# MERSEYSIDE FIRE AND RESCUE AUTHORITY

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| **MEETING OF THE:** | **AUDIT COMMITTEE** | | |
| **DATE:** | **26 FEBRUARY 2026** | **REPORT NO:** | **DFP/13/2526** |
| **PRESENTING OFFICER** | **DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA** | | |
| **RESPONSIBLE OFFICER:** | **DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA** | **REPORT AUTHOR:** | **DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA** |
| **OFFICERS CONSULTED:** | **STRATEGIC LEADERSHIP TEAM (SLT)** | | |
| **TITLE OF REPORT:** | **INTERNAL AUDIT PROGRESS REPORT – APRIL TO JANUARY 2026** | | |

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| **APPENDICES:** | **APPENDIX A: INTERNAL AUDIT PLAN 2025/26**<br>**APPENDIX B: INTERNAL AUDIT PROGRESS REPORT** |

## Purpose of Report

1. To inform Members of the work of Internal Audit for the period April to January 2026.

## Recommendation

2. It is recommended that Members note the contents of this report.

## Introduction and Background

3. The purpose of Internal Audit is defined as follows;

   *“Internal auditing strengthens the organisation’s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.” (Source: Global Internal Audit Standards).*

4. The Authority has a statutory duty to ensure that it maintains an adequate and effective system of Internal Audit of its accounting records and control systems, (Accounts and Audit Regulations 2015). In order to fulfil this statutory requirement, the Authority has entered into a contract with Liverpool City Council’s Internal Audit Service. The Authority has utilised Liverpool City Council’s Internal Audit Service (LCC IAS) since 1986. LCC IAS has established an Internal Audit Charter (IAC) and Quality Assurance & Improvement Programme (QAIP) to ensure compliance with the Global Internal Audit Standards (GIAS) and that LCC IAS delivers to the Authority an effective high-quality service.

5. Each year the Service produces an Internal Audit Plan that goes to the Audit Committee for approval. The plan is based upon an assessment of risks, previous audit findings and the relationship with External Audit work. During the audit work, Internal Audit consider the impact of Fire Standards (and broader legislative requirements) as part of their evaluation of the Authority's risk management and internal controls.

6. The two main strategic areas of work are:

   a) a review of fundamental financial systems and processes, and
   b) specific project reviews requested by the service.

7. Members of the Audit Committee approved the 2025/26 plan at their meeting on 26 June 2025, DFP/07/2526. The plan is attached to this report as Appendix A.

8. The purpose of this report is to inform Members of the work of Internal Audit for the period April to January 2026 and the progress made against the approved 2025-26 Internal Audit Plan. The report also provides an update on the previous audit recommendations. The Authority has cleared 85% of the outstanding recommendations. The progress report is attached to this report as Appendix B.

9. Although no significant control or compliance issues have been identified to date, most of the planned audit work has yet to be undertaken. Work on the fundamental systems is carried out at the end of the financial year to provide assurance on the control environment across the full financial year. The timing of the remaining strategic reviews reflects the point in the year when these initiatives will have progressed sufficiently to allow audit to examine what has been achieved to date.

10. Members of the Audit Committee will receive a report after the year-end on actual performance against the audit plan.

**Equality and Diversity Implications**

11. None contained within the report.

**Staff Implications**

12. None contained within the report.

**Legal Implications**

13. The Authority has a statutory duty to ensure that it maintains an adequate and effective system of Internal Audit of its accounting records and control systems. (Accounts and Audit Regulations 2015).

**Financial Implications & Value for Money**

14. The annual cost of the audit is £45,125 and is contained within the approved budget for audit services.

## Risk Management and Health & Implications

15. There are no health & safety implications contained within this report. The scrutiny provided by Internal Audit as part of the work to be undertaken on the proposed plan, will assist the Authority in assuring itself any necessary procedures and risk management processes are already in place or will be implemented as a result of the audit.

## Environmental Implications

16. There are no environmental implications contained within this report.

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| **Contribution to Our Vision:** | ***To be the best Fire & Rescue Service in the UK.*** |
| Our Purpose: | *Here to serve, Here to protect, Here to keep you safe.* |

17. Internal Audit assists in the evaluation and enhancement of sound internal control arrangements that contribute towards ensuring the Authority's Vision and approved policies and plans continue to drive decision making within the service.

## BACKGROUND PAPERS

**DFP/07/2526** 2025-26 Internal Audit Plan – Audit Committee 26 June 2025.

## GLOSSARY OF TERMS

**NONE**