



## STAFFORDSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY

DRAFT - Annual internal audit report for the year ended 31 March 2026

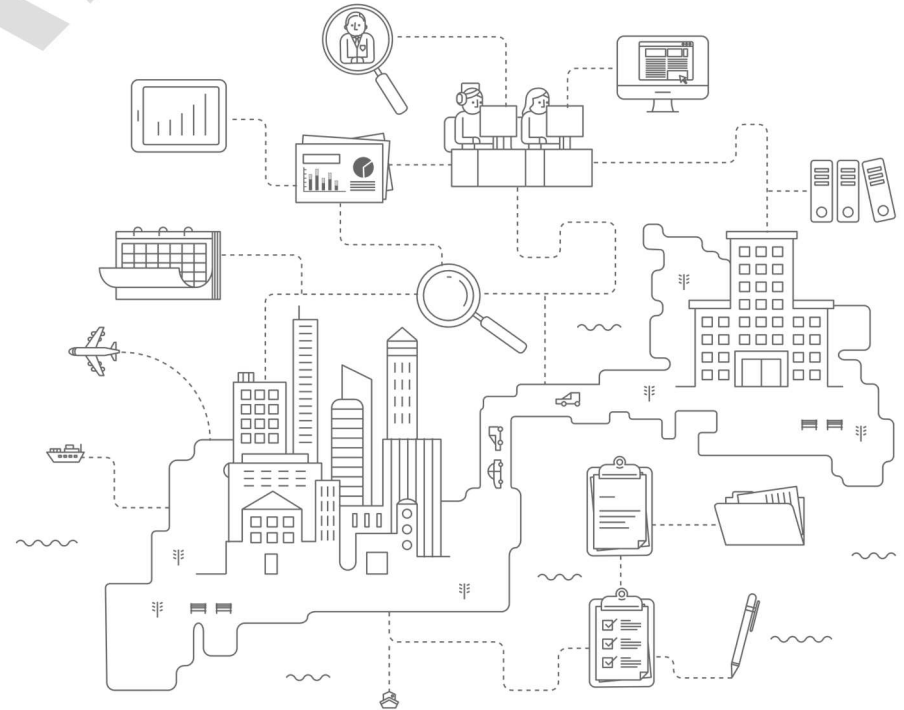
3 June 2026

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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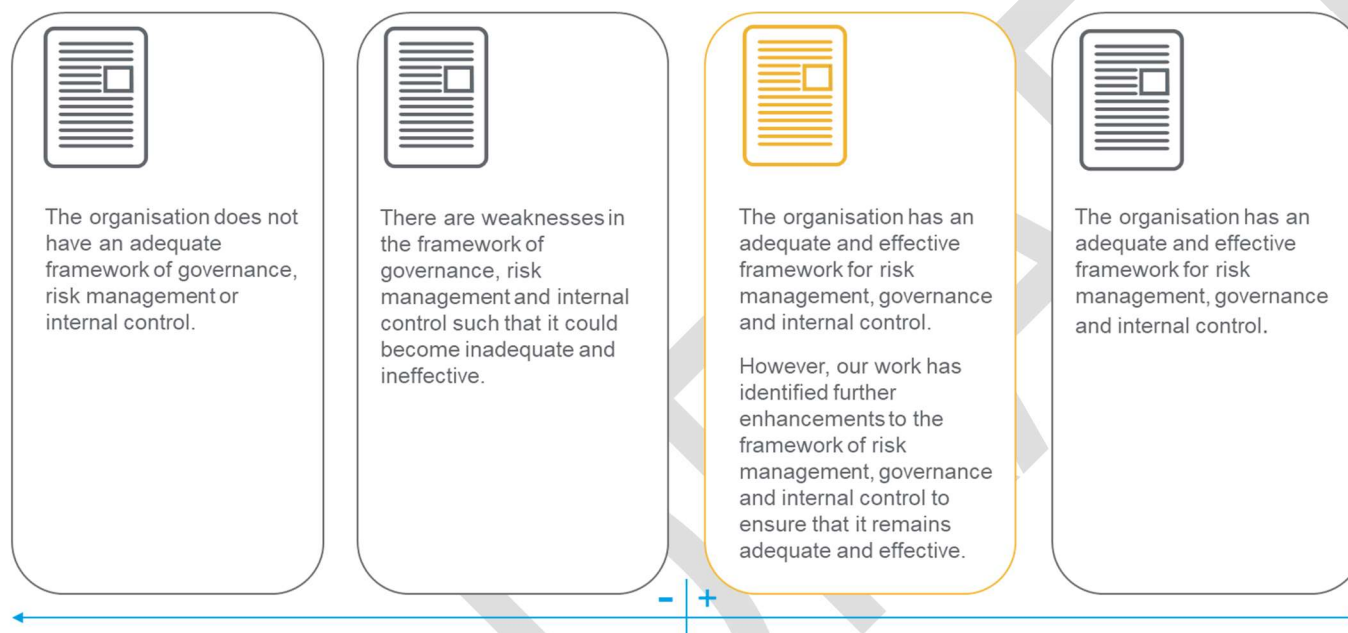


# THE DRAFT ANNUAL INTERNAL AUDIT OPINION

The DRAFT annual internal audit opinion is based upon, and limited to, the work performed on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. For the year 2025/26 the head of internal audit opinion for Staffordshire Commissioner Fire & Rescue Authority is:

## Annual opinion

## Factors influencing our opinion



The factors which are considered when influencing our opinion are:

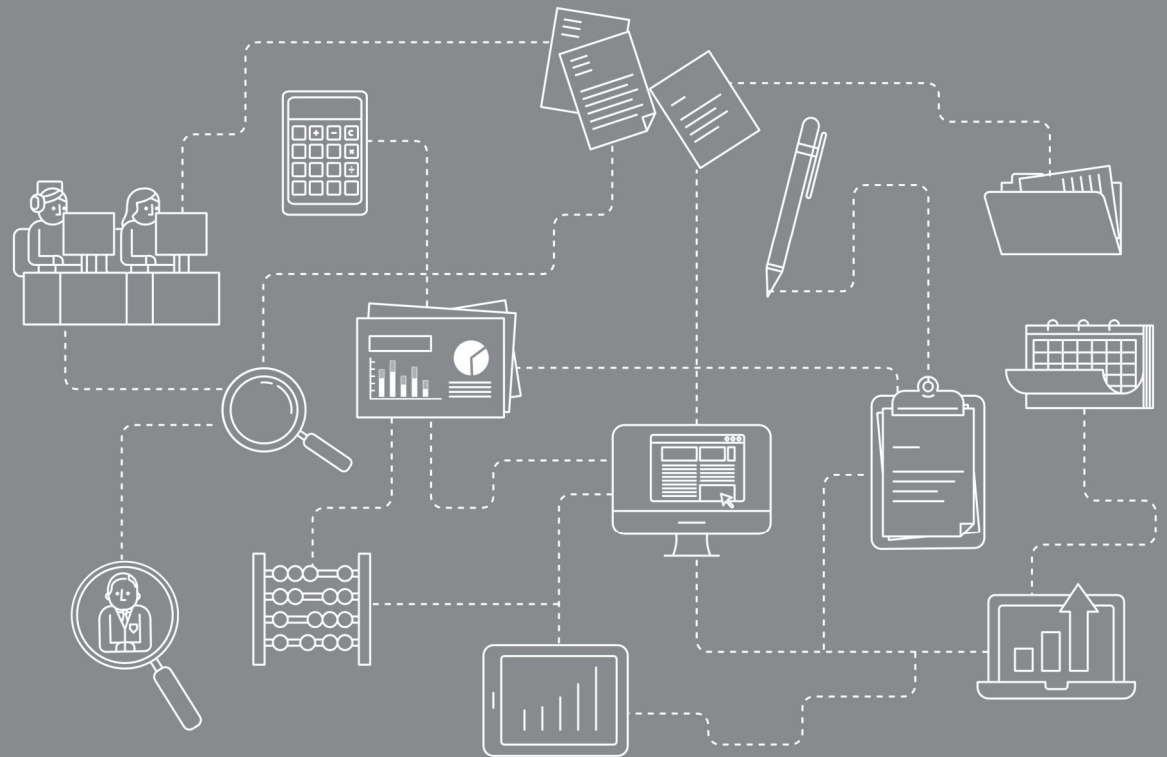
- inherent risk in the area being audited;
- limitations in the individual audit assignments;
- the adequacy and effectiveness of the risk management and / or governance control framework;
- the impact of weaknesses identified;
- the level of risk exposure; and
- the response to management actions and timeliness of actions taken.



It remains management's responsibility to develop and maintain a sound system of risk management, internal control, and for the prevention and detection of errors, loss or fraud. The work of internal audit is not and should not be seen as a substitute for management responsibility around the design and effective operation of these systems.

# Scope and Limitations

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# 1. SCOPE AND LIMITATIONS OF OUR WORK

The formation of our draft opinion is achieved through a risk-based plan of work, agreed with management and approved by the JARC, our opinion is subject to inherent limitations, as detailed below.



- Internal audit has not reviewed all risks and assurances relating to the organisation.
- The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led assurance framework. The assurance framework is one component that the board takes into account in making its annual governance statement (AGS).
- The opinion is based on the findings and conclusions of the agreed work which was limited to the area under review and agreed with management.
- Where strong levels of control have been identified, there are still instances where these may not always be effective. This may be due to human error, incorrect management judgement, management override, controls being by-passed or a reduction in compliance.
- Due to the limited scope of our audits, there may be weaknesses in the control system which we are not aware of, or which were not brought to our attention.
- The matters highlighted in this report represent only the issues we encountered during our work. It is not an exhaustive list of all weaknesses or potential improvements. Management remains responsible for maintaining a robust system of internal controls, and our work should not be the sole basis for identifying all strengths and weaknesses.
- This report is prepared solely for the use of the Authority, the Fire and Rescue Service and JARC.

# Informing Our Opinion

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## 2. FACTORS AND FINDINGS WHICH HAVE INFORMED OUR OPINION

A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

| Governance                                                                                                                                                                                                                                                                                                                                            | Risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Control                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Our Governance opinion has been informed specifically through our continued attendance at JARC alongside the governance and reporting aspects of the following audits for which the organisation could take positive assurance:</p> <ul style="list-style-type: none"><li>• Payroll</li><li>• Key Financial Controls</li><li>• Insurance</li></ul> | <p>Our Risk Management opinion has been informed by our risk-based approach to individual assignments, and the fact that our internal audit plan is risk-based and linked/driven by a number of strategic and operational risks.</p> <p>We have also attended all JARC meetings throughout the year where we have seen updates provided by management on the strategic risk register to JARC. These updates provide assurance to the JARC on how risks are identified, documented and managed and allow the JARC the opportunity to ask questions, challenge and seek assurance.</p> <p>The opinion has also been based on our cumulative knowledge of the risk management arrangements in place, and those operating in 2025/26.</p> | <p>Our Internal Control opinion has been informed by the four assurance reports completed throughout the year. Of these the Authority could take substantial assurance for two reviews, reasonable assurance for one review and partial assurance (negative opinion) for one review.</p> <p>In addition, the HMICFRS Action Plan audit was carried out in an advisory capacity and found that the Service has made good progress in addressing the Areas for Improvement (AFIs) reviewed. This review included coverage to follow up the actions taken by the Service to implement previously agreed recommendations.</p> <p>For the review where partial assurance could be taken, this was in relation to Rope Rescue Services. All actions have been agreed with management, with action owners and implementation dates agreed. Our follow up of the actions agreed to address previous years' internal audit findings has not yet concluded as this will focus on the rope rescue services audit which resulted in a partial assurance opinion and actions are not yet due. However, initial discussions with the lead has indicated that these are substantially complete although this is yet to be verified by RSM.</p> <p>Further details on individual reviews are provided at Appendix A.</p> |

**Culture, including Engagement with Internal Audit** - During the year there has been a positive level of engagement by management and staff. Prior to and during our reviews, management have been engaged and proactive and we have held regular catch ups. Responses to our audit queries, along with documentation, have mostly been provided in a timely manner. In addition, management have continued to ensure that we have been able to undertake and complete our work through onsite/remote working mechanisms where necessary. Management have demonstrated a strong culture in relation to the acceptance of management actions and recommendations to improve the control framework, ranging from internal audit reviews to HMICFRS reports, and there is a strong tone from the top, supporting continuous improvement.

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## Partial Assurance reviews

### Rope Rescue Services

Our audit highlighted significant gaps in the operation and governance of the Rope Rescue Service. Although the results of the questionnaire highlighted a favourable majority towards the continuation of rope rescue operations, there remained a lack of clarity around the types of incidents for which rope rescue should be used, alongside resourcing demands to ensure five trained personnel are always available to deliver the service in line with guidelines. We noted a lack of documentation and audit trail regarding the maintenance of rope rescue equipment including anchor point testing at training facilities; the level of specialist resource to maintain equipment, training facilities and ensure staff remained trained and competent for rope rescue needs to be considered in relation to the number of rope rescues being completed by the Service based on operational demand. We agreed six 'medium' priority management actions.

As well as the headline findings discussed above, the following areas have helped to inform our opinion. A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix A.



#### Acceptance of internal audit management actions

Management have agreed actions to address all of the findings reported by the internal audit service during 2025/26. Please note, two reviews are in draft and one is still to be delivered and will commence shortly.



#### Implementation of internal audit management actions

Our follow up of the actions agreed to address previous years' internal audit findings has not yet concluded as this will focus on the rope rescue services audit which resulted in a partial assurance opinion and actions are not yet due. However, initial discussions with the lead indicating that these are substantially complete although this is yet to be verified by RSM.



#### Working with other assurance providers

In forming our opinion we have not placed any direct reliance on other assurance providers.



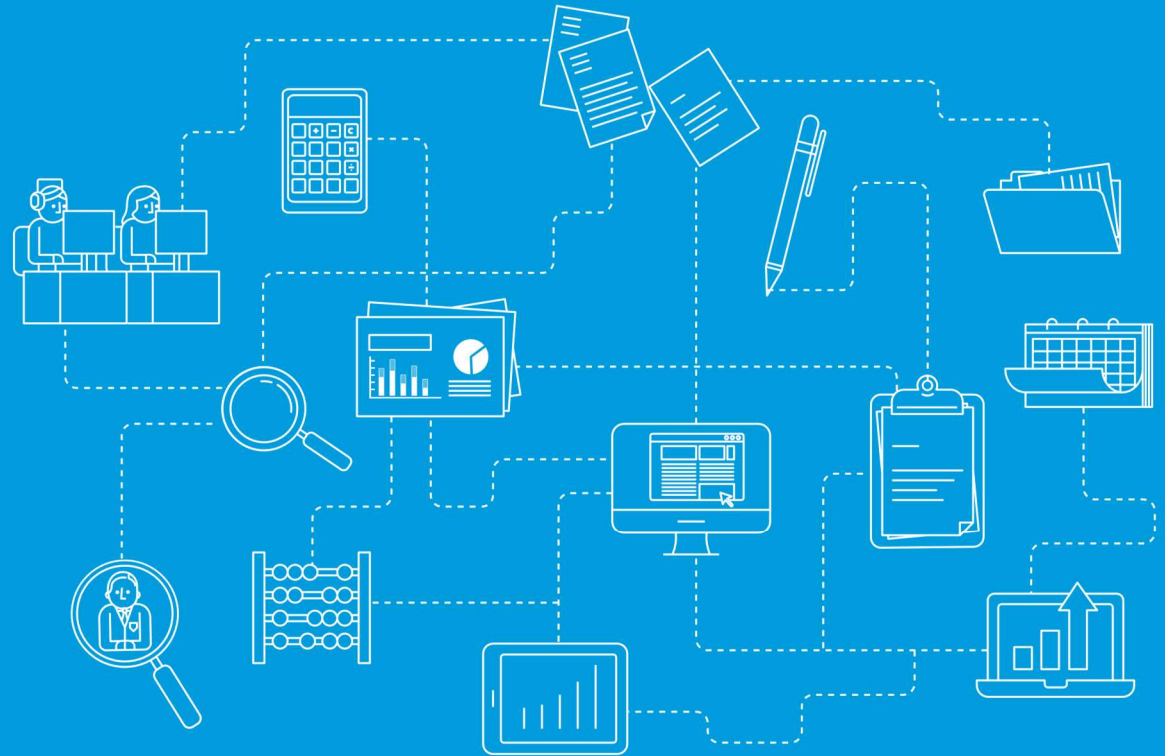
#### Topics judged relevant for consideration as part of the annual governance statement

From the results of our internal audit work completed during 2025/26, the Authority should consider the issues identified partial assurance report on the 'Rope Rescue Services' for inclusion within the annual governance statement, along with any action already taken or planned to address the issues identified.

In addition, emerging Local Government Re-organisation presents a future risk with potential implications for governance structures, accountability arrangements and partnership working. Whilst this does not directly affect the 2025/26 head of internal audit opinion, it will require proactive oversight and clear transition planning to manage governance complexity and maintain effective controls as reforms progress.

# Our Performance

# 03



### 3.1 Wider value adding delivery

| Area of work                                                       | How has this added value?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue of Emergency Services and general briefings                  | In our regular Emergency Services News Briefings, we drew attention to key developments and publications impacting fire and rescue services, including government's Spending Review, updates on the National Policing Digital Strategy, the new neighbourhood policing programme, the government's priorities for fire and rescue services, policing reforms and accountability, workforce wellbeing and updated statistics.                                                                                                                          |
| Emergency Services benchmarking of internal audit findings 2024/25 | <p>This paper provided a benchmark for our individual clients, allowing for self-assessment against all of our emergency services clients. At the assignment level, benchmarking provided:</p> <ul style="list-style-type: none"><li>• A comparison against the numbers of actions agreed.</li><li>• The assurance opinions provided across the sector in our client base.</li><li>• A summary of the key areas where high internal audit management actions were agreed.</li><li>• A comparison of Head of Internal Audit (HOIA) opinions.</li></ul> |
| Sector Experience                                                  | We have also made suggestions throughout our audit reports based on our knowledge and experience in the emergency services sector to provide areas for consideration.                                                                                                                                                                                                                                                                                                                                                                                 |
| The NED Network                                                    | The role of the Non-Executive Director is crucial. Whilst not typically involved in the day-to-day operations of a firm, they should be influencing policy, culture and accountability. RSM launched The NED network to help non-executive directors stay abreast of key issues, networking with peers and share ideas. Non-executive directors are invited to join free of charge. We have delivered an annual programme of events, along with supporting insights, articles and blogs designed specifically for our NED community.                  |
| Emerging Risk Radar                                                | We have provided the organisation with regular emerging risk radars based on survey responses from board members and professional advisors from across all industries and highlighting key emerging risks and emerging risk considerations                                                                                                                                                                                                                                                                                                            |
| Attendance at JARC                                                 | We have attended every JARC throughout the year to present our papers and contribute to the wider agenda items as required.                                                                                                                                                                                                                                                                                                                                                                                                                           |

### 3.2 Conflicts of interest

During 2025/26 RSM's Tax and Advisory team undertook a VAT Treatment review. Safeguards were put in place to reduce any threat of self-review with the work being performed and reviewed by a separate team to the internal audit team and a separate engagement lead in place to the Head of Internal Audit. Internal audit remains independent and there have been no threats to our independence when delivering the audit plan during 2024/25.

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### 3.3 Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Global Internal Audit Standards in the UK Public Sector. Our next external quality assessment (EQA) will take place in 2026.

Under the Standards, internal audit services are required to have an EQA every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2021 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF), and the Internal Audit Code of Practice, as published by the Global Institute of Internal Auditors (IIA) and the Chartered IIA.

The external review concluded that RSM 'generally conforms\*' to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

\* The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

### 3.4 Quality assurance and continual improvement

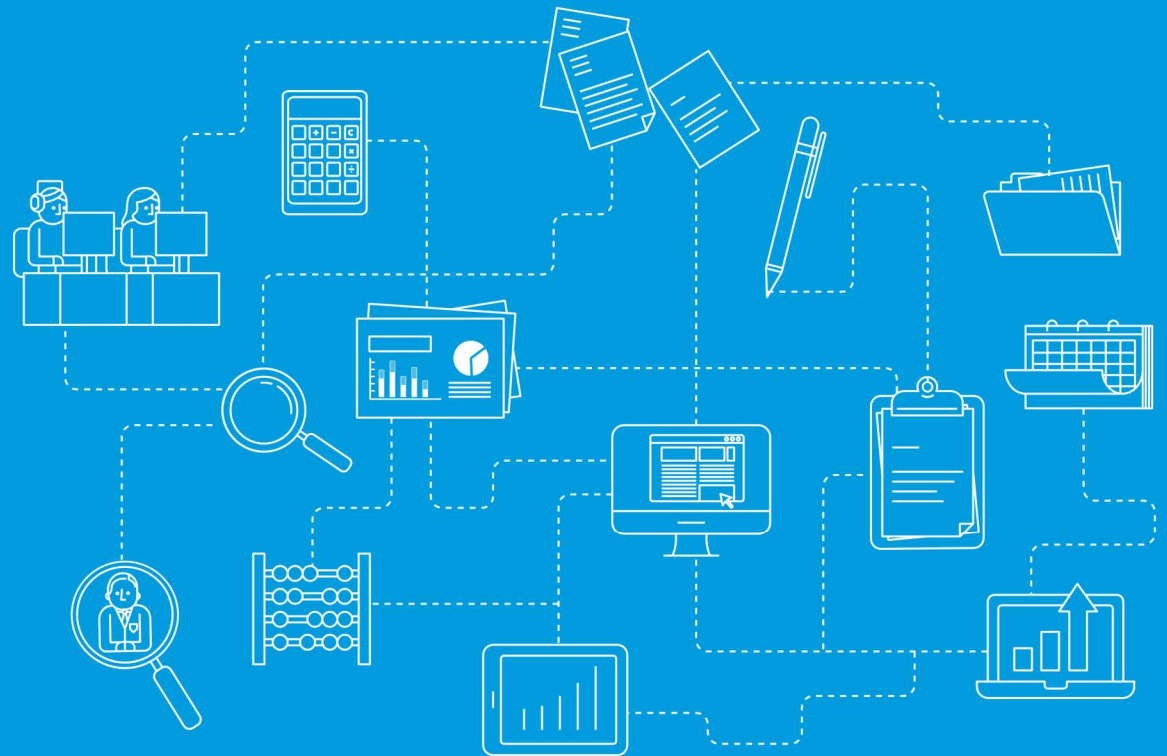
To ensure that RSM remains compliant with the Global Internal Audit Standards in the UK Public Sector we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

As part of the Quality Assessment and Improvement Programme, none of your files were selected for Internal Quality Monitoring programme during 2025/26. From the results of the reviews undertaken across our client base, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

# Appendices

# 04



## APPENDIX A: SUMMARY OF INTERNAL AUDIT WORK COMPLETED

All of the assurance levels and outcomes provided below should be considered in the context of the scope, and the limitation of scope, set out in the individual assignment report.

| Assignment               | Executive lead      | Status / Opinion issued | Actions agreed |     |     |
|--------------------------|---------------------|-------------------------|----------------|-----|-----|
|                          |                     |                         | L              | M   | H   |
| Key Financial Controls   | Director of Finance | Substantial Assurance   | 4              | 0   | 0   |
| Payroll (DRAFT)          | Director of Finance | Reasonable Assurance    | 1              | 2   | 0   |
| Insurance                | Director of Finance | Substantial Assurance   | 1              | 0   | 0   |
| Rope Rescue Services     | Director of Finance | Partial Assurance       | 0              | 6   | 0   |
| HMIC Action Plan (DRAFT) | Director of Finance | No opinion / Advisory   | 0              | 0   | 0   |
| Follow Up                | Director of Finance | TBC                     | TBC            | TBC | TBC |

## APPENDIX B: OPINION CLASSIFICATION

We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the board can take:



### Minimal Assurance

Taking account of the issues identified, the board cannot take assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Urgent action is needed to strengthen the control framework to manage the identified risk(s).



### Partial Assurance

Taking account of the issues identified, the board can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).



### Reasonable Assurance

Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



### Substantial Assurance

Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

- | +

## FOR FURTHER INFORMATION CONTACT



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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Staffordshire Commissioner Fire & Rescue Authority, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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