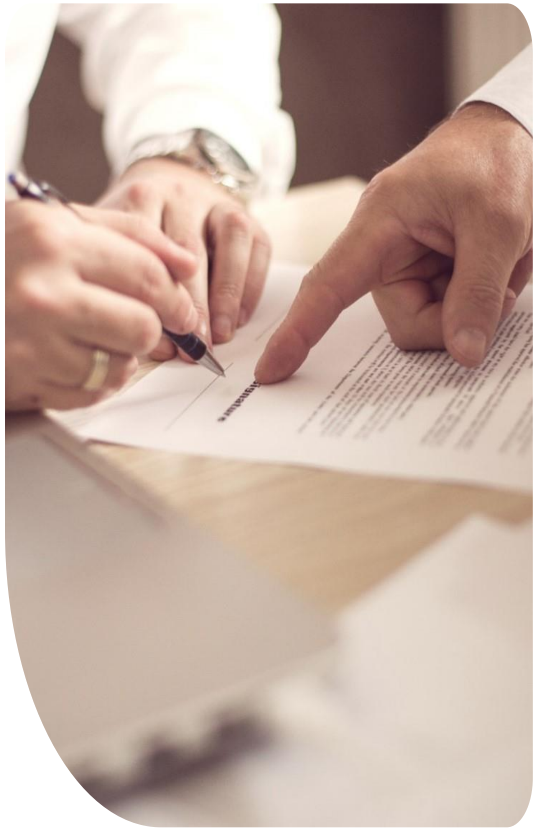
We have not reported any key or improvement recommendations in this area.

Further details can be found on pages 20-22 of our report.

Executive summary – auditor’s other responsibilities

This page summarises our opinion on the PFCC’s and CC’s financial statements and sets out whether we have used any of the other powers available to us as the PFCC’s and CC’s auditors.

Auditor’s responsibility	2024/25 outcome
Opinion on the Financial Statements: PFCC	We have completed our audit of your financial statements and issued an unqualified audit opinion on the financial statements for the year ended 31 March 2025 on 14 October 2025. Our findings are set out in further detail on pages 9 to 11.
Opinion on the Financial Statements: CC	We have completed our audit of your financial statements and issued an unqualified audit opinion on the financial statements for the year ended 31 March 2025 on 14 October 2025. Our findings are set out in further detail on pages 9 to 11.
Use of auditor’s powers	We did not make any written statutory recommendations to the PFCC or CC under Schedule 7 of the Local Audit and Accountability Act 2014. We did not make an application to the Court or issue any Advisory Notices under Section 29 of the Local Audit and Accountability Act 2014. We did not make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014. We did not identify any issues that required us to issue a Public Interest Report (PIR) under Schedule 7 of the Local Audit and Accountability Act 2014.



03 Opinion on the financial statements and use of auditor’s powers

Opinion on the financial statements

These pages set out the key findings from our audit of the PFCC's and CC's financial statements, and whether we have used any of the other powers available to us as the PFCC and CC auditors.

Audit opinion on the financial statements

We issued an unqualified opinion on the PFCC's and CC's financial statements on 14 October 2025.

The full opinion is included in the PFCC's and CC's Annual Report for 2024/25, which can be obtained from the PFCC's and Force/Constabulary websites.

Grant Thornton provides an independent opinion on whether the PFCC's and CC's financial statements:

- give a true and fair view of the financial position of the group, of the PFCC and of the CC as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with: International Standards on Auditing (UK), the Code of Audit Practice (2024) published by the National Audit Office, and applicable law. We are independent of the PFCC and CC in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

The PFCC and CC provided draft accounts in line with the national deadline of 30 June 2025.

Draft financial statements were of a reasonable standard and supported by detailed working papers.

We anticipate issuing the opinion on the financial statements in line with the national timetable

Our audit work did not identify any significant findings or adjustments to the financial statements submitted for audit.

Our IT audit work identified one recommendation but this is not considered to be a significant recommendation.

Audit Findings Report

We reported the detailed findings from our audit in our Audit Findings Report. A draft version of our report was presented to the PFCC's and CC's Joint Audit Committee on 24 September 2025. Requests for this Audit Findings Report should be directed to the PFCC and CC.

Other reporting requirements

Annual Governance Statement

Under the Code of Audit Practice published by the National Audit Office we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice 2024/25 on Local Authority Accounting, or is misleading or inconsistent with the information of which we are aware from our audit.

We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

04 Value for Money commentary on arrangements

Value for Money – commentary on arrangements

This page explains how we undertake the value for money assessment of arrangements and provide a commentary under three specified areas.

All PFCC's and CC's are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. PFCC's and CC's report on their arrangements, and the effectiveness of these arrangements as part of their individual Annual Governance Statements.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the PFCC and CC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We provide an assessment of the overall arrangements, taking into consideration the individual arrangements at both the PFCC and CC; reporting clearly which body is impacted by any issues raised.

The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

Financial sustainability

Arrangements for ensuring the PFCC and CC can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).

Governance

Arrangements for ensuring that the PFCC and CC makes appropriate decisions in the right way. This includes arrangements for budget setting and budget management, risk management, and making decisions based on appropriate information.

Improving economy, efficiency and effectiveness

Arrangements for improving the way the PFCC and CC delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

Financial sustainability – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	The PFCC and Chief Constable demonstrate a history of strong financial management. Group net expenditure of £133.846m in 2024/25, compared to a budget of £134.365m resulted in an underspend of £0.519m representing 0.39% of the total net revenue budget. This comprises £0.096m (0.44%) underspend on budgets managed by the Commissioner and a £0.423m (0.27%) underspend on Constabulary budgets. The PFCC and CC budget for 2025/26, approved by the PFCC and Police, Fire and Crime Panel in February 2025, following the approval of the proposed precept was balanced. The budget is underpinned by reasonable financial assumptions and is not reliant on the use of general fund reserves or realising planned savings to bridge funding gaps. However, the MTFF shows a budget deficit of £2.3m in 2026/27 rising to £11m by 2029/30. A savings and efficiency plan is being progressed as part of the Constabulary 'Futures Programme' to address the deficit. In the event that this is not achieved, reserves will be required to bridge the gap and will result in the level of reserves depleting more quickly than indicated within the Reserves Strategy.	G
plans to bridge its funding gaps and identify achievable savings	The 2024/25 and 2025/26 Group budgets did not require savings to be delivered to bridge funding gaps. However cumulative savings of £11m are required to be delivered before 31 March 2029. To set a balanced budget for 2026/27 savings of £2.3m are required. While there was no requirement to bridge funding gaps in 24/25 and 25/26 the Constabulary's Futures Change Programme has delivered savings which will be transferred into reserves and drawn down as required. The savings requirement for 2025/26 has been identified with further reviews in progress planned to deliver additional savings. Oversight and reporting is provided to the Executive Board.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	The PFCC and CC have established financial planning processes that support the sustainable delivery of services aligned with strategic and statutory priorities. The MTFF is critical to the delivery of the financial strategy in support of the PFCC's Police, Fire and Crime Plan 2025-2029 and statutory policing requirement. The Police, Fire and Crime Plan was approved by the Police, Fire and Crime Panel in October 2024. The Plan is structured around five key themes and progress against these priorities is monitored through performance reports presented at Public Accountability Conferences, which inform both the annual budget and the Medium-Term Financial Plan.	G
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	The PFCC's and CC's financial planning and investment decisions align to the Police, Fire and Crime Plan 2025 - 2029 and key strategies and plans such as commissioning activity, workforce projections, Estates Strategy, the Reserves Strategy and Capital Strategy, which are underpinned by the Capital Programme and Treasury Strategy. Capital investment is aligned to the Capital Strategy and any new bids not approved in principle are subject to Full Business Case approval.	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	Arrangements are in place to identify and manage risks to financial resilience. Quarterly revenue and capital monitoring reports provide detailed insights into projected revenue outturns and capital budget performance, along with explanations for any variances and identified risks. The OPFCC and Constabulary maintain risk registers, reviewed biannually by the Joint Audit Committee (JAC). The budget and MTFF process spans several months and involves detailed submissions, challenge sessions, and consideration of key assumptions such as inflation, council tax, and workforce planning. Sensitivity analysis is also conducted to assess the potential impact of changes in critical variables, including inflation rates.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
monitors and assesses risk and how the PFCC and CC gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	The OPFCC and Constabulary have arrangements in place to identify and manage risk which is embedded in its governance structures and supported by Risk Management Strategies. Both entities maintain individual risk registers which are reviewed quarterly. Strategic risks for both bodies are reported biannually to the Joint Audit Committee (JAC) for scrutiny. The Internal Audit providers ensure assurance is provided to JAC summarising progress against the Internal Audit Plan and the outcome of work completed; including any fraud and irregularity work. The Head of Internal Audit provided a "Reasonable" opinion on the framework of governance, risk management and control in its overall adequacy and effectiveness for 2024/25. This reflects two Limited Assurance opinion reports. Reporting also provides an update on the status of actions arising from recommendations made in internal audit reports. A number of internal audit recommendations from the 2022/23 and 2023/24 reporting periods remained outstanding at year end, with several having passed their original deadlines. Deadline extensions have been granted and follow-up work is ongoing. We have not made an improvement recommendation in this area as arrangements are in place to review all outstanding recommendations by the incoming Internal Audit Provider. Anti-fraud and whistleblowing policies are in place and a biennial review of effectiveness of anti fraud and corruption arrangements is completed. Reporting to JAC in June 2025 confirmed there had been no fraud or allegations, concluding that systems in place were operating effectively.	G

- G No significant weaknesses or improvement recommendations.
- A No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
approaches and carries out its annual budget setting process	The annual budget setting process is built around the MTFF and involves collaboration between the PFCC, CC and key stakeholders. The draft budget is presented in January and approved in February each year, with a mid-year review in September to assess funding, savings, capital plans, reserves, and risks. Public and stakeholder engagement is integral and includes consultations with residents, businesses, staff, and unions. An independent review of the 2025/26 budget confirmed the underlying assumptions were reasonable.	G
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	There are well established procedures in place for budget monitoring and reporting. Chief Officer Group now receive financial reporting Quarterly which aligns with quarterly reporting to Executive Board and summary financial reporting to the Police, Fire and Crime Panel. Financial reports presented a mix of numbers, diagrams, and narrative detailing performance and plans to understand and address variances. They provide detailed forecasts for both revenue and capital budgets and include high-level summaries to support decision-making.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements (continued)

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee	The OPFCC and Constabulary have arrangements in place to ensure that appropriate and properly informed decisions are made; documented within the Joint Corporate Governance Framework and detailed within the Decision Making Policy. Executive Board, JAC and Police, Fire and Crime Panel (PFCP) receive clear, well-structured reports enabling effective discussion, scrutiny and challenge. Key decisions made by the PFCC are published online in accordance with the requirements of the Police Reform and Social Responsibility Act 2011. The JAC met four times in 2024/25 and demonstrated effective oversight in line with CIPFA guidance. Its terms of reference were last reviewed in February 2025, and minutes show evidence of appropriate challenge. Attendance was consistent, with no concerns over turnover.	G
monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour	The OPFCC and Constabulary have defined the roles of its key officers, supported by Codes of Conduct and policies and procedures to ensure compliance with legal and regulatory standards; for example the Scheme of Delegation and transparent declarations of interests and gifts and hospitality. Arrangements are also in place to meet legislative and regulatory standards where services are procured or commissioned. No breaches of legislation, serious data breaches, or compromise agreements were reported during the 2024/25 period. The Force Professional Standards Department is responsible for investigating complaints and misconduct allegations against police staff and officers. The Community Scrutiny Panel promotes ethical values within the OPFCC and Constabulary. The Panel meet on a quarterly basis and produce an annual report highlighting the work completed in year. The Panel receives a report on public complaints, misconduct and grievances. Vetting helps mitigate the risks associated with employing an unsuitable person in the police service. We confirmed with the Constabulary that the process in place aligns with the Authorised Professional Practice (APP) and relevant regulations and that there isn't a large backlog or long delays in reviewing and processing applications.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
uses financial and performance information to assess performance to identify areas for improvement	Arrangements are in place to report upon financial and non-financial performance. Performance reporting is well-established across both the OPFCC and Constabulary. Performance is monitored weekly by the Chief Officer Group and formally reviewed at quarterly Public Accountability Meetings, which assess progress against the Police, Fire and Crime Plan. Reports include detailed KPIs and highlight any areas requiring attention through exception reporting. Benchmarking is also embedded in performance reporting, comparing Cumbria's performance with other forces. The 2024/25 end-of-year performance overview for the Constabulary was presented at the Public Accountability Conference in June 2025. The report identifies priorities and areas of focus for 25/26 based on the performance of KPIs recorded, including addressing cybercrime and reflecting on areas of local/ national concern, such as the knife attack in Southport in July 2024. In March 2025, the Constabulary ranked 6th place nationally, answering 88.3% of 999 calls within 10 seconds. The PFCC's Annual Governance Statement outlines strong data governance practices, including secure data handling, regular staff training, and oversight by a shared Data Protection Officer. Data-sharing is supported by formal agreements, and suppliers are bound by robust contractual safeguards. The Constabulary has continued its digital transformation through a strategic partnership with Mark43, aimed at replacing legacy systems with a fully integrated platform. This new system will allow for seamless data flow between modules and enhances operational efficiency by improving data consistency - such as reducing the need for officers and staff to enter the same information multiple times. Phase 1 of the programme has been successfully delivered, and the Force is now moving into Phase 2, which is scheduled for completion by early 2027.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
evaluates the services it provides to assess performance and identify areas for improvement	In July 2024, HMICFRS published its 2023-2025 PEEL inspection report for Cumbria Constabulary, commending the force's overall performance. The Constabulary was assessed across nine areas, receiving one 'Outstanding', six 'Good', and two 'Adequate' ratings. No criteria were rated "Requires Improvement" or "Inadequate". Workforce support - especially for student officers was described as outstanding. The Public Accountability Conference and internal HMICFRS Board receive regular updates on inspection activity and in July 2025, HMICFRS confirmed the Constabulary was in a strong position, with recommendations being addressed at pace.	G
ensure they deliver their role within significant partnerships and engages with stakeholders they have identified, in order to assess whether they are meeting their objectives	The Police, Fire and Crime Plan 2025–2029 highlights the extensive engagement with stakeholders, including public consultations and collaboration with community organisations. The plan also sets out mechanisms for ongoing review to ensure priorities are monitored and delivery remains on track. The PFCC and CC deliver their roles within significant partnerships. In the reporting period, the PFCC and CC actively participated in various partnerships such as the Safer Cumbria Board and the PFCC supported initiatives such as Get Safe Online to combat online crime. The 2023–2025 PEEL inspection praised Cumbria Police's effective collaboration with partners to address local issues and enhance safety. In addition, the PFCC and CC are developing their collaborative and shared working arrangements with the Fire Authority to seek efficiencies and develop new ways of working. A Joint Executive Board (working Together) works alongside the existing Boards looking at shared working opportunities, particularly around back-office functions. The Board meets every six weeks and is attended by representatives from the OPFCC, Constabulary, Fire Authority and Blue light collaboration manager. New initiatives include a joint Estates Strategy, a joint procurement and commercial arrangement and shared payroll and IT support services.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the PFCC and CC:	Commentary on arrangements:	Rating
commissions or procures services, assessing whether it is realising the expected benefits	The OPFCC and Constabulary have established arrangements to effectively identify and manage key contracts. These are supported by up-to-date procurement and financial regulations that ensure compliance with relevant standards. A contracts register is maintained to support oversight, and we observed evidence of regular performance monitoring through structured reporting, including service delivery metrics and key performance indicators.	G

G	No significant weaknesses or improvement recommendations.
A	No significant weaknesses, improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendation(s) made.

05 Appendices

Appendix A: Responsibilities of the Police, Fire and Crime Commissioner (PFCC) and the Chief Constable (CC)

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) is required to prepare 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. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the PFCC's and the Chief Constable's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the PFCC and Chief Constable will no longer be provided.

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

Appendix B: Value for Money Auditor responsibilities

Our work is risk-based and focused on providing a commentary assessment of the PFCC's and CC's Value for Money arrangements

Phase 1 – Planning and initial risk assessment

As part of our planning, we assess our knowledge of the PFCC's and CC's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements, we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.

A range of different recommendations can be raised by the auditors as follows:

Statutory recommendations – recommendations to the PFCC and CC under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

Key recommendations – the actions which should be taken by the PFCC and CC where significant weaknesses are identified within arrangements.

Improvement recommendations – actions which are not a result of us identifying significant weaknesses in the PFCC's and CC's arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to the Police and Crime Panel
Interviews and discussions with key stakeholders	External review such as by CIPFA
Progress with implementing recommendations	Regulatory inspections such as from HMICFRS
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	Following the initiation of the 'Futures Programme', we recommend that the PFCC and CC continue to develop a detailed savings plan in support of the budget and MTFF and to enable internal monitoring of progress against them.	2023/24	The Futures Programme is in delivery phase and progress against the plan is provided through reporting to Executive Board.	Recommendation closed	No
IR2	The Police, Fire and Crime Commissioner and Constabulary should publish their sustainability strategy and detailed action plan. The financial implications of this action plan should be built into the MTFF.	2023/24	Sustainability measures and initiatives have been identified and built into individual strategies and projects for example the Estates Strategy, Fleet Strategy and mileage policy and initiatives such as the cycle to Work Scheme and Salary sacrifice – low emission car scheme.	Recommendation closed	No

Grant Thornton