



Kent & Medway Fire and Rescue Authority

Auditor's Annual Report
Year ending 31 March 2025

January 2026



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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

Introduction

This report brings together a summary of all the work we have undertaken for Kent & Medway Fire and Rescue Authority 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 11 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.

02 Executive Summary

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	<p>Amber</p> <p>No significant weaknesses identified; one prior year improvement recommendation in relation to reporting against savings plans carried forward.</p>	<p>No risks of significant weakness identified.</p>	<p>Amber</p> <p>No significant weaknesses in arrangements identified, one improvement recommendation in relation to reporting against savings plans.</p>
Governance	<p>Green</p> <p>No significant weaknesses identified, and no improvement recommendations raised.</p>	<p>No risks of significant weakness identified.</p>	<p>Green</p> <p>No significant weaknesses in arrangements identified and no improvement recommendations raised.</p>
Improving economy, efficiency and effectiveness	<p>Amber</p> <p>No significant weaknesses identified; three improvement recommendations raised in relation to performance reporting and ensuring that the website is kept up to date.</p>	<p>No risks of significant weakness identified.</p>	<p>Amber</p> <p>No significant weaknesses in arrangements identified; one improvement recommendation raised in relation to the development of a data quality policy and framework.</p>

- Green** No significant weaknesses or improvement recommendations.
- Amber** No significant weaknesses, improvement recommendation(s) made.
- Red** Significant weaknesses in arrangements identified and key recommendation(s) made.

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

The Authority continues to demonstrate good financial management, delivering a surplus of **£0.8 million** in 2024/25 and setting a balanced budget for 2025/26. The refreshed Medium Term Financial Plan is balanced without use of general reserves, supported by reasonable planning assumptions and quantified sensitivity analysis. Reserves remain at adequate levels, with **£4.7 million** in general reserves and **£5.9 million** in the insurance and resource earmarked reserve at the end of 2024/25. The Authority's financial plans are consistent with other strategic plans such as the Community Risk Management Plan and the People Plan.

The Authority does not specifically report against the achievement of planned savings included in the annual revenue budget; we have included an improvement recommendation in relation to this on page 18.



Governance

The Authority has established robust governance arrangements, with clear structures and processes supporting effective decision-making, risk management, and oversight of internal controls, financial sustainability, performance and standards of behaviour. Appropriate arrangements are in place to prevent and detect fraud.

The Authority's governance framework includes a suite of policies, protocols, and other documents designed to enable effective decision-making, uphold appropriate standards, and ensure compliance with legal and regulatory requirements.



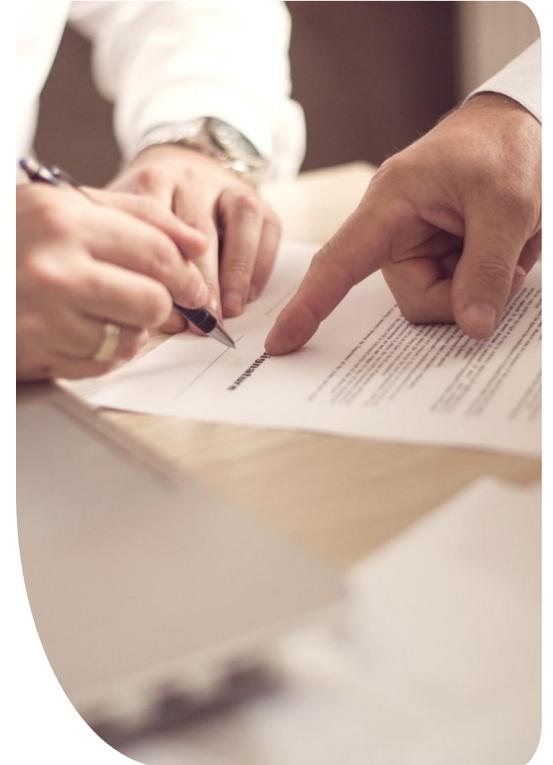
Improving economy, efficiency and effectiveness

The Authority has satisfactory arrangements for performance monitoring, supporting effective scrutiny and decision-making with regular updates to the Fire Authority on progress against strategic objectives, activity levels, and service performance. We have recommended on page 25 that the Authority develop a data quality policy and framework to meet the Fire Standard for Data Management. Procurement and contract management operate within a clear framework, with oversight arrangements in place for major capital projects to ensure transparency and accountability. The August 2025 inspection report from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) rated the Service as "outstanding" or "good" in eight of eleven themes, with the remaining themes assessed as "adequate" - a very positive outcome for the Authority.

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
<p>Opinion on the Financial Statements</p>	<p>We plan to complete our audit of your financial statements and issue an unqualified audit opinion following the Audit & Governance Committee on the 29th January 2026.</p>
<p>Use of auditor’s powers</p>	<p>We have not made any written statutory recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.</p> <p>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.</p> <p>We did not make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.</p> <p>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.</p>



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 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 plan to complete our audit of your financial statements and issue an unqualified audit opinion following the Audit & Governance Committee on the 29th January 2026.

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.

Audit Findings Report

We will report the detailed findings from our audit in our Audit Findings Report, which is due to be presented to the Authority's Audit & Governance Committee on 29 January 2026. Requests for this Audit Findings Report should be directed to the Authority.

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 on local authority accounting in the United Kingdom 2024/25, 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.

The Authority is the statutory governing authority responsible for overseeing fire and rescue services across Kent. Kent & Medway 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.

Financial sustainability – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
<p>identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them</p>	<p>The Authority delivered a surplus of £0.8 million against its 2024/25 revenue budget and has set a balanced budget for 2025/26, alongside by a refreshed Medium-Term Financial Plan (MTFP) to 2028/29 which is balanced without any use of general reserves. The 2024/25 surplus was principally due to higher investment income, staffing vacancies, and income from a legal settlement, partly offset by increased pension costs. The Authority was also able to transfer an additional £2.94 million into the insurance and resource earmarked reserve and rolling budget earmarked reserve at the close of 2024/25.</p> <p>Financial planning for 2025/26 and future years is underpinned by reasonable assumptions, although we note that assumptions relating to the 2025 pay awards were overly optimistic at 2%, compared to an agreed pay award of 3.2% for firefighters. The Authority intends to mitigate this additional cost by drawing down from the insurance and resource earmarked reserve, if required. Scenario planning based on potential future funding announcements was used to inform the development of the budget and MTFP.</p> <p>The Authority's financial position is supported by adequate reserves. At the end of 2024/25, the balance on the general reserve was £4.7 million (5% of the net revenue budget) and the balance on the insurance and resource earmarked reserve (used to manage any one-off in-year increases in costs that may arise at relatively short notice) was £5.9 million.</p>	<p>Green</p>

- Green** No significant weaknesses or improvement recommendations.
- Amber** No significant weaknesses, improvement recommendations made.
- Red** Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (continued)

We considered how the Authority:	Commentary on arrangements:	Rating
<p>plans to bridge its funding gaps and identify achievable savings</p>	<p>The Authority uses a bottom-up approach to identify savings, without setting specific targets for future years. Savings proposals are generated by projects and budget managers and recorded in a benefits register which records key details – a short commentary on expected benefits to the Service and its customers classified by benefit type (economy, efficiency, effectiveness, equity, people) and efficiency type (expected or achieved, cash-releasing or cost-avoidance), delivery status and mapped to Community Risk Management Plan (CRMP) priorities. Confirmed savings are incorporated into the annual budget approved by the Fire Authority each February. In 2024/25, £2.8 million of savings were included in the base budget, with £1.9 million built in for 2025/26. A projected £1.7 million gap for 2026/27 will be reviewed during that year’s budget-setting cycle, once the financial position is clearer.</p> <p>Despite forecasting gaps in future years of the MTFP, the Authority has consistently identified savings ahead of the start of each financial year, achieving balanced budgets without using reserves. A list of potential savings options is maintained which could be explored if required and therefore we do not consider that future budget gaps represent a significant threat to the Authority's financial sustainability.</p> <p>Although a revenue budget surplus was achieved in 2024/25, the budget outturn report does not clearly identify the value of delivered savings. We have therefore included an improvement recommendation on page 18, which replaces a prior year recommendation on savings planning and monitoring.</p>	<p>Amber</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (continued)

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	The Authority’s financial planning is closely aligned with its strategic framework, including the CRMP 2025–29, and 10-year Capital Strategy. The MTFP and Medium-Term Infrastructure Plan (MTIP) underpin the delivery of these priorities by directing investment towards service transformation, efficiency initiatives, and infrastructure development. This includes funding for key posts and project work, estate improvements, operational equipment upgrades, and new technology. Due to its statutory obligations under the Fire and Rescue Services Act 2004, the Authority operates with limited discretionary spend.	Green
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	<p>The Authority has established robust arrangements to ensure its financial planning is consistent with workforce, capital, investment, and operational strategies. This ensures coherence across service delivery and resource planning. The MTFP reflects the implications of the People Plan 2021-25, including recruitment and training requirements.</p> <p>Capital investment decisions within the MTIP are guided by the Capital Strategy, with associated revenue costs incorporated into the MTFP. Oversight of capital delivery is provided by the Corporate Management Board (CMB), with individual projects managed through dedicated Programme Boards.</p> <p>The Authority’s Environment and Assets Strategy 2021–25 originally set a target to achieve carbon neutrality by 2030. However, in February 2025, this target was revised to 2050, recognising that the original timeline was overly ambitious and current technology does not yet offer affordable solutions to meet the earlier goal.</p>	Green

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (continued)

We considered how the Authority:	Commentary on arrangements:	Rating
<p>identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans</p>	<p>Risks to financial resilience are identified and reported through budget monitoring reports presented to the Fire Authority three times per year. Reports highlight significant variances from the approved budget and outline mitigating actions.</p> <p>The Reserves Strategy 2025/26 includes a detailed financial risk assessment (updated annually) which quantifies the likelihood and potential impact of key financial risks. The estimated potential net impact for 2025/26 is aligned with the balance on the general reserve, demonstrating the Authority’s preparedness to absorb financial shocks should these arise.</p> <p>Scenario planning, including best-case and worst-case funding projections, informed the development of the 2025/26 budget and MTFP. The Authority uses Pixel, a financial modelling tool, to assess the assumptions used in the financial plans. Assumptions are reviewed annually to reflect emerging risks such as macroeconomic volatility and changes in government funding.</p> <p>To manage unforeseen financial pressures, the Authority maintains general reserves at 5% of annual revenue expenditure and holds an insurance and resource earmarked reserve to mitigate short-term financial challenges.</p>	<p>Green</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability (continued)

Area for Improvement identified: reporting against planned savings

Key Finding: Although the revenue budget outturn for 2024/25 was better than planned, reporting to the Fire Authority does not clearly demonstrate whether the individual savings schemes contributing to the **£2.8 million** target were delivered as intended.

Evidence: The budget monitoring and outturn reports presented to the Fire Authority do not include any specific assessment of whether planned savings are being achieved in accordance with the approved budget for the year.

Impact: Specific reporting against savings would improve transparency and accountability, support more informed decision-making, and help ensure that financial plans are being delivered as intended.

Improvement Recommendation 1

IR1: The Authority should enhance its budget monitoring and outturn reporting by including a clear and regular assessment of progress against planned savings. This should involve tracking whether savings targets are being achieved in line with the approved budget for the year and highlighting any variances or risks to delivery.



Governance – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
<p>monitors and assesses risk and how the Authority gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud</p>	<p>The Authority has robust arrangements in place to identify and manage risks. Updated risk management documents (Risk Management Policy, Risk Appetite Statement, and Risk Tolerance Matrix) were approved in April 2024, alongside revised templates for the Strategic and Corporate Risk Registers. A Corporate Risk Manager was appointed to lead the structured identification, assessment, and documentation of strategic and corporate risks and mitigation. Oversight of risk is provided by the Audit & Governance Committee.</p> <p>Assurance over the internal control framework comes from internal audit services (delivered by Kent County Council). Progress against the agreed audit plan is reported at each Audit & Governance Committee meeting, with progress reports setting out the status of individual audits, assurance opinions, and prospects for improvement. Open management actions are tracked, and at the end of 2024/25, four medium-priority management actions remained open - three were not yet due, and one was partially implemented.</p> <p>The Authority’s internal control framework is supported by the Whistleblowing Policy, Customer Feedback Policy, and Codes of Conduct for Members and Officers, which enable the timely identification and investigation of breaches. Fraud prevention arrangements are underpinned by the Anti-Fraud & Corruption Framework and Whistleblowing Policy, with regular counter-fraud updates provided by to the Audit & Governance Committee by internal audit.</p>	<p>Green</p>

- Green** No significant weaknesses or improvement recommendations.
- Amber** No significant weaknesses, improvement recommendations made.
- Red** Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
<p>approaches and carries out its annual budget setting process</p>	<p>The Authority has well-established and structured arrangements for budget-setting, underpinned by a clear timeline, stakeholder engagement, and scenario planning. The process is based on a roll-forward of the MTFP incorporating national intelligence from the Fire Finance Network, MHCLG, and the Home Office. Budget proposals are incrementally developed, with early scrutiny by CMB, followed by detailed engagement between budget managers and finance staff to assess pressures and uplifts. Critical challenge is provided by the Senior Leadership Board (SLB), where proposals are rationalised and prioritised. Scenario modelling, including top-end and lower-end funding projections, informs development of the budget.</p> <p>Members are actively engaged throughout the budget-setting process. Public consultation on Council Tax proposals is integrated into the CRMP process, with clear options presented and a strong response rate. Final budget decisions are made following confirmation of funding allocations.</p>	<p>Green</p>
<p>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</p>	<p>During 2024/25, budget monitoring and outturn reporting provided timely, accurate financial information to the Fire Authority, with clear visibility of revenue and capital positions. Reports included supplementary annexes setting out previously approved changes in revenue and capital budgets as well as subjective and functional analyses of forecast revenue spend and forecasts for the year end reserves position. Financial updates were supported by relevant non-financial data to aid decision-making.</p> <p>Responsibilities for budgetary control are defined in the Financial Framework (2019) and Financial Management Policy (2020). Although both documents are overdue for review, Officers have confirmed plans to update them during 2025/26.</p>	<p>Green</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements (continued)

We considered how the Authority:	Commentary on arrangements:	Rating
<p>ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee</p>	<p>The Authority has proper arrangements in place to support informed and appropriate decision-making. The structure of the Fire Authority and its Committees is set out in the Constitution, underpinned by the Fire Authority and Committee Terms of Reference and Standing Orders.</p> <p>Reports presented to the Fire Authority and its Committees are sufficiently detailed to ensure transparency and enable effective challenge and debate. The Authority has an independent member who also sits on the Audit & Governance Committee to provide additional scrutiny and challenge where necessary. No evidence of inappropriate decision-making has been identified, and all meetings of the Fire Authority and Committees were quorate during 2024/25.</p>	<p>Green</p>
<p>monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour</p>	<p>Codes of Conduct for both Members and Officers outline expected standards of behaviour. The August 2025 inspection report from His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) highlights a positive working culture, with staff empowered to challenge poor conduct. Registers of interests are maintained and published online, with declarations a standing item at all meetings.</p> <p>The Authority’s Procurement Policy and Regulations were updated in July 2025 to reflect the Procurement Act 2023. Direct awards over £0.1 million require approval from the Chief Executive or CMB and are only permitted in exceptional circumstances, with retrospective approvals prohibited. While direct contract awards are recorded in the contracts register and reported to CMB, they are not reported to the Fire Authority – this is an opportunity to strengthen transparency and oversight, set out in more detail in the audit insight on page 25.</p>	<p>Green</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the Authority:	Commentary on arrangements:	Rating
<p>uses financial and performance information to assess performance to identify areas for improvement</p>	<p>The Authority uses available information to effectively assess its performance and identify areas for improvement. Regular performance updates are provided to the Fire Authority, with summary-level reporting throughout the year and more detailed analysis at year-end. A balanced scorecard is reviewed monthly by CMB, tracking performance across four domains: Economy, Efficiency, Effectiveness, and Customer & Corporate. Although the scorecard does not include detailed analysis of areas of concern or mitigating actions, it is sufficient to prompt discussion and there is evidence that more detailed analysis is presented to CMB where required. Additional scrutiny is provided through Steering and Delivery groups. We previously suggested that reporting detail could be enhanced, but conclude that the existing arrangements provide sufficient information to support challenge and further investigation where required, and the improvement recommendation has been closed.</p> <p>Performance data is drawn from multiple systems with varying data quality arrangements. Although the Authority committed to developing a data quality policy 2024/25 (in line with the requirements of the Fire Standard for Data Management) in 2024/25, this has not yet been completed. We have therefore raised an improvement recommendation on page 25.</p> <p>Benchmarking is undertaken using data from the Chartered Institute of Public Finance and Accountancy, with the most recent available dataset covering 2023/24. No significant concerns were identified from benchmarking, though response times remain longer than the comparator group, and continue to fall short of the Authority’s target of 71% of life-threatening incidents responded to within 10 minutes. The Authority has amended the response time measures and targets from 2025/26 to reflect the differing characteristics of emergency vs non-emergency and rural vs urban incidents.</p>	<p>Amber</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

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

We considered how the Authority:	Commentary on arrangements:	Rating
<p>evaluates the services it provides to assess performance and identify areas for improvement</p>	<p>The Service received ratings of “outstanding” or “good” in eight themes in the recent HMICFRS inspection report, published in August 2025, with the Service assessed as “adequate” for three themes. Inspectors were pleased to see that the Service maintained the high standards of performance noted in the last inspection in July 2022, with further improvements in some areas also noted. Six Areas for Improvement (AFIs) were reported, and we will follow up on the development of an action plan to address these in our next review.</p> <p>The Authority actively tracks actions from external reviews, including HMICFRS thematic reports such as <i>Values and Culture in Fire and Rescue Services</i> and <i>Standards of behaviour - The handling of misconduct in fire and rescue services</i>. Progress is published online and included in the information update report presented at each Fire Authority meeting.</p>	<p>Green</p>
<p>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</p>	<p>The Authority actively engages stakeholders and partners in shaping strategic priorities. Public consultations were held in 2023/24 on the CRMP 2025–29 and in 2024/25 on proposed changes to performance targets for response times, and the Council Tax precept.</p> <p>Partnership activity is recorded in a central register; partnership working is reported to the Fire Authority in regular information updates. The latest HMICFRS inspection commended the Service’s strong collaborative approach, particularly its effective engagement with other fire and rescue services and emergency responders.</p> <p>Authority Members have received regular reports on key strategic projects involving partners, such as the Networked Fire Services Partnership project to collaboratively procure and provide fire control services using a combined command and control system (due to go live in 2026/27).</p>	<p>Green</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

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

We considered how the Authority:	Commentary on arrangements:	Rating
<p>commissions or procures services, assessing whether it is realising the expected benefits</p>	<p>The Authority’s updated Procurement Policy and Regulations, approved in July 2025, reflect the requirements of the Procurement Act 2023. These are supported by a comprehensive Contract Management Toolkit, which guides contract managers in classifying contracts by priority and managing them accordingly—focusing efforts on high-risk, high-value contracts. We previously recommended that the Authority review policy documents relating to procurement and contract management, and address issues raised by internal audit. Since then, the Procurement Policy and Regulations have been updated, and internal audit has completed fieldwork for the 2025/26 review of procurement, which included follow-up of the open action. The outcome of this review is expected to be reported to the Audit & Governance Committee later in 2025. While the Contract Management Toolkit has not yet been updated to include a date of issue or a target date for review, we consider the core elements of the recommendation to have been sufficiently addressed. Therefore, the improvement recommendation has been closed although we do continue to encourage the Authority to ensure that all policy documents are clearly dated and subject to regular review to maintain transparency and accountability.</p> <p>Officers have confirmed active contract management is in place for significant contracts, including regular meetings and monitoring of standards and KPIs. Audit insights in relation to contract management are provided on page 25. The Authority is committed to securing value for money in procurement and has identified savings by removing discretionary price increases from the MTFP wherever possible, helping to offset unavoidable inflationary pressures. Oversight of major capital projects, such as the Ashford Live Fire Training Facility (due to be completed in 2026/27) is provided by CMB, with individual projects managed through dedicated Programme Boards and reported to the Fire Authority via the regular information update report.</p>	<p>Green</p>

- Green No significant weaknesses or improvement recommendations.
- Amber No significant weaknesses, improvement recommendations made.
- Red Significant weaknesses in arrangements identified and key recommendation(s) made.

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

Area for Improvement identified: data quality

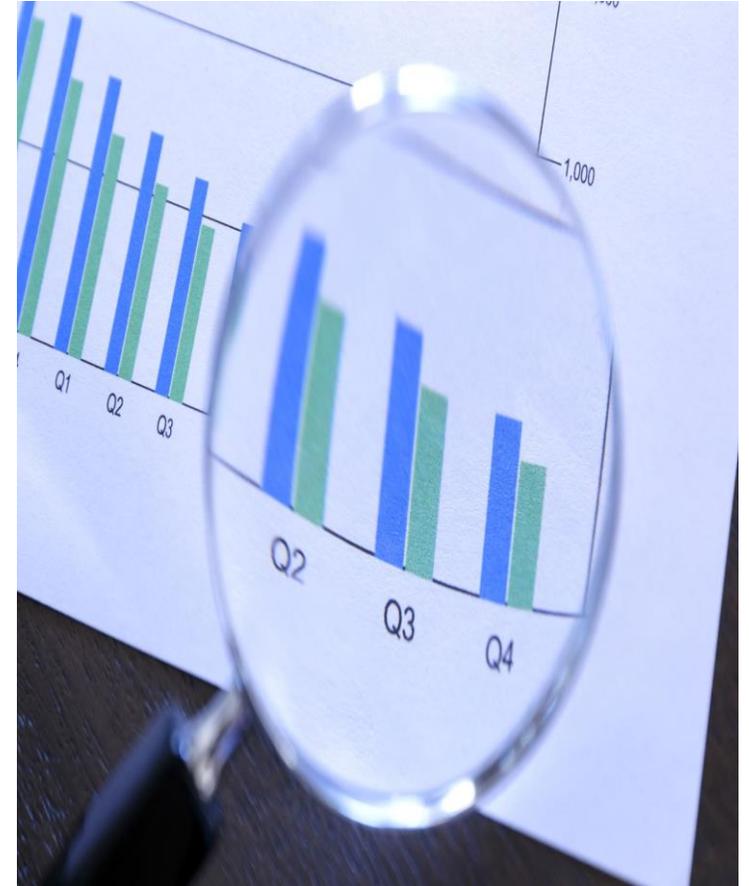
Key Finding: Performance reporting relies on data sourced from multiple systems and departments, each governed by varying data quality standards and procedures. However, the Authority does not currently have a formal data quality framework or policy in place to ensure consistency and reliability across all data sources.

Evidence: While some supporting arrangements for data quality are in place – such as the Data Steering Group which oversees the collection, retention and use of data, and the Data Enablement Plan - the Authority has not yet met the requirements of the Fire Standard for Data Management because there is no overarching framework or policy currently in place to guide and coordinate data management practices across the organisation.

Impact: The absence of a formal data quality framework reduces assurance over the accuracy and reliability of data used for performance monitoring and decision-making. Establishing such a framework would strengthen governance, support informed decision-making, and improve confidence in reported outcomes.

Improvement Recommendation 2

IR2: The Authority should finalise and formally approve a data quality policy and/or framework, ensuring it aligns with the Fire Standard for Data Management. A review schedule should be established, and training provided to members and officers where necessary to support effective implementation.



Grant Thornton insights – learning from others

The Authority has the arrangements we would expect to see in respect of procurement and contract management, but could challenge itself to go further, based on the best arrangements we see across the sector



What the Authority is already doing:

- The Authority has a clear scheme of delegation in place for approval of new contracts. All procurements are monitored and recorded centrally in a contract register.
- There is a clear framework in place to support effective contract management. Contract management arrangements for high-risk contracts assessed as high priority include regular meetings and performance monitoring.



Our national report on procurement and contract management sets out lessons learned from our VfM audits. Key findings include:

- Align contracts with priorities and the procurement strategy and include relevant performance indicators so that the corporate plan and procurement strategy can be measured and monitored.
- Maintain high level controls over the whole life of a contract, including supplier health checks and internal management resilience checks.
- Consider how contract management arrangements can protect against and identify potential fraud.



The Authority could consider:

- Enhancing assurance by introducing central oversight of contract management activity, ensuring that high priority contracts are consistently managed in line with the framework.
- Updating the Contract Management Toolkit to include a date of issue and target date for review, to support transparency and accountability
- Reporting on the use of direct contracts awards to the Audit & Governance Committee, to increase transparency and oversight.

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

Improvement recommendations raised in 2024/25

Recommendation	Relates to	Management Actions
IR1	Financial sustainability (page 18)	<p>Actions: The Authority accepts this recommendation.</p> <p>While the Authority already employs a robust and sustainable strategy for identifying savings, we recognise the value in enhancing our monitoring and reporting, particularly now that the outcome from the Fair Funding Review is likely to mean the Authority needs to deliver sustainable savings to balance the budget over the next 3 financial years (2026/27 – 2028/29).</p> <p>Our approach to budget management is to only include savings in the annual budget that have been thoroughly assessed as achievable, such as the deletion of a vacant post or the cessation of a third-party contribution. We do not use a 'salami slicing' approach or set generic, top-down targets. Instead, savings are identified and directed to specific areas based on an assessment of strategic priorities and risks, with all approved savings detailed in the Authority's annual Budget Book.</p> <p>To implement this recommendation, the Authority will enhance its budget monitoring reports presented to members. These reports will now include a dedicated section providing a clear and regular assessment of progress against all planned savings. This section will track delivery against the approved budget and highlight any variances or risks, alongside remedial actions. This will ensure members are fully sighted on the delivery of savings throughout the year and will further strengthen our financial governance. This new reporting format will be implemented for the 2026/27 financial year.</p> <p>Responsible Officer: Head of Finance Executive Lead: Director of Finance Due Date: 30 June 2026</p>

Improvement recommendations raised in 2024/25

Recommendation	Relates to	Management Actions	
IR2	<p>The Authority should finalise and formally approve a data quality policy and/or framework, ensuring it aligns with the Fire Standard for Data Management. A review schedule should be established, and training provided to members and officers where necessary to support effective implementation.</p>	<p>Economy, efficiency and effectiveness (page 25)</p>	<p>Actions: The Authority accepts this recommendation.</p> <p>While the Authority does carry out data quality checks across its systems of record, it is recognised that a formal policy is required to strengthen the position. We have carried out a gap analysis with the published Fire Standard for Data Management and have highlighted this as a task that needs to be carried out. In addition, the Authority will shortly be trialling the data quality methodology assessment as published by the NFCC and will be looking to expand this across all systems of record over the next year.</p> <p>To implement this recommendation, the Authority will create a data quality policy and implement it before the end of this calendar year. The policy will include individuals’ responsibility for data quality alongside how this links to the role of the information asset owner for the particular dataset. The Authority will also create a plan to carry out the aforementioned data quality assessment against all systems of record. Reporting of progress against these actions will be reported to Corporate Management Board.</p> <p>Responsible Officer: Head of Data and Intelligence</p> <p>Executive Lead: Chief Executive</p> <p>Due Date: 31 March 2026</p>

07 Appendices

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.

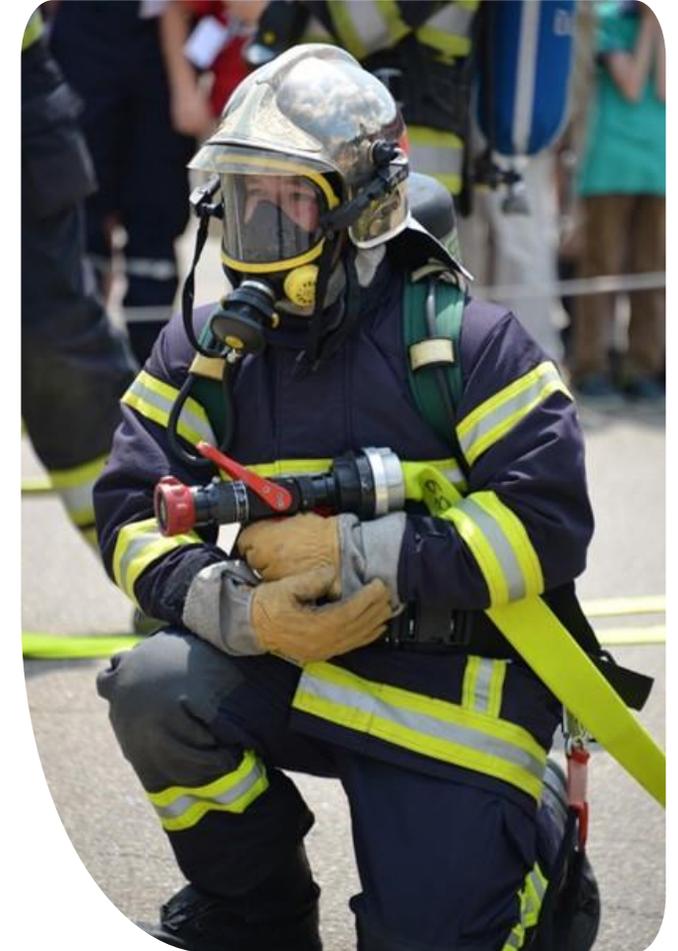
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records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



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

Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	The Authority should ensure that performance data available to the public on its website is updated in a timely manner.	2023/24	<p>The Authority's 2024/25 performance is published on its website in report card format.</p> <p>Detailed performance data for the year was included in the published papers for the July 2025 meeting of the Fire Authority.</p>	Implemented	No further action required.
IR2	<p>Reports on the Service's performance prepared for the Fire Authority and balanced scorecards discussed at CMB could be further enhanced by including more detail in relation to areas where performance is below target or where performance is deteriorating, such as the causes and mitigating actions being taken.</p> <p>The Authority should work to improve response times for life-threatening incidents.</p>	2023/24	<p>The level of detail in reporting to the Fire Authority and CMB is sufficient to support effective scrutiny, challenge and discussion of performance.</p> <p>In 2024/25, 66% of life-threatening incidents were reached within 10 minutes, below the target of 71%.</p> <p>In April 2025, the Authority changed the way in which response times are measured to reflect the differing characteristics of emergency vs non-emergency and rural vs urban incidents. Performance information for 2025/26 is not available at the time of reporting.</p>	Not implemented	Improvement recommendation closed. We will assess the Authority's performance against the revised response time measurement framework once the new reporting becomes available.

Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR3	<p>The Authority should ensure that the current review of policy documents relating to procurement and contract management includes:</p> <ul style="list-style-type: none"> • elimination of inconsistencies • dating of documents and clear timeframes for review • address issues raised by Internal Audit. 	2023/24	<ul style="list-style-type: none"> • The Authority approved revised Procurement Regulations and a revised Procurement Policy in July 2025. • The Contract Management Toolkit does not include a date of issue or target date for review. • Internal audit has completed the fieldwork for a review of procurement, which included following up on the open action. The outcome of this will be reported to the Audit & Governance Committee. 	Partially implemented	While the Contract Management Toolkit has not yet been updated, we consider the core elements of the recommendation to have been sufficiently addressed. Improvement recommendation closed.
IR4	<p>Develop a trackable savings plan with responsible owners, targets, KPIs and timescales. Incorporate this as part of your budget monitoring processes.</p>	2023/24	<p>The Authority uses a bottom-up approach to identify savings, without setting specific targets. Confirmed savings are incorporated into the annual budget approved by the Fire Authority each February.</p> <p>Budget monitoring and outturn reports presented to the Authority do not include any specific assessment of whether planned savings are being achieved in accordance with the approved budget for the year.</p>	Not implemented	Replaced by IR1 – see pages 18 and 28.



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