

A close-up photograph of a person's hand holding a white pen, pointing at a bar chart displayed on a tablet screen. The chart features several horizontal bars in shades of green, yellow, and red, set against a blue grid background. The person is wearing a blue suit jacket. The text 'Cambridgeshire and Peterborough Fire Authority Auditor's Annual Report' is overlaid in yellow on the left side of the image.

Cambridgeshire and Peterborough Fire Authority **Auditor's Annual Report**

Year ended 31 March 2024

14 March 2025



Cambridgeshire and Peterborough Fire Authority
Fire Headquarters
Hinchingsbrooke Cottage
Huntingdon
PE29 2NA

14 March 2025

Dear Fire Authority Members

2023/24 Auditor's Annual Report

We are pleased to attach our Auditor's Annual Report including the commentary on the Value for Money (VFM) arrangements for Cambridgeshire and Peterborough Fire Authority. This report and commentary explains the work we have undertaken during the year and highlights any significant weaknesses identified along with recommendations for improvement. The commentary covers our findings for audit year 2023/24.

This report is intended to draw to the attention of the Authority any relevant issues arising from our work. It is not intended for, and should not be used for, any other purpose.

We welcome the opportunity to discuss the contents of this report with you at the Fire Authority meeting on 26 March 2025.

Yours faithfully

Claire Mellons

Partner

For and on behalf of Ernst & Young LLP

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Contents

01

Executive Summary



02

Audit of the financial statements



03

Value for Money Commentary



04

Appendices



Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website ([Statement of responsibilities of auditors and audited bodies \(from 2023/24 audits\) - PSAA](#)). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated July 2021)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Fire Authority and management of Cambridgeshire and Peterborough Fire Authority in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to Fire Authority and management of Cambridgeshire and Peterborough Fire Authority those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than Fire Authority and management of Cambridgeshire and Peterborough Fire Authority for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01 Executive Summary



Executive Summary

Purpose

The purpose of the auditor's annual report is to bring together all the auditor's work over the year and the value for money commentary, including confirmation of the opinion given on the financial statements; and, by exception, reference to any reporting by the auditor using their powers under the Local Audit and Accountability Act 2014. In doing so, we comply with the requirements of the 2024 Code of Audit Practice (the Code) published in November 2024 and the supporting guidance of the National Audit Office (NAO) published within their Auditor Guidance Note 3 (AGN 03). This commentary aims to draw to the attention of the Fire Authority and the wider public relevant issues from our work including recommendations arising in the current year and follow-up of recommendations issued previously, along with the auditor's view as to whether they have been implemented satisfactorily.

The 2024 Code paragraph 4.10 has suspended the requirement to issue an auditor's annual report by 30 November. It states that auditors may exercise judgement to determine when to issue their annual report including their commentary on arrangements to secure value for money.

Responsibilities of the appointed auditor

We have undertaken our 2023/24 audit work in accordance with the Audit Plan that we issued on 25 July 2024. We have complied with the NAO's 2024 Code of Audit Practice, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- the 2023/24 financial statements;
- conclusions relation to going concern; and
- the consistency of other information published with the financial statements, including the narrative statement.

Reporting by exception:

- if the annual governance statement does not comply with relevant guidance or is not consistent with our understanding of the Fire Authority;
- any significant matters or written recommendations that are in the public interest; and
- if we identify a significant weakness in the Fire Authority's arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Responsibilities of the Fire Authority

The Authority is responsible for preparing and publishing its financial statements, narrative statement and annual governance statement. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Executive Summary (continued)

2023/24 Conclusions

Financial statements	<p>The Accounts and Audit (Amendment) Regulations 2024 (Statutory Instrument 2024/907) which came into force on 30 September 2024 required any outstanding accountability statements for years ended 31 March 2015 to 31 March 2023 to be approved not later than 13 December 2024 and the accountability statements for the year ended 31 March 2024 to be approved not later than 28 February 2025 ('the backstop date').</p> <p>The audits of the financial statements for the years ended 31 March 2022 and 31 March 2023 for Cambridgeshire and Peterborough Fire Authority were not completed for the reasons set out in the disclaimers of opinion on those financial statements dated 10 December 2024.</p> <p>Due to the disclaimers of opinion on the prior years, and the limited time between the backstop dates, we did not have the required resources available to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the Authority's financial statements for the year ended 31 March 2024.</p> <p>We, therefore, disclaimed our opinion on the financial statements.</p>
Going concern	<p>Because of the disclaimed audit opinion, we did not conclude on whether the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.</p>
Consistency of the other information published with the financial statements	<p>Financial information in the narrative statement and published with the financial statements was consistent with the audited accounts.</p>

Executive Summary (continued)

2023/24 Conclusions

Value for money (VFM)	We had no matters to report by exception on the Fire Authority's VFM arrangements.
Consistency of the annual governance statement	We were satisfied that the annual governance statement was consistent with our understanding of the Fire Authority.
Public interest report and other auditor powers	We had no reason to use our auditor powers.
Whole of Government Accounts	We have completed our procedures on the Whole of Government Accounts submission to the NAO and have no matters to report.
Certificate	<p>We cannot formally conclude the audit and issue an audit certificate until the NAO, as group auditor, has confirmed that no further assurances will be required from us as component auditors of Cambridgeshire and Peterborough Fire Authority.</p> <p>Until we have completed these procedures, we are unable to certify that we have completed the audit of the financial statements in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.</p>



Executive Summary (continued)

Value for Money

Scope

As Auditors, we are required to be satisfied that Cambridgeshire and Peterborough Fire Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We do not issue a 'conclusion' or 'opinion', but where significant weaknesses are identified we will report by exception in the auditor's opinion on the financial statements. In addition, auditors provide an annual commentary on arrangements published as part of the Auditor's Annual Report.

In undertaking our procedures to understand the body's arrangements against the specified reporting criteria, we identify whether there are risks of significant weakness which require us to complete additional risk-based procedures. AGN 03 sets out considerations for auditors in completing and documenting their work and includes consideration of:

- our cumulative audit knowledge and experience as your auditor;
- reports from internal audit which may provide an indication of arrangements that are not operating effectively;
- our review of the Fire Authority committee reports;
- meetings with the Chief Finance Officer;
- information from external sources; and
- evaluation of associated documentation through our regular engagement with Fire Authority management and the finance team.

Executive Summary (continued)

Value for Money (continued)

Reporting

Our commentary for 2023/24 is set in section 03. The commentary on these pages summarises our understanding of the arrangements at the Fire Authority based on our evaluation of the evidence obtained in relation to the three reporting criteria (see table below) throughout 2023/24.

Appendix A includes the detailed arrangements and processes underpinning the reporting criteria.

In accordance with the NAO's 2024 Code, we are required to report a commentary against the three specified reporting criteria. The table below sets out the three reporting criteria, whether we identified a risk of significant weakness as part of our planning procedures and whether we have concluded that there is a significant weakness in the body's arrangements.

Reporting Criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability: How the body plans and manages its resources to ensure it can continue to deliver its services	No significant risks identified	No significant weakness identified
Governance: How the body ensures that it makes informed decisions and properly manages its risks	No significant risks identified.	No significant weakness identified
Improving economy, efficiency and effectiveness: How the body uses information about its costs and performance to improve the way it manages and delivers its services	No significant risks identified	No significant weakness identified



Executive Summary (continued)

Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Fire Authority, and its members and senior management and its affiliates, including all services provided by us and our network to the Fire Authority, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2023 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

EY Transparency Report 2024

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2024:

[EY UK 2024 Transparency Report | EY - UK](#)



02 Audit of the financial statements



Audit of the financial statements

Key findings

The Statement of Accounts is an important tool for the Fire Authority to show how it has used public money and how it can demonstrate its financial management and financial health.

On 24 February 2025, we issued a disclaimed audit opinion on the financial statements. We reported our audit scope, risks identified and detailed findings to the 13 February 2025 Fire Authority meeting in our Audit Results Report. We outline below the key issues identified as part of our audit in relation to the significant risk areas. The findings for each of the accounts areas are set out in the Audit Results Report in Appendix A.

We reported one area for improvement in the control environment in the Audit Results Report.

Significant risk	Conclusion
Misstatements due to fraud or error – Management override of controls	<p>We did not identify any instances of inappropriate judgements being applied, or of any management bias in accounting estimates where we had completed our audit work. However, please refer to Appendix A which summarises those areas of the audit where we were unable to complete our planned procedures.</p> <p>We did not identify any transactions which appeared unusual or outside the normal course of business.</p> <p>Due to the proximity of the backstop date and availability of resources, we were not able to fully execute the journal testing strategy. As a result we did not obtain full assurance over the journals passed during the year.</p>
Misstatements due to fraud or error – capitalisation of revenue expenditure	<p>The sample tested for income from the shared services contract did not identify any instances of incorrect revenue recognition in line with contract.</p> <p>We performed our testing and first level review of our work on inappropriate capitalisation of revenue expenditure; however, we did not have sufficient resource capacity to adequately resolve the review comments raised and fully complete this area of the audit ahead of the backstop date.</p> <p>Due to the proximity of the backstop date and availability of resources, we were not able to fully execute the journal testing strategy. As a result we did not obtain assurance over journals transferring expenditure from revenue to capital codes in the year.</p>
Valuation of land and buildings	<p>We have completed our planned testing in this area and performed our first level review; however, we note that we did not have the required resource capacity to adequately respond to all queries raised during the review process and, therefore, we have not been able to complete our procedures in this area. We will revisit this account area as part of our planning for the 2024/25 audit to see if we can close out the remaining queries in the interim phase of our work.</p>



03

Value for Money Commentary

Value for Money Commentary

Financial Sustainability: How the Fire Authority plans and manages its resources to ensure it can continue to deliver its services

No significant weakness identified

The Authority is required to have arrangements in place to ensure proper resource management and the primary responsibility for these arrangements and reporting on the design and operation of these arrangements via the Annual Governance Statement, rests with Management. In accordance with the NAO's Code the focus of our work should be on the arrangements that the Authority is expected to have in place during the year ended 31 March 2024. Our risk assessment did not identify any risk of significant weakness in arrangements to secure financial sustainability.

The General Fund revenue outturn position was an underspend of £0.030 million against the revised budget of £23.949 million. There were net underspends mainly relating to the Employee Costs of £0.421 million, and Supplies and Services of £1.542 million. The net overspends mainly related to Premises of £0.345 million. The underspending in the Employee Costs was largely due to significant turnover in professional support staff and subsequent delays in filling these vacancies. The underspend in the Supplies and Services budget is largely due to the delay in Local Government audit and delays in moving some ICT projects and services to the cloud during 2023/24, as well as the impact of the continued hybrid work approach which results in a reduction in office expenses and staff travel expenditure. The overspend was largely due to, in the case of the Premises budget, the increased cost of energy. In addition, the delay in the sale of the former Huntingdon Fire Station also contributed to overspending in premises costs.

Throughout the year, the Fire Authority have continued to monitor financial plans to ensure they have sufficient resources to deliver services. The latest published financial information shows a balanced budget for the financial years 2024/25 to 2025/26.

The Authority maintains General Fund Reserve at £2.433 million which will be used for expenditure that cannot be budgeted for such as unexpected cost increases. Earmarked General Fund reserves are £2.992 million, which provides for the financing of future capital programmes (Property Development Reserve), funding of ill-health retirements above budget (Pension Reserve) and to allow for fluctuations in firefighter establishment figures (Wholetime Recruitment Reserve).

The Fire Authority should continue to monitor its financial performance and continue to identify relevant schemes to achieve the annual savings requirements to minimise the use of Earmarked General Fund reserves, which are earmarked for specific priority matters, where possible.

Conclusion: Based on the work performed, the Fire Authority had proper arrangements in place in 2023/24 to enable it to plan and manage its resources to ensure that it can continue to deliver its services

Value for Money Commentary (continued)

Governance: How the Fire Authority ensures that it makes informed decisions and properly manages its risks

No significant weakness identified

The Fire Authority is required to have arrangements in place to ensure proper risk management and the primary responsibility for these arrangements and reporting on the design and operation of these arrangements via the Annual Governance Statement, rests with management. In accordance with the NAO's Code the focus of our work should be on the arrangements that the Fire Authority is expected to have in place during the year ended 31 March 2024. Our risk assessment identified one risk of significant weakness in arrangements in respect of governance which we have concluded to result in a significant weakness in governance.

The Fire Authority have continued to manage governance considerations in response to the current challenges such as the conflict in Ukraine and the cost-of-living crisis, including in partnership working and delivery of services with other local authorities. The Fire Authority reviewed and approved the Fire Authority Budget for 2023-24 and Treasury Management Strategy on 10 February 2023. Performance against the budget are then review quarterly to identify areas of risk and mitigation plans.

The Fire Authority's Annual Governance Statement sets out the core governance arrangements for the year which demonstrates how the Fire Authority's Governance Framework reflects the principles of good governance. Internal Audit concluded that for the 2023/24 financial year, the Fire Authority has an adequate and effective framework for risk management, governance and internal control. However, their work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

Conclusion: Based on the work performed, the Fire Authority had proper arrangements in place in 2023/24 to make informed decisions and properly manage its risks.

Value for Money Commentary (continued)

Improving economy, efficiency and effectiveness: How the Fire Authority uses information about its costs and performance to improve the way it manages and delivers its services

No significant weakness identified

The Fire Authority is required to have arrangements in place to ensure economy, efficiency and effectiveness, and the responsibility for these arrangements and reporting on the design and operation of these arrangements via the annual governance statement, rests with management. In accordance with the NAO's Code the focus of our work should be on the arrangements that the Fire Authority is expected to have in place during the year ended 31 March 2024. In 2023/24, we did not identify a risk of significant weakness in arrangements in place to ensure economy, efficiency and effectiveness.

The Fire Authority developed an Efficiency Plan, which sets out specific actions to enable the Fire Authority to provide service efficiently and cost effectively. The Fire Authority has also developed the Medium-Term Financial Strategy which is regularly reported on at the committee meetings to monitor the authority's finances and service performance.

Conclusion: Based on the work performed, the Fire Authority had proper arrangements in place in 2023/24 to enable it to use information about its costs and performance to improve the way it manages and delivers its services.



04 Appendices

Appendix A - Summary of arrangements

Financial Sustainability

We set out below the arrangements for the financial sustainability criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	<p>The Authority is responsible for the delivery of fire and rescue services within Cambridgeshire and Peterborough. Its main sources of funding are from central government revenue resource grants as well as business rates and council taxes that are collected on behalf of the Authority on an agency basis by the six billing authorities within its service area.</p> <p>To effectively discharge these responsibilities, the Authority established a medium-term Integrated Risk Management Plan (IRMP) which covers the four-year period 2019-20 to 2023-24 and outlines the Authority's understanding of community risks and service demands, both current and future.</p> <p>This has then been updated to cover the period 2024-29.</p> <p>The Budget is created largely based on zero-based budgeting by having meetings with all relevant budget holders to discuss their short to medium term financial needs and asking for a brief explanation to support. A line-by-line review of the latest income and expenditure covering 2 ½ years' worth of data is also analysed, checking for any trends and/or capturing anything that may have been missed. Discussions are held with the senior leadership team to check for any potential future plans which may not have been captured with the individual heads of department and a final detailed review is held with the finance director before completion. Estimated inflation rates are included in the plan.</p> <p>The Authority maintain a Strategic Risk Register that is presented at meetings of the Policy and Resources Committee. This draws attention to risks facing the Service, including financial pressures and notes mitigating actions to be taken. These risks are accounted for in medium-term financial planning and built into budgets.</p>
How the body plans to bridge its funding gaps and identifies achievable savings	<p>The Service has a Business Continuity Plan, reviewed annually, looking at the expected medium-term income and expenditure, but also considering variations that might happen and what potential courses of action, in order of priority, could be taken to cut costs and what impact that would have, operationally and financially. The service has recognised in the last couple of years that there may be a funding gap and has put some funds aside in a Business Continuity Reserve.</p> <p>Regular reporting on financial performance and planning to the Policy & Resource Committee enables the Authority to identify gaps in funding, emerging risks and monitor progress on meeting savings targets.</p>

Appendix A - Summary of arrangements

Financial Sustainability (continued)

We set out below the arrangements for the financial sustainability criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	<p>The Business Continuity Plan takes into account the Operational Response Review which considers all operational responsibilities. The MTFP considers all the Reserves available for use should they be needed to sustain the delivery of statutory services.</p> <p>The annual budget and MTFP sit alongside and facilitate the Authority's IRMP for 2019-20 to 2023-24. The IRMP is developed collaboratively with elected members, staff, partners, and residents to prioritise the Authority's most important future focus areas to achieve the Government's expectations of fire and rescue authorities, as described in the Fire and Rescue National Framework 2018. This enables the Authority to focus its limited resources on service delivery areas that meet the risks in the community.</p> <p>The Authority have now published their new CRMP, covering the period 2024-29.</p> <p>Defining the CRMP is achieved through incorporation of the Authority's business planning, financial planning, and risk management processes. It provides the framework for the Authority's decision making and planning to ensure that it is making the best use of the resources available, thoroughly understanding the value for money delivered, and remaining focused on the service delivery priorities.</p>
How the body ensures that 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 integration between the Authority's business and financial planning has been described above, including the link to its capital strategy and capital programme. The development of its annual budget and MTFP, including detailed assumptions on the operations of the Authority that underpin them, is driven by its strategic objectives outlined in its CRMP and linked to the key governance and control arrangements of the Authority, such as performance and risk management arrangements.</p> <p>The budget preparation includes a review of staffing levels across the whole service, a detailed capital programme, and funding for the capital programme. Staffing costs are the material driver of expenditure, accounting for 77% of the expenditure budget for 24/25 in the MTFP. A key focus is placed on this area by the Authority in identifying efficiencies and cost savings, whilst also meeting operational demand.</p>



Appendix A - Summary of arrangements

Financial Sustainability (continued)

We set out below the arrangements for the financial sustainability criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans	<p>Assessment of financial risk is an ongoing process for the Service and directly feeds into budgetary preparation and reporting. The Authority maintain a Strategic Risk Register which reflects identified risks and highlights planned, time bound mitigating actions being taken.</p> <p>The Authority has achieved and seeks to continue maintaining an adequate level of usable reserves in future that provides a contingency for unexpected changes and sustains financial resilience. Reasonable contingencies are built into the annual revenue budget, with the general reserve being used to provide a stable platform for service planning as the MTFP is developed. It is also intended to be the first call on the Authority resources to deal with any unforeseen in year expenditure if the revenue contingency budget were to be exhausted, rather than placing reliance on external borrowing.</p> <p>The Authority hold a "Finance Business Continuity Reserve" which was generated through previous underspend, this is maintained to help manage budgetary pressures and deal with shortfalls should funding be reduced.</p>

Appendix A - Summary of arrangements

Governance

We set out below the arrangements for the governance criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	<p>Primary oversight of governance is the responsibility of the Fire Authority with delegated authority to the Overview and Scrutiny Committee (O&S).</p> <p>The O&S Committee is responsible for providing independent assurance of the risk management framework and the internal control environment. It provides an independent review of the Authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It also oversees both internal and external audit, helping to ensure efficient and effective assurance arrangements are in place to assist in the management of risk and performance.</p> <p>The Authority has an internal audit function provided by RSM which reports regularly to the O&S Committee. The internal auditors provide feedback on work undertaken to assess the internal controls within the Authority.</p>
How the body approaches and carries out its annual budget setting process	<p>The Authority is required to set annual balanced revenue budget which supports the delivery of its key priorities on the CRMP. This budgeting process, including relevant responsibilities and procedures, is set out in the Authority's code of governance. The annual service planning and budgeting process seeks to reconcile corporate and business plans and strategies with the relevant resources, including finance.</p> <p>The Policy and Resource Committee is authorised by the Fire Authority to monitor and make recommendations to developing the service priorities and objectives, CRMP and the MTFS.</p>
How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed	<p>The Authority's finance system enables managers to review their spend against their budgets in real time. Additionally departmental Budget Control Reports (BCRs) are reviewed by finance before being sent and meetings held regularly with the relevant managers. Any material overspends are scrutinised and monitored very closely.</p> <p>Detailed operational response BCR is created monthly, with variances analysed and a meeting held with several managers as this is the largest cost pressure for the service. Corrective action is taken where necessary.</p> <p>A monthly summary report is presented at the Heads of Groups and Value for Money meetings, giving all managers an overview of the service wide pressures and a chance to discuss where there may be pressures and what corrective, or alternative action could be taken.</p> <p>A summary report which also contains the details behind the summary and a brief explanation of any significant variances, includes cash borrowing and investment information, analysis of any contingency fund, and a capital programme update is sent to the Chief Finance Officer (S151 office) on a monthly basis.</p>

Appendix A - Summary of arrangements

Governance (continued)

We set out below the arrangements for the governance criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee	<p>The final budget, prior to signing, goes through the overview and scrutiny committee before going to the Fire Authority for scrutiny and signing off. This is then published on the website.</p> <p>Regular expenditure updates are provided by the Authority's S151 officer to the Fire Authority .Monthly expenditure reports are also published on the authority's website for all expenditure exceeding £500.</p> <p>Purchase order requisitions over £5,000 have to have supplier quotes attached or be part of a contract and a link is sent to the commercial team for visibility; above £25,000 have to been approved by the commercial team prior to going to the budget manager; above £50,000 go to the S151 officer (or deputy) for approval.</p> <p>Purchase card transactions are reviewed by managers and/or finance and are restricted to £500-£1000.</p> <p>Key decision making is carried out at Committee meetings. The Fire Authority is made up of 17 councillors and includes a legal adviser and the Fire Authority treasurer to ensure appropriate challenge and informed decisions are made.</p>
How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests)	<p>All members and officers must adhere to the Code of Conduct of the Authority, its service values and culture. Gifts are to be self-disclosed but if not disclosed and the Authority are aware, they will investigate to ensure these are registered.</p> <p>The Authority has a policy for the acceptance of gifts and hospitality, which establishes responsibilities for employees and the necessary reporting should any gift or hospitality be accepted.</p>

Appendix A - Summary of arrangements

Improving economy, efficiency and effectiveness

We set out below the arrangements for improving economy, efficiency and effectiveness criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How financial and performance information has been used to assess performance to identify areas for improvement	The regular budget reviews identify any areas of financial concern which are investigated and action taken accordingly. One factor being monitored by the Authority as a potential area of improvement is costs and energy usage to establish if there are any issues which need addressing. This has been reported in the Authority's productivity and efficiency report, where savings are expected through efficiencies in usage of fuel, energy and other utilities. The MTFP variances against budget are investigated and reported in budgetary updates.
How the body evaluates the services it provides to assess performance and identify areas for improvement	<p>The Service regularly reviews its activities against its Community Risk Management Plan (CRMP) (4-5 year action plan which is consulted with the public prior to being finalised).</p> <p>It also has a Strategic Risk register which is updated and reviewed regularly. Areas for improvement come out of internal performance reviews and external inspections from His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).</p> <p>The Authority is regularly inspected by the HMICFRS. The report areas cover the operational service provided to the public, the efficiency of the service (including value for money), and how well the service looks after, trains, and develops its people, and how well it promotes its values and culture, ensures fairness and diversity for the workforce.</p>
How the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve	<p>The Fire and Rescue Service is legislated against the Fire and Rescue Act 2004. This Act stipulates the requirements of providing a fire and rescue service. Where the fire service enters partnerships with other bodies, all parties will create memorandums of understanding (MOU's) or Service Level agreements (SLA's) to identify, monitor and set the expectations of the agreements and actions as necessary. By using performance data, both internal and external sources, the service is can identify which stakeholders it needs to engage with whether that be focussed community groups or businesses, people from ethnic minorities or the wider population of Cambridgeshire and Peterborough and local and central government.</p> <p>The Service has entered collaborations and actively seeks opportunities to do so, enabling them to identify efficiencies and improve the service to stakeholders.</p> <p>Performance against budget is reported to Committee meetings in presenting outturn reports, highlighting adverse and favourable variances and their cause. Actions are then agreed where improvements are required.</p>



Appendix A - Summary of arrangements

Improving economy, efficiency and effectiveness (continued)

We set out below the arrangements for improving economy, efficiency and effectiveness criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body ensures that commissioning and procuring services is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits	<p>The service has a dedicated professional commercial team who manage the tender and procurement processes, supplier contracts and provide guidance on the procurement regulations. The finance system has been configured to work in line with the procurement regulations and provide real-time procurement data to the commercial team for review.</p> <p>The Head of Commercial issues a report to the Policy and Resources Committee annually to update on commercial activity. The report considers risk, priorities for the Authority (incl. Value for Money) and compliance with relevant legislation.</p>

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ED None

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