Grant Thornton

Northamptonshire Commissioner Fire and Rescue Authority

Interim Auditor's Annual Report
Year ending 31 March 2025

21 November 2025

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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 for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements 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.

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01 Introduction and context

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Introduction

This report brings together a summary of all the work we have undertaken for Northamptonshire Fire & Rescue Authority (NCFRA) 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 Fire and Rescue Authority (the Authority) 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 Authority 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 12 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 Authority 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 30 November 2025 and applies to 2024/25 audits.

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02 Executive Summary

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Executive Summary – our assessment of value for money arrangements

Our overall summary of our Value for Money assessment of the Authority'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 identified; one improvement recommendation to identify savings and efficiencies to ensure the use of reserves over the medium term is minimised.	No risks of significant weakness identified.	A	No significant weaknesses were identified; one improvement recommendation from the previous reporting period has been retained, to continue identifying savings and efficiencies to minimise reliance on reserves over the medium term. An additional recommendation has been raised to update the Joint Estates Strategy.
Governance	A	No significant weaknesses identified; two improvement recommendations raised to improve decision making and enhance arrangements for risk reporting.	No risks of significant weakness identified.	G	No significant weaknesses in arrangements identified and no improvement recommendations raised. We have closed our prior year improvement recommendations relating to improving decision making and enhancing arrangements for risk reporting.
Improving economy, efficiency and effectiveness	A	No significant weaknesses identified; one improvement recommendation raised in relation to addressing the issues raised in HMICFRS' 2023-25 inspection report.	No risks of significant weakness identified.	A	No significant weaknesses were identified; one improvement recommendation from the previous reporting period has been updated, to ensure the Authority continues addressing HMICFRS-identified areas for improvement.

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.

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Executive Summary

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

Financial sustainability

Northamptonshire Commissioner Fire and Rescue Authority has put in place effective arrangements to secure financial sustainability in support of ongoing delivery of services. The Authority understands the financial risks faced into the future and is managing these by maintaining an appropriate level of reserves, and developing savings programmes to mitigate any funding gaps identified. We have retained our prior year improvement recommendation to support ongoing work to identify savings and efficiencies; and have raised an additional improvement recommendation to update the Joint Estates Strategy.

We have not identified any significant weakness in arrangements and have not raised any key recommendations as a result of our review. Further details can be found on pages 14-18 of our report.

Governance

Northamptonshire Commissioner Fire and Rescue Authority has effective arrangements in place to support informed decision making and effective risk management. We consider our prior year improvement recommendation relating to improving decision making addressed. We note that our prior year improvement recommendation concerning enhancements to risk reporting has not been addressed, but whilst actioning our recommendation would represent good practice, there is no indication of significant risk to governance arrangements. We have therefore closed this recommendation.

We have not identified any significant weakness in arrangements and have not raised any key recommendations as a result of our review. Further details can be found on pages 19-23 of our report.

Improving economy, efficiency and effectiveness

Northamptonshire Commissioner Fire and Rescue Authority has effective arrangements for using financial and non-financial information to assess performance, identify improvement opportunities, and deliver its role in key partnerships and stakeholder engagement.

We retain our prior year improvement recommendation regarding the Authority's ongoing work to address HMICFRS's identified areas for improvement.

We have not identified any significant weakness in arrangements and have not raised any key recommendations as a result of our review.

Further details can be found on pages 24-26 of our report.

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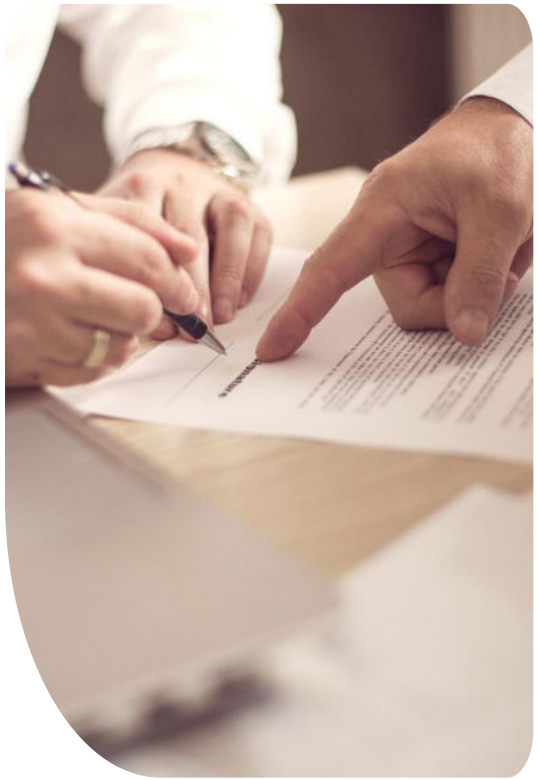
Executive summary – auditor's other responsibilities

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

Auditor's responsibility	2024/25 outcome
Opinion on the Financial Statements	We have substantively completed our audit of your financial statements and are in the process of consolidating our findings. We intend to issue an unqualified audit opinion. Our findings are set out in further detail on page 10.
Use of auditor's powers	We did not make any written statutory recommendations 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 28 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.



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

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Opinion on the financial statements

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

Audit opinion on the financial statements

We have substantively completed our audit of your financial statements and are in the process of consolidating our findings. We intend to issue an unqualified audit opinion.

Grant Thornton provides an independent opinion on whether the Authority's financial statements:

- give a true and fair view of the financial position of the Authority 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 Authority in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

The Authority 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.

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.

At the time of writing this report, our work in this area is ongoing.

Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report will be presented to the Authority's Joint Independent Audit Committee. Requests for this Audit Findings Report should be directed to the Authority.

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04 Value for Money commentary on arrangements

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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.

The Authority is the statutory governing authority responsible for overseeing fire and rescue services across Northamptonshire. Northamptonshire Commissioner Fire and Rescue Authority operates under a Police, Fire and Crime Commissioner (PFCC) model. The PFCC directs the purpose, objectives, priorities and values of the Authority and are responsible for the provision of an effective and efficient Fire and Rescue Service. Northamptonshire Fire and Rescue Service (the Service) carries out day-to-day operations, whilst the Authority sets the strategic direction for the Service and is responsible for governance and oversight of the Service.

All Fire and Rescue Authorities 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. Fire and Rescue Authorities 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 Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. 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 Authority 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 Authority 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 Authority delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

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Financial sustainability – commentary on arrangements

We considered how the Authority:	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	Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) set a balanced budget of £32.6m for 2024/25. The final outturn reported an overspend of £0.366m (1.53% of the budget) after net use of £89k reserves. A Medium-Term Financial Plan (MTFP) covering 2025/26 to 2029/30 is in place, reflecting significant financial pressures from 2025/26 onwards. The MTFP is formally reviewed every six months and is based on prudent assumptions regarding council tax precept increases, pay inflation, funding, and borrowing. For 2025/26, a balanced budget of £33.727m has been approved, incorporating a savings target of £1.688m and a £0.766m reserve transfer. However, funding gaps are projected from 2026/27. A Reserves Strategy is in place and reviewed annually, with the General Fund reserves balance maintained at £2.0m (approximately 6% of 2025/26 funding) throughout the MTFP period. Earmarked Reserves are forecast to reduce from £4.76m in 2025 to £1.86m by 2030 in line with their planned use. We have reflected the increased risk as part of our improvement recommendation.	A
plans to bridge its funding gaps and identify achievable savings	NCFRA removes identified savings from budget lines and monitors delivery through monthly reviews. For 2024/25, the budget assumed savings of £0.659m, with £0.622m removed from budget lines, including apprenticeship levy reductions, procurement efficiencies, and staffing adjustments. Under its MTFP, NCFRA has set annual savings targets starting at £1.688m in 2025/26, with cumulative funding shortfalls of £6.424m by 2029/30. This highlights the need for continued efficiencies to address the shortfalls from 2026/27 onwards and forecast general reserves balances are not currently sufficient to meet the shortfall. We therefore reiterate the improvement recommendation raised in the prior year, that the authority should continue identifying savings and wider efficiencies to minimise reliance on reserves.	A

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.

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Financial sustainability – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	Financial planning is guided by the strategic priorities set out in the Police, Fire and Crime Plan 2021–2026, which includes prevention, response, vulnerability, justice, and modernisation. These priorities are embedded within the Medium-Term Financial Plan and capital programme, ensuring that investment in resources is aligned to strategic objectives. For instance, investment in firefighter recruitment aims to strengthen the service's ability to respond effectively to incidents, while investment in modern fire appliances aims to support more efficient and effective incident management. The 2025/26 budget build process further demonstrates that financial planning is structured to support the long-term delivery of services in line with these priorities.	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	NCFRA's financial planning and investment decisions align to the both the Police, Fire and Crime Plan 2021–26, the Fire Strategy - Community Risk Management Plan (CRMP) and other relevant plans and strategies such as the Capital Strategy, Treasury Management Strategy, and the Joint Police/Fire Estates Strategy. The Joint Estates Strategy was last updated in 2019; therefore we have raised an improvement recommendation to ensure this is updated. The Capital Strategy ensures investment decisions are aligned with long-term objectives and is supported by a governance structure that monitors planning and progress. The MTFP also confirms that the 2025/26 budget supports the 'Safe and Sound' Public Safety Plan, with the PFCC working to align it with the priorities set out in the Fire Strategy.	A

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.

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Financial sustainability – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	The PFCC and NCFRA maintain a regularly updated risk register that includes risks associated with financial delivery. To manage these risks, monthly budget monitoring is carried out, helping to identify issues early and take corrective action where needed. The MTFP plays a key role in testing and challenging financial assumptions. It includes a contingency for inflation and is informed by strategic plans for estates, fleet, digital systems, and operational equipment. These plans are regularly reviewed and updated to ensure assumptions remain current and financial risks are effectively managed.	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.

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Financial sustainability (continued)

Area for Improvement identified: Identification of savings and wider efficiencies

Key Finding: The authority faces challenging savings requirements over the medium-term, creating pressure to identify efficiencies and reduce reliance on reserves.

Evidence: £0.622m savings were removed from budget lines in 2024/25. MTFP savings plans include £1.688m in 2025/26; this is a significant increase of 171% and equivalent to 5% of the net revenue budget in 2025/26. At October 2025, £0.489m of the savings target remains unidentified which is equivalent to 29% of the total savings plan.

Funding shortfalls have been identified of £1.078m in 2026/27, £1.472m in 2027/28, £1.658m in 2028/29 and £2.216m in 2029/30. The increasing savings requirements, coupled with insufficient cashable targets beyond 2026/27, highlight the need to ensure governance arrangements are sufficiently robust to ensure identification and delivery of further savings and efficiencies required to achieve a balanced budget and minimise the use of reserves.

The General Fund reserves balance is maintained at £2.0m which is approximately 6% of the 2025/26 net revenue budget, however Earmarked Reserves are forecast to reduce from £4.76m in 2025 to £1.86m by 2030 in line with their planned use.

Impact: The increasing savings requirement places pressure on the authority to identify greater cost efficiencies over the medium term and reduce reliance on reserves to maintain financial sustainability.

Improvement Recommendation 1

The Authority should continue its work to identify multi year savings and wider efficiencies so that the use of reserves to balance the revenue budget over the medium term is minimised.

Plans to replenish reserves should also be considered as part of the financial planning process.

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Financial sustainability (continued)

Area for Improvement identified: Ensure strategies in place are up-to-date

Key Finding: The Joint Estates Strategy, which underpins collaboration between Northamptonshire Police and Northamptonshire Fire and Rescue is outdated.

Evidence: The joint estates strategy in place was last updated in 2019 and indicates that an annual review will take place. The strategy also includes detail from the former PFCC, CC and Chief Fire Officer.

Impact: An outdated Joint Estates Strategy may result in estate planning and investment decisions that do not reflect current operational requirements, collaboration priorities or financial constraints. This could lead to inefficiencies, missed opportunities for shared services, and increased costs, as well as reduced alignment with the latest Police and Crime Plan and Medium-Term Financial Plan.

Improvement Recommendation 2

The Joint Estates Strategy should be updated to reflect current priorities and progress to ensure it remains fit for purpose.

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Governance – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
monitors and assesses risk and how the Authority gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	NCFRA has established arrangements to identify and manage risk, supported by its Risk Management Policy and the Police, Fire and Crime Commissioner for Northamptonshire Risk Management Policy. Risk Registers are maintained with reporting and oversight provided via Joint Independent Audit Committee (JIAC). We have considered there to be sufficient arrangements in place and have subsequently closed the previous year's recommendation. Internal Audit report to JIAC on a quarterly basis summarising progress against the Internal Audit Plan and the outcome of work completed. Reporting also provides an update on the status of actions arising from recommendations made in internal audit reports. The Head of Internal Audit provided a "Moderate" opinion on the framework of governance, risk management, and control in its overall adequacy and effectiveness for 2024/25. This reflects one Limited Assurance Opinion report. The Joint Code of Corporate Governance Framework in place sets out the key controls and responsibilities for preventing fraud and corruption and money laundering.	G
approaches and carries out its annual budget setting process	The annual budget-setting process is well-established, beginning with strategic planning and involving close collaboration with budget holders. A zero-based approach is applied where appropriate, with active involvement from senior managers and service leads. The process incorporates both internal and external scrutiny, and budget plans are subject to challenge and refinement. The ongoing Emergency Cover Review (ECR) alongside the review of the CRMP drive further analysis of savings within devolved budgets and Enabling Services charges. The Senior Leadership Team also reviews cost proposals and implementation timelines alongside these outcomes.	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.

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Governance – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
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	Once the budget is approved by the PFCC, strong financial management ensures resources are used appropriately and accounted for. Budgetary control is maintained throughout the year, with monthly monitoring by budget managers and oversight from finance leads. The Joint Head of Finance provides monthly reports to the PFCC, combining financial and workforce data with detailed variance analysis. Financial updates are also shared with the Police, Fire and Crime Panel in line with governance requirements.	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.

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Governance – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee	Governance arrangements are in place to support informed decision-making. The joint Code of Corporate Governance Framework applies across the PFCC, the NCFRA and the Chief Constable for Northamptonshire, setting out seven core principles of good governance, decision making and expected standards of behaviour. Effective scrutiny is demonstrated by the PFCC and the Police and Fire and Crime Panel, with published Accountability Board minutes evidencing performance review and challenge at meetings. During the reporting period, governance and recruitment practices were revised following concerns about the appointment of an interim Chief Fire Officer in 2023. In response, the Police, Fire and Crime Panel agreed a series of recommendations which were implemented when making appointments to roles, including Commissioner, Deputy Commissioner, Chief Fire Officer, Chief Finance Officer (s151), and Monitoring Officer. Panel membership was also refreshed. Interim appointments to positions such as the Chief Fire Officer are now subject to confirmation hearings with the Panel. While these actions demonstrate a focus on improvement, frequent changes in governance and leadership may limit the embedding of arrangements, and a period of stability is therefore required. We have not made a recommendation in this area but provide further commentary in the following pages.	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.

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Governance – commentary on arrangements (continued)

We considered how the Authority:	Commentary on arrangements:	Rating
monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour	The Authority has established measures to uphold ethical standards, including adherence to the national Core Code of Ethics, a Code of Conduct aligned with the Seven Principles of Public Life and a Gifts, Gratuities and Hospitality Policy. Registers of interests and hospitality are maintained and published to promote transparency and accountability. No significant breaches of legislation, regulatory requirements, professional standards, security breaches or cyber attacks were reported in the PFCC or NCFRA AGS for 2024/25. Ethical standards were strengthened during the reporting period through updates to the Code of Conduct, which now includes specific references to close personal relationships. These changes followed concerns about the PFCC's appointment of an interim Chief Fire Officer relating to potential conflicts of interest and governance. The recruitment policy has also been revised to enhance robustness, including a requirement for panel members to complete diversity training.	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.

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Governance (continued)

Changes in Governance and Leadership

Key Finding: There is a risk of change fatigue and resistance. NCFRA will benefit from a period of stability to enable Governance to embed.

Evidence: Over the past year, the service has experienced several changes to its governance structures, reflecting a period of transition and renewal. This has included the appointment of individuals to several key leadership positions, such as a new Commissioner, Deputy Commissioner, Chief Fire Officer, Chief Finance Officer and Monitoring Officer. In addition, the membership of the Panel has been refreshed.

Impact: Associated risks arising from frequent changes in Governance, leadership and / or strategic direction could impact stakeholder trust and confidence.

Grant Thornton insight

Embedding Good Governance Through Strengthened Leadership

Changes in key personnel can bring several benefits to an organisation through introduction of new skills and fresh perspectives; providing opportunities for learning and insights from other organisations. Change can often prevent complacency and support innovation in practices and ways of working.

There are also risks associated with changes in multiple key senior roles in a short period of time. There may be a loss of corporate knowledge and expertise, changes in strategic direction, loss of focus and changing priorities which could lead to disruption to services, lack of staff engagement, buy-in and motivation. There may be a need to continually build team-working and Trust; ensuring everyone is bought into the organisational mission and values.

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Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
uses financial and performance information to assess performance to identify areas for improvement	NCFRA has well-established processes for monitoring financial and operational performance. Under the Fire and Rescue National Framework for England, the PFCC must produce a CRMP, which identifies local risks and sets out how these will be managed to keep residents safe. The plan sits alongside the Commissioner's Police, Fire and Crime Plan, with progress against key priorities reported quarterly to the Police, Fire and Crime Panel. Strategic oversight of service performance is provided by the Accountability Board, chaired by the Commissioner and attended by senior officers, ensuring transparency and accountability in service delivery. Regular benchmarking against national averages and similar fire and rescue services helps identify improvement opportunities and drive continuous development.	G
evaluates the services it provides to assess performance and identify areas for improvement	The 2023-2025 HMICFRS inspection, published in September 2024, graded NCFRA to be good in 3 areas, adequate in 5 areas and requiring improvement in 3 areas. The inspection identified 1 Cause of Concern (CoC) and sixteen Areas for Improvement (AFI's). NCFRA responded with an action plan, with activity monitored through the Service's relevant boards (People and Culture, Performance Assurance and Productivity and Continuous Improvement). Our review confirmed that regular updates were also provided to the Accountability Board and JIAC, demonstrating effective oversight of progress. HMICFRS carried out a follow-up visit in June 2025 to review progress against the action plan. In September 2025, the Authority received a letter confirming the findings, which included the closure of the previously identified CoC and recognition of improved governance and oversight. While the service has made significant progress, further improvements were identified such as the requirement to strengthen the service's approach to equality, diversity, and inclusion (EDI). Preparations are now in progress for the next full inspection, anticipated in the first or second quarter of 2026 and the action plan has been reviewed and updated, with AFI oversight to be managed through the Change and Improvement Board. Our improvement recommendation raised during the 2023/24 reporting period has been revised to reflect the continued need to sustain improvement.	A

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.

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Improving economy, efficiency and effectiveness – commentary on arrangements (continued)

We considered how the Authority:	Commentary on arrangements:	Rating
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 2025–2030 CRMP was shaped through consultation with residents, staff, and key partners and emphasises that much of the work will be delivered in collaboration with other local agencies who share the mission to keep Northamptonshire safe and sound. In addition, the Police, Fire and Crime Plan 2021–2026 sets strategic priorities for Northamptonshire's police and fire services, promoting partnership working to address local challenges through joint initiatives in problem-solving, response, and resource sharing. This is supported by the Joint Code of Corporate Governance and the Northamptonshire Police and Fire Collaboration Arrangements, which define how the PFCC, Chief Constable for Northamptonshire, and NCFRA work together through clear governance and operational frameworks.	G
commissions or procures services, assessing whether it is realising the expected benefits	Arrangements are in place to monitor procurement and commissioning activity. A contracts register is maintained detailing key information such as contract name, description, duration, and value to support effective oversight. Procurement is monitored through monthly asset scorecards and in-depth reviews, which assess the commercial pipeline and identify risks, challenges, and future developments. Regular updates are provided to the Fire and Police Problem Solving and Planning Boards. Governance is further supported by procurement panels, which ensure compliance to the Corporate Governance Framework and address matters such as non-compliance, resource capacity, pipeline management, and waiver requests.	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.

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Improving economy, efficiency and effectiveness

Area for Improvement: HMICFRS identified areas for Improvement

Key Finding: NCFRA has made positive progress in addressing HMICFRS recommendations, including the closure of the previously identified cause of concern. However, a new area for improvement has been identified, meaning continued focus is required to ensure all remaining areas for improvement are fully addressed and sustained.

Evidence: HMICFRS conducted a follow-up visit in June 2025 to assess progress against the action plan. On 4 September 2025, the Authority received a letter confirming their findings and formally closing the cause of concern. The letter recognises that the service has made notable progress in addressing four of the five recommendations linked to the Cause of Concern. However, while improvements have been made since the last inspection, the update indicated that further development is still needed. A new area for improvement was also identified, focusing on strengthening the service's approach to equality, diversity and inclusion (EDI) by establishing effective methods to monitor and evaluate EDI objectives, including understanding the impact of positive action on staff.

Impact: Without sustained focus on the remaining recommendations and the newly identified EDI improvement area, there is a risk that progress could stall, and failure to embed robust EDI monitoring could also impact workforce diversity, inclusion, and staff confidence in the organisation's commitment to equality.

Improvement Recommendation 3

NCFRA should continue to address the areas identified by HMICFRS as requiring improvement, ensuring that progress is sustained and supported by effective governance and oversight arrangements.

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Public safety through fire regulation	Understanding fire and risk	Preventing fire and risk	
	Responding to major incidents	Responding to fires and emergencies	Promoting values and culture	
	Future affordability	Best use of resources	Promoting fairness and diversity	
		Right people, right skills		
		Managing performance and developing leaders		

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05 Summary of Value for Money Recommendations raised in 2024/25

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Improvement recommendations raised in 2024/25

	Recommendation	Relates to	Management Actions
IR1	The Authority should continue its work to identify multi-year savings and wider efficiencies so that the use of reserves to balance the revenue budget over the medium term is minimised. Plans to replenish reserves should also be considered as part of the financial planning process.	Financial sustainability (page 17)	Actions: Agreed. Savings plans will be developed further, including plans to replenish reserves. Governance is in place to drive and monitor this. Responsible Officer: Vaughan Ashcroft - s151 NCFRA Due Date: 31/03/2026
IR2	The Joint Estates Strategy should be updated to reflect current priorities and progress to ensure it remains fit for purpose.	Financial sustainability (page 18)	Actions: Agreed. Clarity on the updated strategy planning was agreed at Estates Board in Nov 2025 and the refreshed Strategy will follow. Responsible Officer: Paul Bullen - ACO Due Date: 31/03/2026
IR3	The Authority should continue to address areas identified by HMICFRS as requiring improvement, ensuring that progress is sustained and supported by effective governance and oversight arrangements.	Improvement economy, efficiency and effectiveness (page 26)	Actions: Agreed and in progress. Governance is in place to drive changes and review improvements. Responsible Officer: Jim Powell - Assistant Chief Fire Officer Due Date: Ongoing

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07 Appendices

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Appendix A: Responsibilities of the Authority

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 Authority'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 Authority will no longer be provided.

The Authority is 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.

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Appendix B: Value for Money Auditor responsibilities

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

Phase 1 – Planning and initial risk assessment

As part of our planning, we assess our knowledge of the Authority'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 Authority under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

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

Improvement recommendations – actions which are not a result of us identifying significant weaknesses in the Authority'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 Senior Officers and the Authority
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

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Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	The Authority should continue its work to identify savings and wider efficiencies so that the use of reserves to balance the revenue budget over the medium term is minimised.	2023/24	While the authority has a good track record of identifying savings and managing budgets, the ongoing savings requirement over the medium term, combined with the funding gaps anticipated from 2026/27 onwards, reinforces the need for continued focus on identifying savings efficiencies and reducing reliance on reserves.	Improvement recommendation retained	See slide 17 for recommendation
IR2	To further enhance the risk management processes in place, the Service should include target risk scores within its Corporate Risk Register along with a visual direction of travel since its last report.	2023/24	From review of the corporate risk registers, there has been no update since the prior year. Although incorporating these elements would represent good practice, we do not consider the absence of such changes to pose a significant risk to the Authority's governance arrangements.	Improvement recommendation closed	N/A
IR3	To support improved decision making, the Authority must ensure the recommendations identified are fully implemented, with oversight of progress reported to the Police, Fire and Crime Panel.	2023/24	Changes in senior leadership and oversight, including a new Commissioner, Deputy Commissioner, and Chief Fire Officer has taken place and transparent and ethical recruitment processes are now in place.	Improvement recommendation addressed	N/A
IR4	The Authority must ensure it addresses the issues raised by HMICFRS, particularly in those areas assessed as requiring improvement.	2023/24	HMICFRS confirmed the closure of the cause of concern in September 2025, however it noted that further improvements are still needed. As a result, we have updated the previous improvement recommendation to reflect the need for continued progress.	Improvement recommendation updated	See slide 26 for updated recommendation

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