



Police and Crime Commissioner and Chief Constable for Derbyshire

Final Auditor's Annual Report
Year ending 31 March 2025

25 February 2026



Contents

01	Introduction and context	03
02	Executive summary	05
03	Opinion on the financial statements and use of auditor's powers	09
04	Value for Money commentary on arrangements	12
	Financial sustainability	14
	Governance	17
	Improving economy, efficiency and effectiveness	21
05	Summary of Value for Money Recommendations raised in 2024/25	23
Appendices		25
A	Responsibilities of the Police and Crime Commissioner (the PCC) and the Chief Constable (the CC)	26
B	Value for Money Auditor responsibilities	27
C	Follow-up of previous improvement recommendations	28

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.

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 8 Finsbury Circus, London, EC2M 7EA. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

01 Introduction and context

Introduction

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

Opinion on the financial statements

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

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

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

Auditor's powers

Auditors of a police bodies 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 PCC and CC has proper arrangements in place regarding arrangements under the three specified criteria:

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

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

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

02 Executive Summary

Executive Summary – our assessment of value for money arrangements

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

Criteria	2023/24 Assessment of arrangements	2024/25 Risk assessment	2024/25 Assessment of arrangements
Financial sustainability	A No significant weaknesses identified; improvement recommendations raised to ensure the Force continue to work to identify savings and wider efficiencies.	No risks of significant weakness identified.	A No significant weaknesses in arrangements identified; one improvement recommendation raised in relation to the ongoing work to strengthen the identification and delivery of savings to manage ongoing financial pressures and ensure the reserves strategy is reviewed and updated.
Governance	A No significant weaknesses identified; improvement recommendations raised to ensure the Code of Corporate Governance and underpinning policies are updated.	No risks of significant weakness identified.	G No significant weaknesses in arrangements identified and no improvement recommendations made.
Improving economy, efficiency and effectiveness	A No significant weaknesses identified; or improvement recommendations. RAG rated amber to reflect issues highlighted by Internal Audit and the latest HMICFRS PEEL report.	No risks of significant weakness identified.	A No significant weaknesses in arrangements identified and no improvement recommendations made. RAG rated amber to reflect that the Force is still actively addressing the areas for improvement highlighted in the latest HMICFRS (His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services) PEEL report.

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

Executive Summary

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



Financial sustainability

The PCC and CC have put in place appropriate arrangements to secure financial sustainability in support of ongoing delivery of services. The PCC and CC understand the financial risks faced into the future and are managing these by maintaining an appropriate level of reserves and developing savings programmes to mitigate any funding gaps identified.

We raise an improvement recommendation to support the ongoing work to strengthen identification and delivery of savings, review the capital programme, and to ensure the Reserves Strategy is regularly reviewed and updated.

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 14-16 of our report.



Governance

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

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 17-20 of our report.



Improving economy, efficiency and effectiveness

Performance reporting is well-established across both the OPCC and Force. Regular performance reports help the PCC and CC manage the delivery of strategic priorities.

We have RAG rated this criteria amber in recognition of the Force's ongoing work to address areas for improvement highlighted in the latest HMICFRS PEEL report. We have not raised an improvement recommendation as progress is routinely monitored by the Inspectorate.

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 21-22 of our report.

Executive summary – auditor’s other responsibilities

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

Auditor’s responsibility

2024/25 outcome

Opinion on the Financial Statements: PCC and CC

Our audits of the group, CC and PCC’s financial statements have now been completed and the audit reports were signed on 25 February 2026. We have issued disclaimers of opinions – we were unable to satisfy ourselves over opening balances, as well as in-year movements of PPE, the LGPS pension liability, and the PPS pension liability, which has also resulted in uncertainty over closing balances of PPE and reserves. We also reported uncertainty regarding the allocation of the LGPS pension net liability between the PCC and CC.

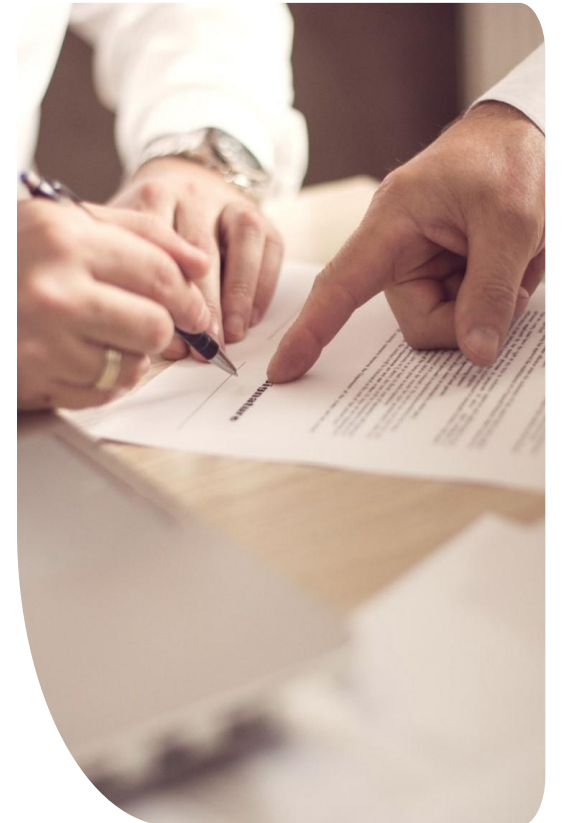
Use of auditor’s powers

We have not made any written statutory recommendations to the PPC or CC under Schedule 7 of the Local Audit and Accountability Act 2014.

We have not made an application to the Court or issued any Advisory Notices under Section 29 of the Local Audit and Accountability Act 2014.

We have not made an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.

We have not identified any issues that required us to issue a Public Interest Report (PIR) under Schedule 7 of the Local Audit and Accountability Act 2014.



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

Opinion on the financial statements

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

Audit opinion on the financial statements

Our audits of the group, CC and PCC's financial statements have now been completed and the audit reports were signed on 25 February 2026. We have issued disclaimers of opinions – we were unable to satisfy ourselves over opening balances, as well as in-year movements of PPE, the LGPS pension liability, and the PPS pension liability, which has also resulted in uncertainty over closing balances of PPE and reserves. We also reported uncertainty regarding the allocation of the LGPS pension net liability between the PCC and CC.

Findings from the audit of the financial statements

The publication of the unaudited Statement of Accounts 2024/25 for both the Police and Crime Commissioner (PCC) and Chief Constable did not meet the statutory deadline of 30 June 2025. However, in accordance with regulatory requirements, both bodies issued a public notice explaining the delay. The draft accounts were subsequently published on 31 July 2025.

Draft financial statements were of a reasonable standard and supported by detailed working papers. Management engaged well with the audit process and were responsive to our requests and queries.

Our Audit Findings Report, which summarises the results from our financial statement audits, was presented to JARAC on 19 February 2026.

An audit aims to provide an independent opinion on whether the PCC's and CC's financial statements:

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

We have been unable to express an opinion on the group, CC and PCC's financial statements.

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 PCC and CC in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standards.

Other reporting requirements

Annual Governance Statement

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

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

We have nothing to report in this regard.



04 Value for Money commentary on arrangements

Value for Money – commentary on arrangements

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

All PCCs and CCs 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. PCCs and CCs 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 PCC and CC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We provide an assessment of the overall arrangements, taking into consideration the individual arrangements at both the PCC and CC; reporting clearly which body is impacted by any issues raised.

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



Financial sustainability

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



Governance

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



Improving economy, efficiency and effectiveness

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

Financial sustainability – commentary on arrangements

We considered how the PCC and CC:

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 final outturn position for Derbyshire Police and Crime Commissioner Group for 2024/25 was an overspend of £1.892m; equivalent to 0.82%. The overall position included an underspend against the PCC’s budget of £0.163m, which is to be returned to the PCC’s Grants & Commissioning Reserve, and an overspend against Force budgets of £2.055m. The overspend includes an additional contribution to the Insurance Provision of £0.210m and a one-off cost of £0.243m to exit a leased non-operational building (Cardinal Square) early as part of the Savings Programme. Derbyshire Police has identified significant financial pressures for 2025/26 and the medium term to 2029/30. The Medium-Term Financial Plan (MTFP), sets out the financial context, including planned use of reserves of £0.62m and savings required to deliver a balanced budget in 2025/26. It forecasts a funding gap of £2.698m in 2025/26, rising to £5.327m by 2028/29, and emphasises the need for further efficiencies and savings to maintain financial sustainability. Improvement recommendation 1 provides an overview of the ongoing challenge.</p>	<p>A</p>
<p>plans to bridge its funding gaps and identify achievable savings</p>	<p>Derbyshire Police has put in place arrangements to support the development of savings plans in response to medium-term funding pressures. As part of this approach, a dedicated Savings Programme was launched in the 2023/24 reporting period. This initiative helped deliver £1.404 million in identified savings during the 2024/25 financial year, which cushioned the impact of an overall £1.892 million overspend. However, as the programme did not achieve the anticipated scale of savings, it has been closed and replaced by a Force Service Review (FSR) designed to deliver larger revenue savings and ensure financial sustainability. Decisions were also taken to stop some of the capital programme following consideration of affordability due to the ongoing revenue impact. We have raised an improvement recommendation for the Force to take a proactive approach to identifying and delivering savings through the FSR to address projected budget gaps. Improvement Recommendation 1</p>	<p>A</p>

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

Financial sustainability – commentary on arrangements (continued)

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<p>plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities</p>	<p>The 2025/26 Budget and MTFP to 2029/30 demonstrate alignment with the Force’s Police and Crime Plan, ensuring that financial resources are directed toward key policing objectives. The Capital Programme is developed through stakeholder consultation and runs alongside the revenue planning process, with a clear requirement for investment decisions to support strategic priorities and remain within available resources. This alignment is further reinforced through the Force Management Statement 2025, which outlines how financial planning supports operational delivery within resource constraints.</p>	<p>G</p>
<p>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>	<p>Derbyshire Police has demonstrated that its financial planning is consistent with wider strategic and operational plans. The Capital Programme 2024/25–2029/30 was developed in consultation with the Force and stakeholders, alongside the revenue budget process and the Police and Crime Plan. It reflects priorities from the Estates, Digital Data & Technology (DDaT), and Fleet Strategies. The latest HMICFRS PEEL inspection also confirmed a clear link between financial plans and the force’s wider objectives. An Asset Management Strategy is in place to guide investment decisions and is linked to both the Police and Crime Plan and the MTFP. As the strategy was originally issued by the previous PCC in 2021, the current PCC may wish to review and update it to ensure it aligns with present priorities and remains fit for purpose.</p>	<p>G</p>
<p>identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans</p>	<p>Arrangements are in place to identify and manage financial risks. The Force operates a budget monitoring framework, with monthly reports shared with budget holders and reviewed by the Financial Assurance Board, comprising of senior OPCC and Force officers. Financial risks are also captured in the Corporate Risk Register, regularly reviewed by the Risk Management Board. The 2025/26 Budget and MTFP to 2029/30 outlines key risks including inflation, pay awards, funding uncertainty, borrowing costs and collaboration impacts. It incorporates scenario modelling and assumptions on government funding and Council Tax precepts to assess financial resilience.</p>	<p>G</p>

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

Financial sustainability (continued)

Area for Improvement identified: identifying and delivering savings

Key Finding: The MTFP highlights a sustained need for savings delivery. The initial Savings Programme launched in 2023/24 has been closed as its proposed workstreams were not expected to deliver the scale of savings required. In response, the Force has initiated a Force Service Review (FSR) aimed at achieving more substantial revenue savings and securing a balanced budget over the medium term.

Evidence: To achieve a balanced budget over the next five years, the Force must identify and deliver over £10m in further savings. In addition, current reserve levels are only sufficient to provide a buffer against short-term risks. The overall level of reserves as of 31 March 2025 decreased slightly by £0.021m compared to 1 April 2024 and total £19.472m. The level of general reserves was maintained at £6.5m (2.8% of the annual budget) in line with previous reporting periods. These reserves are finite, and a significant proportion is already allocated to specific initiatives, such as the Operational Funding and Investment Reserve, which provides the potential to invest to deliver long term savings. A reserves strategy is included in the Medium-Term Financial Strategy, however, the strategy and the associated table showing projected reserve levels do not appear to have been refreshed since 2022/23. Decisions were also taken during the reporting period to stop some of the capital programme following consideration of affordability and the need to manage the revenue budget. An impact of this decision in 2024/25 was a £405k underspend of the revenue contribution to capital expenditure.

Impact: Without identification and delivery of savings in the medium term, there is a risk to manage financial pressures, increasing reliance on reserves that are already constrained. This could undermine long-term financial resilience and reduce the Force's ability to respond to future operational or economic challenges. Furthermore, delays in delivering the capital programme may result in cost escalation and higher maintenance costs for ageing assets, creating further financial pressures.

Improvement Recommendation 1

The Force should:

- Continue to take a proactive approach to identify and deliver savings through the Force Service Review (FSR). This will support the organisation's ability to manage financial pressures effectively and help ensure that reserve levels remain at an appropriate and sustainable level.
- Review the capital programme to consider affordability including financing options, and likely timing; and ensure the resulting revenue impact is factored into the FSR.
- Review and update the Reserves Strategy annually to reflect emerging risks and financial pressures to ensure it remains fit for purpose.

Governance – commentary on arrangements

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<p>monitors and assesses risk and how the PCC and CC gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud</p>	<p>Arrangements are in place to prevent and detect fraud, investigate complaints and identify and manage risks. The PCC and CC have a comprehensive Risk Management Strategy which is embedded into the respective governance structures. Risk management is overseen by the Risk Management Board and Joint Audit Risk Assurance Committee (JARAC), via the respective Corporate and Strategic Risk Registers.</p> <p>Internal Audit report to JARAC on a quarterly basis summarising progress against the approved 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” assurance opinion in 2024/25 which reflects two Limited Assurance opinion reports. The Force has put in place actions and plans to address the recommendations made.</p> <p>Both the OPCC and Force have whistleblowing policies in place, and the OPCC maintains a Fraud and Corruption Policy outlining responsibilities for prevention, reporting and staff training.</p>	<p>G</p>
<p>approaches and carries out its annual budget setting process</p>	<p>The Force begins its annual budget build process in September each year, using a centrally maintained spreadsheet with detailed guidance, specific adjustments made for pay awards and price inflation increases, approved and supported Business Cases, identified savings and income generation activities and other changes from demand/activity levels. Scrutiny of the process is provided by the Force Assurance Board, attended by the PCC, and JARAC. The draft annual budget and MTFP are approved by the Chief Constable and the PCC before submission to the Derbyshire Police and Crime Panel for review and precept approval. Public consultation is carried out by the PCC to gather views on the proposed precept level.</p>	<p>G</p>

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

Governance – commentary on arrangements (continued)

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<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>Detailed financial monitoring reports are produced each month and shared with budget holders, providing clear analysis of budgets and variances. Regular financial updates are also presented to the Financial Assurance Board, jointly chaired by the Chief Constable and attended by Senior Officers from both the OPCC and the Force. In addition, comprehensive reports are submitted to JARAC at key points throughout the year. These arrangements ensure effective monitoring of both revenue and capital budgets and give senior decision-makers a clear and timely understanding of the overall financial position.</p>	<p>G</p>
<p>ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee</p>	<p>The OPCC and Force have a Joint Corporate Governance Framework which sets out how the organisations are governed, including an outline of the roles and responsibilities of both organisations. In our previous Auditor’s Annual Report, we noted that the Code had not been updated since 2014 and raised an improvement recommendation in this area. The Code was updated in July 2025, therefore we have closed this recommendation.</p> <p>The Code aligns with CIPFA’s good governance principles and is supported by policies such as the Scheme of Delegation. Key decisions of public interest are published on the OPCC website, in line with legal requirements and the PCC’s decision-making process is detailed in the updated Decision-Making Policy.</p>	<p>G</p>

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

Governance – commentary on arrangements (continued)

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<p>monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour</p>	<p>Arrangements are in place to uphold standards, supported by Codes of Conduct and a Professional Standards policy. Procurement and contract management policies are maintained and Single Tender Actions (STAs) are recorded. In 2024/25, the Force recorded 90 STAs totalling £7.87 million, an increase of 15 when compared to 75 STAs valued at £4 million in 2023/24. This increase is attributed to the introduction of a Business Partner Network, which identified previously non-compliant procurement activity. Temporary STAs were used to formalise these arrangements, with a commitment to ensuring compliance at renewal. The Procurement and Contract Management team conducts an annual review of the STA log to identify alternative procurement routes, ensuring previously non-compliant activity is formalised and future compliance is achieved. We have not raised an improvement recommendation in this area but have provided further insights on the following pages of our report.</p> <p>As of 31 March 2025, all officers in the Force held valid vetting. Minor variances between system records and actual headcount were attributed to timing differences, such as leavers remaining on the system briefly and new starters being added before appearing on the establishment list.</p>	<p>G</p>
---	--	-----------------

- 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.

Grant Thornton insights – learning from others

The Force has the arrangements we would expect to see in respect of oversight and reporting of Single Tender Actions (STAs), but could challenge itself to go further, based on the best arrangements we see across the sector



What the Force is already doing

- The Force produces an annual Procurement and Contract Management report which is presented to the JARAC and includes detail on the number of STAs recorded in the year.
- In 2024/25, the Force introduced a Business Partner Network which increased the identification of non-compliant procurement activities. Where appropriate, STAs were used to formalise these arrangements in the short term, leading to an increase in both the number and value of STAs reported compared to the previous period.
- The Procurement and Contract Management department annually reviews the STA log to identify if new market alternatives are available.



What others do well

- Reporting of STAs often includes comparisons to previous periods by number and value, showing trends of improvement or deterioration.
- Reporting of STAs includes clear justification for each instance, providing transparency on why it was necessary.
- Forces with strong contract management arrangements in place typically have minimal use of STAs.



The Force could consider

- Strengthen reporting of STAs by including trend analysis or thematic insights.
- Ensure that compliant procurement procedures are followed when contracts are renewed to reduce the future use of STAs.

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<p>uses financial and performance information to assess performance to identify areas for improvement</p>	<p>Arrangements are in place to report upon financial and non-financial performance. The Force has established a structured framework to ensure performance data, which is linked to the force priorities, is used effectively to monitor progress and support continuous improvement. Quarterly performance is reported and monitored through Performance Scrutiny Meetings, which receive monthly departmental performance data. Emerging issues are addressed promptly and escalated to the Performance Assurance Board where necessary, enabling oversight and direction from the Deputy Chief Constable. Progress against the Police and Crime Plan is reviewed through scheduled Public Assurance Meetings, ensuring delivery is assessed against key priorities.</p> <p>In our 2023/24 Auditor’s Annual report we noted that Internal Audit had provided a Limited Assurance opinion in respect of the arrangements in place for Data Quality. We note that the actions raised arising from the review have now been implemented.</p>	<p>G</p>
<p>evaluates the services it provides to assess performance and identify areas for improvement</p>	<p>HMICFRS published its 2023–25 PEEL inspection report for the Force in May 2024, recognising a positive response to previous concerns raised in 2022. While many areas for improvement have been addressed, the report notes that some changes will take longer to fully embed due to the scale of transformation required. The Force was graded as ‘Good’ in one area, ‘Adequate’ in three, and ‘Requires Improvement’ in four, with no areas rated as ‘Inadequate’. All Areas for Improvement are actively monitored through governance boards, with regular updates and a clear focus on demonstrating progress. We have not raised an improvement recommendation in this area as the Force is already subject to the HMICFRS inspection regime to ensure these issues are addressed. However, we have RAG rated this sub criteria as amber reflecting that the Force is still progressing work on areas for improvement.</p>	<p>A</p>

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

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

We considered how the PCC and CC: **Commentary on arrangements:**

Rating

<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>Derbyshire Constabulary maintains key joint arrangements, including a Limited Liability Partnership that provides the headquarters accommodation and a Joint Training Centre shared with Derbyshire Fire and Rescue Service.</p> <p>The Derbyshire Police and Crime Plan 2024–2029 is shaped through comprehensive public and stakeholder engagement, with ongoing oversight provided via Public Assurance Meetings which provide updates on progress against strategic objectives and highlight collaborative efforts in place.</p> <p>Regional collaboration is overseen by the East Midlands Police and Crime Commissioners Board and Derbyshire Police is an active partner in the East Midlands Special Operations Unit, a multi-force initiative focused on tackling serious and organised crime, counter-terrorism, and forensic services. Performance is monitored through structured meetings involving Police and Crime Commissioners and Chief Constables from across the East Midlands.</p>	<p>G</p>
<p>commissions or procures services, assessing whether it is realising the expected benefits</p>	<p>Arrangements are in place to support the Force in assessing whether commissioned or procured services deliver the expected benefits. A contracts register is maintained, capturing key details such as project title, supplier, term, value, and end-user department. The Contract Management Policy provides a clear framework for effective oversight, with the next review scheduled for September 2027. An annual Procurement and Contract Management Report is also presented to the JARAC; the 2024/25 report highlighted progress towards a more proactive approach, including regular supplier meetings for all Gold and some Silver contracts. Our review of a sample of contracts confirmed active monitoring through monthly meetings, pre-circulated performance reports, and action tracking via a dedicated log.</p>	<p>G</p>

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

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

Improvement recommendations raised in 2024/25

Recommendation	Relates to	Relevant to Management Actions
<p data-bbox="188 454 443 482">The Force should:</p> <ul data-bbox="188 511 779 1218" style="list-style-type: none"> <li data-bbox="188 511 779 839">• Continue to take a proactive approach to identify and deliver savings through the Force Service Review (FSR). This will support the organisation’s ability to manage financial pressures effectively and help ensure that reserve levels remain at an appropriate and sustainable level. <li data-bbox="188 868 779 1053">• Review the capital programme to consider affordability including financing options, and likely timing; and ensure the resulting revenue impact is factored into the FSR. <li data-bbox="188 1082 779 1218">• Review and update the Reserves Strategy annually to reflect emerging risks and financial pressures to ensure it remains fit for purpose. <p data-bbox="109 818 155 846">IR1</p>	<p data-bbox="787 782 983 889">Financial sustainability (page 16)</p>	<p data-bbox="1238 461 1352 489">Actions:</p> <ul data-bbox="1238 511 2435 1110" style="list-style-type: none"> <li data-bbox="1238 511 2435 846">• A MARS process has been undertaken during Oct/Nov 2025 delivering full year savings of £1.1m from 2026/27 and Force Service Reviews were completed in Nov 2025 with the potential to deliver £3.6m savings from 2026/27 and £800k savings in future years. It is the intention to embed the FSR process into the force planning and budget planning process. The Savings Programme is no longer being managed through Strategic Change Board (SCB) and a closure report was received instead by SCB. The Savings Programme workstreams are continuing with workstreams leads identified and progress being monitored at the Directors meeting. <li data-bbox="1238 875 2435 1018">• The capital programme and funding are considered annually and reported and approved by the PCC. This includes considering the affordability and the impact of the funding on the revenue budget and how that impacts on the overall revenue budget position. <li data-bbox="1238 1039 2435 1110">• The Reserves Strategy will be reviewed and updated for the Medium-Term Financial Strategy and budget setting report 2026/27 and then annually. <p data-bbox="1238 1132 2091 1160">Responsible Officer: Bev Bull, Director of Finance and Assets</p> <p data-bbox="1238 1182 1600 1210">Due Date: 31 March 2026</p>

07 Appendices

Appendix A: Responsibilities of the Police and Crime Commissioner (PCC) and the Chief Constable (CC)

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

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

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

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

The Chief Financial Officer (or equivalent) is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the PCC and the Chief Constable's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the PCC and Chief Constable will no longer be provided.

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



Appendix B: Value for Money Auditor responsibilities

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

Phase 1 – Planning and initial risk assessment

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

Phase 2 – Additional risk-based procedures and evaluation

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

Phase 3 – Reporting our commentary and recommendations

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



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

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

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

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

Information that informs our ongoing risk assessment

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

Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	The Force 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. Progress should also be reported to JARAC to facilitate further scrutiny of the Efficiency Programme.	2023/24	Derbyshire Police launched a dedicated Savings Programme in 2023/24 which was monitored in the 2024/25 reporting period by the Savings Board, Financial Assurance Board, Performance Assurance Board and the Strategic Change Board. However, with over £10 million in further savings needed to balance the budget over the next five years, and reserves only sufficient for short-term risks, we have updated our improvement recommendation to encourage a proactive approach to identifying and delivering savings in the medium term.	In progress	Improvement recommendation has been updated
IR2	The OPCC and Force must ensure the Code of Corporate Governance and underpinning policies are updated and published as a matter of urgency.	2023/24	The Joint Code of Corporate Governance was updated in July 25.	Implemented	No



© 2025 Grant Thornton UK LLP. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.