

Internal Audit Progress Report

Audit Committee (June 2026)

North Wales Fire and Rescue Service

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Global Internal Audit Standards (UK public sector)

Our work was completed in accordance with Global Internal Audit Standards (UK public sector).

Executive Summary

This report provides an update to the Audit Committee in respect of the progress made against the Internal Audit Plan for 2025/26 and brings to your attention matters relevant to your responsibilities as members of the Audit Committee.

This progress report provides a summary of Internal Audit activity and complies with the requirements of the Global Internal Audit Standards (UK public sector).

Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are included within the Audit Committee papers. In addition, a consolidated follow up position is reported on a periodic basis to the Audit Committee.

This progress report covers the period 1st March to 31st May 2026.

3 Executive Summary

2025/26 Audit Reviews

The following reviews have been finalised:

- Risk Management Core Controls (N/a Assurance)

Our review has identified that some progress has been made by the Service since the 2024/25 Risk Management review. However, we have identified that a number of the recommendations remain outstanding and have not yet been actioned. Therefore, further work is required to improve and embed the risk management arrangements in place at the Service.

Refer to Appendix C for details of Key Areas and Actions to be Delivered

2026/27 Audit Reviews

The following reviews are in progress:

- Partnerships and Collaboration (Planning)

Follow Up

A summary of the current status of all follow-up activity is included as a separate report.

Audit Plan Changes

Audit Committee approval will be requested for any amendments to the original plan and highlighted separately below to facilitate the monitoring process.

There are no current proposals to amend the approved audit plan.





Added Value

Events


[Leading across generations \(12th June 2026\)](#): Generational leadership is all about leading in a way that recognises, values and brings together the different perspectives, expectations and working styles of multiple age groups in the workforce. For the first time in history, five different generations are working in the same employment environment. Understand what motivates each generation and how expectations differ across age groups.

Appendix A: Contract Performance

The Global Internal Audit Standards (UK public sector) state that 'In the UK public sector, a chief audit executive must prepare such an overall conclusion at least annually in support of wider governance reporting, mindful of any specific sector obligations or processes. This overall conclusion must encompass governance, risk management and control.' **Below sets out the overview of delivery for your Head of Internal Audit Opinion for 2025/26:**

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Risk Management – Core Controls		Completed	Not applicable	June 2026
National Fraud Initiative	N/A	Completed	Not applicable	December 2025
Key Financial Controls		Completed	Substantial	March 2026
Business Planning		Completed	Substantial	December 2025
Equipment Asset Management		Completed	Limited	September 2025
Attendance at Budget Scrutiny meetings	N/A	As required	Not applicable	Not applicable
Follow Up				
Q1	N/A	Completed	N/A	June 2025
Q2	N/A	Completed	N/A	September 2025
Q4	N/A	Completed	N/A	June 2026

The table summarises the delivery of your Head of Internal Audit Opinion for 2026/27:

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Risk Management – Core Controls		Q4 delivery		June 2027
Partnerships and Collaboration		Planning		September 2026
Key Financial Controls		Q3 delivery		March 2027
National Fraud Initiative		Q3 delivery		March 2027
Recruitment and Promotion Processes		Q2 delivery		December 2026
AI Governance		Q3 delivery		March 2027
Follow Up				
Q1	N/A	Completed	N/A	June 2026
Q4	N/A	Q4 delivery		June 2027

Appendix B: Performance Indicators

The primary measure of your internal auditor's performance is the outputs deriving from work undertaken. The following provides performance indicator information to support the Committee in assessing the performance of Internal Audit.

Element	Reporting Regularity	Status	Summary
Delivery of the Head of Internal Audit Opinion (Progress against Plan)	Each Audit Committee	Green	No issues to report
Issue a Client Satisfaction Questionnaire following completion of every audit.	Every Final report includes a questionnaire for client feedback	Green	
Percentage of recommendations raised which are agreed	Each Audit Committee	Green	
Percentage of recommendations which are implemented	Follow Up will be reported twice per year	Green	
Qualified Staff	Annual	Green	MIAA have a highly qualified and diverse workforce which includes 65% qualified staff. The Senior Team delivering the Internal Audit Service to NWFRS are CCAB/IIA qualified.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. MIAA conforms with the Global Internal Audit Standards (UK public sector).

Appendix C: Key Areas from our Work and Actions to be Delivered

Report Title	Risk Management Core Controls			
Executive Sponsor	Assistant Chief Fire Officer			
Assurance Level	Not applicable			
Objective	To provide assurance that core risk management controls have been adequately designed.			
Recommendations	0 x Critical	1 x High	2 x Medium	1 x Low
Summary	<p>Risk management processes have been clearly defined in the Risk Management Strategy which was approved by Senior Leadership Team (SLT) in May 2025, following consultation at Strategic Risk Committee (SRC). The Fire Authority has defined its risk appetite and there are processes in place to keep this under review. This was reported to the Executive Panel in June 2025.</p> <p>Risk management training needs should be clearly identified for all staff and arrangements require clarification for monitoring compliance.</p> <p>Processes for ensuring risks are identified, consistently reviewed, scored, recorded and monitored across the organisation require enhancement. We identified that the Strategic and Operational Risk Register had not been consistently completed at the time of the review e.g. assurances in place, gaps in control/assurances and action plans. In addition, progress updates had not been provided for the majority of risks (this was also found to be the case for the risks included within the Strategic Risk Register).</p> <p>Governance arrangements for the reporting of assurance against delegated risks by the Fire Authority are not clearly outlined in the Risk Management Strategy. In addition, processes for regular reporting to the Fire Authority in relation to the risk management processes require clarification.</p>			
Key Areas Agreed for Action	<ul style="list-style-type: none"> The risk register should be fully completed and should be used as an active “live” document. It is imperative that all fields within the risk register are fully completed and reflect current status in relation to progress updates. It is also recommended that each action should have an allocated 			

deadline date. The risk register should be updated to reflect the agreed risk appetite for each risk. In addition, the risk register should be reflective of regular risk reviews and progress updates should be recorded to mitigate the identified risks. Compliance of regular risk reviews by the Risk Owners should be monitored by SRC. Any issues in relation to non-compliance including overdue progress updates of risks should be escalated to SLT. A review of Departmental risks should be undertaken on a routine basis as part of 1 to 1 meetings between SLT and the Risk Owners. Evidence of this review should be maintained. (High Risk)

- SRC - The meeting notes should reflect the discussions held to confirm that risks are appropriately challenged and scrutinised. It should be highlighted within the meeting notes where risk registers are not fully completed and where there are gaps in relation to progress updates.

SLT - The Service should ensure that SLT meeting minutes reflect escalation of issues raised by SRC e.g. risks where progress updates and actions taken to address risks have not been provided. The minutes should sufficiently detail action points for individual risk owners in maintaining their risk registers. Risk owners should be held to account for their areas of risk. The Service should consider that the SRC is chaired by a member of SLT.

FRA - Assurance should be provided to the Fire Authority in relation to risk management on a routine basis. (Medium Risk)

- The Service should ensure that the Training Needs Analysis (TNA) has been included in the Risk Management Strategy. The arrangements for monitoring compliance of training should also be agreed (for all levels). (Medium Risk)
- The Risk Management Strategy should be enhanced to include training requirements and Executive responsibility for risk. (Low Risk)

Appendix D: Assurance Definitions and Risk Classifications

Level of Assurance	Description
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.
Moderate	There is an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls puts the achievement of some aspects of the system objectives at risk.
Limited	There is a compromised system of internal control as weaknesses in the design and/or inconsistent application of controls puts the achievement of the system objectives at risk.
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.

Risk Rating	Assessment Rationale
Critical	Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none"> the efficient and effective use of resources the safeguarding of assets the preparation of reliable financial and operational information compliance with laws and regulations.
High	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives.
Medium	Control weakness that: <ul style="list-style-type: none"> has a low impact on the achievement of the key system, function or process objectives; has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low.
Low	Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control.

Limitations

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.

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