

Internal Audit Progress Report Audit Committee (March 2025)

North Wales Fire and Rescue Service

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Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards and conforms with the International Standards for the Professional Practice of Internal Auditing.

Executive Summary

This report provides an update to the Audit Committee in respect of the progress made in against the Internal Audit Plan for 2024/25 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 Public Sector Internal Audit Standards.

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 December 2024 to 28th February 2025.

3 Executive Summary

2024/25 Audit Reviews

The following reviews have been finalised:

- National Fraud Initiative – Preparations (N/a Assurance)

We have undertaken preparatory work has been undertaken and an initial review of the data matches (received December 2024 and January 2025). We have issued a National Fraud Initiative briefing note which provides a summary of the data matches received and an understanding of the respective responsibilities in clearing those matches. Further work will be undertaken as part of the Internal Audit Plan 2025/26 where a full report will be provided with a more detailed examination of the matches.

- Attendance at Budget Scrutiny meetings (N/a Assurance)

We have attended and provided support at the Budget Scrutiny meetings.

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

The following reviews are in progress:

- Risk Management (Fieldwork)

Follow Up

Our follow up work is in progress and a report will be provided at the Audit Committee meeting in June 2025.

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.

Global Internal Audit Standards

From April 2025 MIAA will be required to comply with the Global Internal Audit Standards and the UK Public Sector Application Note: *Global Internal Audit Standards in the UK Public Sector* (collectively referred to as GIAS here). These documents replace the Public Sector Internal Audit Standards (PSIAS).

To support our readiness to adopt the GIAS from April 2025 our Associate Director – Continuous Improvement has undertaken a baseline assessment of our current compliance levels with the GIAS.

Given MIAA's current full compliance with PSIAS we comply with the majority of GIAS requirements. We will ensure full compliance with all GIAS requirements from April 2025.

Added Value

Briefings

Our latest briefings/blogs/podcasts are:

- MIAA's Assurance Director, Louise Cobain contributed to HFMA's latest briefing: [The value of internal audit | HFMA](#)
- [24/25 MIAA Insight - EU Artificial Intelligence Act and its wider implications](#)





Events

- [The Power of Collaboration \(26th March 2025\)](#): This online Masterclass will build on the insights from the Messenger and Darzi review, and eagerly anticipating the release of the 10-year health plan. Additionally, the social care workforce plan emphasises transformation and a unified workforce approach, underscoring the necessity for partnership and collaboration in our operations.

Appendix A: Contract Performance

The Public Sector Internal Audit Standards (PSIAS) state that ‘The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’

The table summarises the delivery of your Head of Internal Audit Opinion for 2024/25:

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Risk Management		Fieldwork		June 2025
Training Strategy Implementation Plan		Completed	Substantial	December 2024
Key Financial Transactional Processing Controls		Completed	Substantial	December 2024
Procurement		Completed	Substantial	September 2024
National Fraud Initiative (Preparations)	N/A	Briefing note issued	N/A	March 2025
Attendance at Budget Scrutiny meetings	N/A	Completed	N/A	N/A
Follow Up				
Q1	N/A	Completed	N/A	June 2024
Q4	N/A	In progress		June 2025

If due to circumstances beyond our control we are unable to achieve sufficient depth or coverage, we may need to caveat opinions and explain the impact of this and what will be done to retrieve the position in future.

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 75% qualified staff.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. The External Quality Assessment, undertaken by CIPFA, provides assurance of MIAA's compliance with the Public Sector Internal Audit Standards. MIAA conforms with the Public Sector Internal Audit Code of Ethics.

Appendix C: 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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