

Internal Audit Progress Report

Audit Committee (December 2025)

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 September to 30th November 2025.

3 Executive Summary

2025/26 Audit Reviews

The following reviews have been finalised:

- Business Planning (Substantial Assurance)

Our review identified a number of areas of good practice including the approval/implementation of the Community Risk Management Plan 2024-29 (CRMP) and the governance arrangements regarding budget setting for 2025/26. The Community Risk Management Implementation Plan (CRMIP) for 2025/26 demonstrated clear links to the Fire Authority's principles and objectives in relation to national guidance. At the time of the review, it was confirmed that new templates had been created for strategic outline cases and full business cases. As part of our review, we received two draft strategic outline cases for 2026/27, and we confirmed that some of the issues highlighted on the old template had been addressed. Recommendations were raised in relation to the consistent completion of business cases (in the old template) and evidence of post project evaluations of business cases. In addition, our review of the departmental plans noted that the spreadsheet had not been consistently completed for all departmental objectives and that there should be a clear link between the departmental plans and staff personal objectives within the appraisal documentation for all staff levels.

- National Fraud Initiative (Briefing Note issued)

MIAA can confirm that all matches have been reviewed and no instances of fraud or overpayments were identified. The exercise is now closed.

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

The following reviews are in progress:

- Key Financial Systems (Fieldwork)
- Attendance at Budget Scrutiny meetings (when required)

Follow Up

Our follow up work is in progress.

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.

MIAA – Assured provider to the NCSC Cyber Resilience Audit Scheme

We are proud to announce that MIAA has been officially recognised as an Assured provider under the National Cyber Security Centre's (NCSC) Cyber Assessment Framework (CAF).

This accreditation marks a major milestone for MIAA and reflects our ongoing commitment to helping organisations strengthen their cyber resilience and safeguard critical systems and services.

This achievement, which is the result of a rigorous assessment process, demonstrates our credentials in auditing against the NCSC's Cyber Assessment Framework and, highlights the exceptional skills and experience of our staff as well as our organisational commitment to the highest cyber security standards. While this recognition is a tremendous achievement for MIAA, its greatest value lies with our clients, who can be confident they are engaging highly skilled individuals and a trusted, high-quality audit provider.

The Cyber Resilience Audit (CRA) scheme provides assurance for organisations delivering independent cyber audits, with a strong focus on the Cyber Assessment Framework (CAF). By becoming an NCSC Assured Provider, MIAA has demonstrated:

- Expertise in auditing against the CAF.
- Independence and integrity in delivering high-quality assessments.
- Dedication to helping organisations manage cyber risks in an ever-changing threat landscape.

This recognition is particularly important for organisations required to have their NHS Data Security and Protection Toolkit submission independently audited, as NHS England strongly recommends using a CRA scheme-assured auditor. With this recognition, clients can be assured that DSPT audits are delivered to the highest standards reflecting both the detail of the Cyber Assessment Framework and the NHS's own DSPT audit guides.

Added Value

Briefings

Our latest briefings/blogs/podcasts are:




- [Simple AI Booklet Series: Helping the NHS Understand Artificial Intelligence](#)
- [Celebrating 10 Years of the MIAA Internship Programme: Reflections from Our 2024 Interns](#)
- [25/26 MIAA Insight - AI Governance Checklist](#)

Events

- [Powerful Allyship: Everyone's Role \(21st January 2026\)](#): In this masterclass we will share the principles and practices around allyship and showcase the positive impact allyship has on organisational culture and productivity. We will consider the role we all have as allies, alongside practical tools to facilitate leaders to create the conditions for allyship to thrive.

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.' The table summarises the delivery of your Head of Internal Audit Opinion for 2025/26:

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Risk Management – Core Controls		Q4 delivery		March 2026
National Fraud Initiative	N/A	Completed	Not applicable	December 2025
Key Financial Systems		Fieldwork		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	In progress		March 2026

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	Business Planning			
Executive Sponsor	Assistant Chief Fire Officer			
Assurance Level	Substantial Assurance - There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.			
Objective	To evaluate the effectiveness of the systems and processes in place to ensure there were robust governance arrangements with respect the alignment between corporate planning and department planning. This review considered the development, review and approval of business cases.			
Recommendations	0 x Critical	0 x High	4 x Medium	1 x Low
Summary	<ul style="list-style-type: none"> The Service has a 5-year Community Risk Management Plan (CRMP) in place – covering the period 2024-2029. We identified that the plan aligned with national guidance from the Fire Standards Board. Ahead of final publication of the CRMP, we confirmed that key stakeholders had been engaged as part of the planning process. This involved presentations with varying levels of staff, as well as obtaining feedback via a QR code from external stakeholders. The draft 5-year Community Risk Management Implementation Plan (CRMIP) Consultation Report was presented to the Fire and Rescue Authority (FRA) at the April 2025 meeting. Review of the report confirmed that stakeholder engagement had been held via public consultation. Departmental planning guidance was in place, dated June 2024. This referred users to the CRMP, to ensure that departmental objectives were formulated in line with the delivery of the 2029 ambitions of the Service. 			

- We found that departmental plans were in place for each department of the Service. It was noted that within Finance, their departmental plan was also available to staff as a printed copy within the office for ease of use and regular sighting.
- Our review identified that the standard templates for full business cases and strategic outline cases had been refreshed and amended for the 2025/26 financial year. In addition, guidance was available on how to complete these new templates.
- Training sessions have recently been held for staff to assist in the completion of the new business case documentation (using the updated templates). This was for both strategic outline cases (£10k+) and full business cases (£261k+).
- Testing of a sample of 13 business cases for capital and revenue found that all forms had been dated and included an executive summary. This detailed what the project would achieve, the benefits, estimated costs and how it was to be funded.
- Testing of the 13 business cases confirmed that they agreed to the capital and revenue plans, and the budget confirmation.
- A review of the Budget Scrutiny Working Group (BSWG) minutes for the November 2024 meeting identified that the capital programme and the proposed budget for 2025/26 highlighted the timescales and milestones for budgets and that all new expenditure over £10k would require a business case. The capital bids for each department had also been presented.
- A progress update against the objectives in the CRMP had been reported at the SLT meeting in November 2024. Similarly, minutes of the SLT meeting in January 2025, confirmed that the CRMP was presented and feedback sought prior to final approval.
- An annual performance assessment had been reported to the Executive Panel in September 2025 which included an overview of progress made against its objectives for 2024/25.
- The Quarter 1 Departmental Plans for 2025/25 had been reported and discussed at SLT in August 2025, as well as how the CRMP incorporated the Core Code of Ethics.

Key Areas Agreed for Action

- Review of the departmental plan spreadsheet and testing of 3 departments - Performance, Planning and Transformation, Prevention and Protection and Response - identified that quarterly updates had not been consistently provided. In addition, the objectives had not always been fully completed. For example, the appropriate principles, well-being goals and ways of working had not been selected for some of the objectives. (Medium Risk)
- The post-evaluation process of business cases/projects was not clear/evident. (Medium Risk)
- Testing of a sample of 13 business cases for 2024/25 and 2025/26 (using the old template) found that they had not been consistently completed. (Medium Risk)
- There was little evidence of a link between departmental plans and staff personal objectives. A review of the appraisal documentation for non-managerial, supervisory manager and middle manager identified that there was no reference to the core values and departmental plans. Although it was noted from a review of the Finance appraisal documentation that there was a section which included the team objectives for the year ahead and how staff will demonstrate the core values of the Service. (Medium Risk)
- Business cases had been approved as part of the Departments capital plans; however, it was unclear where individual business cases had been raised and approved. (Low Risk)
- A review of recent SLT meeting papers identified that an annual update had not been provided on the implementation against the CRMP. (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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