

Report to the Deputy Mayor for Police, Fire and Crime for North Yorkshire

24th September 2026

Annual Report of the Independent Audit Committee

Independent Audit Committee

Annual Report

FOREWORD

The Purpose of this report is to provide assurance that the Independent Audit Committee is satisfactorily undertaking its role and responsibilities to enhance public trust and confidence in the governance of North Yorkshire Fire and Rescue Service. It provides an overview of the areas of work considered by the Committee during the 2025/26 financial year and details the areas that the Committee thought worthy of mention. It provides the Deputy Mayor (PFC) and Chief Fire Officer with the assurance that the Committee has fulfilled its terms of reference and demonstrates the added value that has been delivered by the Independent Committee to both the Deputy Mayor (PFC) and Chief Fire Officer and also the wider public throughout the 2025/26 financial year

1. INTRODUCTION

- 1.1 This annual report of the North Yorkshire Fire Independent Audit Committee covers the whole of the 2025/26 financial year.
- 1.3 The Committee has a wide range of responsibilities that are captured within the Terms of Reference. The Terms of Reference in place throughout 2025/26 are reproduced at Appendix A for information.
- 1.4 The table below details last year's Committee members. The Committee would like to place on record its thanks to the Officers of the Combined Authority who work on Fire functions and the Fire Service, and both the internal and external auditors who have supported their work throughout the year.

Members of the Independent Audit Committee

Role	Member	Dates in Role
Chair	Roman Pronysyn	Throughout 2025/26
Vice-Chair	Stuart Green	Throughout 2025/26
Member	Heather Cook	Throughout 2025/26

- 1.5 While Members recognise the challenge of recruiting to the broadly voluntary roles on the Committee and the challenges of the vetting process, the Committee requests that further Members are recruited so that the Committee can operate with at least 5 Members.

- 1.6 This would return the Committee to its previous target membership and support the functioning of the Committee.
- 1.7 The Committee returned to the normal quarterly cycle of 4 meetings for the 2025/26 financial year. The meetings took place on the following dates:
- 19th June 2025
 - 23rd September 2025
 - 4th December 2025
 - 24th March 2026
- 1.8 Meetings during the year have all been held in Person with the option to attend the meeting via Teams also provided. A pre-meeting with Internal auditors, without management, has also taken place.

2 EXTERNAL AUDIT

- 2.1 The York and North Yorkshire Combined Authority Order 2023 was passed in December 2023 which among many other legislative changes set out the abolition of the North Yorkshire Police, Fire and Crime Commissioner Fire and Rescue Authority (PFCC FRA), with effect from the 7th May 2024, and the transfer of the FRA's functions, property, rights and liabilities to the York and North Yorkshire Combined Authority. (N&NYCA)
- 2.2 As such there is no separate Statement of Accounts relating to the Fire Authority for 2024/25 and beyond, and therefore this Committee has no role in the review of any Statement of Accounts going forward, which has been reflected in the Terms of Reference going forward.

3 INTERNAL AUDIT

- 3.1 The Fire Service continues to use RSM as their Internal Audit Service provider, with the initial contract put in place for the start of the 2022/23 financial year, therefore the 2025/26 financial year was the fourth year that the Internal Audit Service has been provided by RSM.
- 3.2 The Committee continues to welcome the consistent approach from both the Internal Auditors and the Senior Leadership Team to focus on areas on both concern and risk.
- 3.3 While the Committee recognises that this approach has resulted in negative internal audit opinions for the first 3 years, it is pleased that progress and improvements have been made.
- 3.4 The Audit Plan for 2025/26 was based on analysing your corporate objectives, risk profile and assurance framework as well as other factors affecting the North Yorkshire Fire Function in the year ahead, including changes within the sector.
- 3.5 The Committee commented on, considered and endorsed the 2022/23-2027/28 internal audit strategy at its meeting in March 2025 to ensure that the work could start for the new financial year as soon as possible.

- 3.6 During the year, the Committee has closely monitored progress against the objectives and programme of work set out in the Internal Audit Plan for 2025/26.

Internal Audit reports

- 3.7 In continued recognition of some of the concerns management had across several areas of the Service, and aligned to appointment of new internal auditors, there has continued to be an increased investment into the work done from an internal audit perspective. This is to bolster the aim of Internal Audit, which is to provide independent assurance, or otherwise, on key areas of risk and governance of the organisation.
- 3.8 The audit work for the year to the 31st March 2026 involved 7 separate pieces of work, which were assessed based on the level of assurance that the Deputy Mayor can take from the controls within the areas under review and how well they are being adhered to/implemented.
- 3.9 These assurance levels are as follows:
- **Substantial assurance:** Taking account of the issues identified, the Deputy Mayor can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective
 - **Reasonable assurance:** Taking account of the issues identified, the Deputy Mayor 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
 - **Partial assurance:** Taking account of the issues identified, the Deputy Mayor can take partial assurance that the controls upon which the organisations 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.
 - **Minimal assurance:** Taking account of the issues identified, the Deputy Mayor can take minimal 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

- 3.10 Of the 7 audits that received assurances during the 2025/26 shortened financial year, the assurance levels were as follows:

Assurance Level	No. of Audits
Substantial	3
Reasonable	3
Partial	1
Minimal	

- 3.11 **This is the first time in 4 years that the Service did not receive any minimal assurance opinions from the Internal Audit and shows the significant progress that has been made over the last 4 years.**

- 3.12 These 7 audits generated 24 actions that were agreed by management. This is significant lower than the 49 actions that were generated 2 years ago. The actions are graded High, Medium or Low depending on the urgency and priority with which they need to be addressed. The 24 actions were split as follows:

Action Level	No. of Recommendations
High	1
Medium	11
Low	12

- 3.13 Of note is that there was only 1 high level recommendation (down from 13 last year) and this was generated from a proactive change to the internal audit programme, instigated by management to look at credit card use within the Service after an in-year issue was identified.
- 3.14 In addition to the 7 formal reports there was also 1 follow up review on progress against the previously agreed Internal Audit management actions, which reported **reasonable progress.** (up from little progress reported last year)
- 3.15 The Committee is pleased to see the progress in addressing internal audit actions after the Committee raised concerns in its last 2 annual reports about the lack of progress in addressing the internal audit actions that have been raised and accepted by management.
- 3.16 **The Committee expected to see significant improvements in this area during 2025/26, and this has been delivered by the Service.**
- 3.17 The Committee will continue to take a keen interest in overseeing the timely implementation of all recommendations during 2026/27.

The Head of Audit's annual report

- 3.18 The Head of Audit's annual report was received by the Committee in June 2026 relating to the work carried out primarily in the period 1st April 2025 to 31st March 2025.
- 3.19 After 3 years of concluding that:
The organisation does not have an adequate framework of risk management, governance or internal control.
- 3.20 The committee welcomes the significant improvement shown in 2025/26 with the conclusion being that:
The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

- 3.21 The Committee is pleased to see the significant progress that the Fire Service has made over the last 4 years in this vital area, with **the first positive overall internal audit opinion provided in 4 years** and expects to see this continue into 2026/27.
- 3.22 **Inspection and Review**
- 3.23 In last year's Annual Report, the Committee stated its congratulations on the significant improvements that have been made since the last HMICFRS inspection and stated that it would continue to provide assurance around the work in this area in line with its terms of reference.
- 3.24 These improvements resulted in a HMICFRS inspection that graded North Yorkshire Fire and Rescue Service's performance across 11 areas. It found the service was 'good' in six areas and 'adequate' in five areas.
- 3.25 There were 7 areas for improvement set out within the inspection report and the Committee has been regularly updated on these by the Service, noting that they are all showing as 'Green'.
- 3.26 Of more concern to the Committee were the delays being reported in addressing the issues raised around 'Standard of Behaviour – the handling of misconduct in fire and rescue services'. While all actions are now closed or proposed to be closed, some have significantly passed their due date, and management will need to be mindful that similar slippage does not happen in relation to the 7 areas for improvement referred to within the HMICFRS report.

4 Internal Control Environment and Regulatory Framework

- 4.1 As reported in last year's Annual Report, given that there is no longer a separate Annual Governance Statement for Fire, or a separate Code of Corporate Governance for Fire, this Committee recommends that the Deputy Mayor and others assure themselves that the Internal Control Environment and Regulatory Framework for Fire is suitably covered elsewhere within the Governance arrangements.
- 4.2 This Committee understands that these aspects are covered within the Audit and Governance Committee within the Combined Authority given its role to oversee all aspects of Y&NYCA including Mayoral functions.

5 Corporate Risk Management

- 5.1 The Committee has an important role in ensuring that the Fire Service has effective arrangements for the identification, assessment, mitigation, management and monitoring of risk.
- 5.2 During the year the Committee has considered the strategic risk register and continues to ensure that the work of Internal Audit is appropriately linked to the Risk Register to ensure those areas highlighted as a Risk to the organisation are appropriately reviewed.
- 5.3 The Committee was pleased to see the continued benefits and impact on the 'check and challenge' sessions that were undertaken on Strategic Risk Register and look forward to this being repeated going forward.
- 5.4 The Committee is keen to see a revised and updated Risk Management Strategy/Policy given that it has been almost 4 years since this was presented to the Committee.
- 5.5 The Committee is also keen to see the impact and benefits of the new risk management system which is expected to significantly improve ease of access to the risk management system for NYFRS staff.
- 5.6 The Committee continues to consider financial risks faced by the Fire Service through the review and scrutiny of the budget set for the Fire Service and the Outturn against that budget.
- 5.7 The Committee was pleased to see the overall small underspend on both Revenue and Capital and was particularly pleased to see that the Service was successful in its application for additional funding to deal with the significant costs of the Fire at Langdale.
- 5.8 Members were concerned about the capital slippage and while noting that this didn't have any operational impact during 2025/26 challenges were raised regarding capital programme planning and control, whether effective controls and planning are in place to ensure capital funding is realistically spent in the next financial year.
- 5.9 Members will be keen to see if improvements are made in 2026/27.

5.10 Complaints and Compliments

- 5.11 Part of the Terms of Reference of the Committee is that the Committee maintains an overview of Complaints against the Service.
- 5.12 Last year the Committee reported its disappointment that it had not received a report providing any details of complaints or compliments during either 2023/24 to 2024/25. This has now been rectified, and the Committee looks forward to this continuing.
- 5.13 There were no matters within this area that Members thought should be highlighted in this report.

6 Information Governance

- 6.1 The Committee received reports throughout the year setting out some performance indicators across several areas.
- 6.2 Included within the information for the Committee oversight were all of the details and a copy of the Report to the Senior Information Risk Owner on the Work in Progress to Comply with Data Protection Legislation and the Identification of Risks.

7 Freedom of Information

- 7.1 The Committee maintains an overview of FOI requests and is pleased to report that from the information provided during 2025/26 the Service continues to perform really well in this area.
- 7.2 The Committee was pleased to see both the wider reporting in this area beyond FOIs and the continued excellent performance.

8 Health and Safety

- 8.1 The Committee received details on Health and Safety incidents within the Service, with data covering a 5-year period.
- 8.2 As with the report on information management, the reporting in this area is very comprehensive and provides a significant level of information for the Committee to make enquiries of management on.
- 8.3 The Committee was pleased to see the continuing reduction in Personal Injury Reports however did also note an upward trend of reports in relation to 'specific administrative safety and transport-related incidents, collision, or vehicle-associated hazard documents' which have increased by almost 50% (from 38 to 56) between 2022 and 2025.

AUDIT COMMITTEE - TERMS OF REFERENCE**Composition of the Committee**

The Audit Committee ideally comprises 5 members who are independent of the Fire Rescue Service. The Strategic Leadership Team of the Fire Service are required to be represented at each meeting of the Committee.

Quorum of the Committee

No formal decisions will be made at the meeting of the Audit Committee unless at least 3 Members of the Committee are present.

Press and Public

The Public shall be admitted to all meetings of the Audit Committee unless excluded by resolution in accordance with the provisions of the Local Government Act 1972 (Schedule 12a), as amended by the Local Government (Access to Information) Act 1985.

A member of the public will not be permitted to speak or ask questions at the meeting except with the consent of the meeting chair.

Exclusion of Public Access

The public must be excluded from meetings whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that confidential information would be disclosed.

Confidential information means information given to the Mayor/Deputy Mayor or Chief Fire Officer (CFO) by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

Items will be considered '**Below the Line**' or 'not for publication' when they contain exempt information as defined by schedule 12 of the Local Government Act 1972.

Purpose

The Audit Committee is responsible for enhancing public trust and confidence in the governance of the North Yorkshire Fire and Rescue Service. It also assists the Deputy Mayor in discharging statutory responsibilities in holding the Fire Service to account. This is achieved by;

- Advising the Deputy Mayor and Chief Fire Officer of North Yorkshire according to good governance principles
- Providing independent assurance on the adequacy and effectiveness of the Fire Service's internal control environment and risk management framework.
- Overseeing the effectiveness of the framework in place for ensuring compliance with statutory requirements (and in particular those in respect of health and safety and equalities and diversity.)
- Independently scrutinising financial and non-financial performance to the extent that it affects the Fire Services exposure to risks and weakens the internal control environment
- Overseeing governance and monitoring of governance within the organisation.
- Overseeing the financial reporting process

Objectives

The Audit Committee meets at least four times a year and in effectively discharging its function is responsible for:

Internal Control Environment

- Satisfying itself as to the effectiveness of the internal control framework in operation within the Fire Service and advising the Deputy Mayor and Chief Fire Officer as appropriate.

Corporate Risk Management

- Approving the Fire Service corporate risk management strategy and framework; ensuring that an appropriate framework is in place for assessing and managing key risks to the Fire Service.
- Considering the financial risks to which the Fire Service is exposed and approving measures to reduce or eliminate them or to insure against them.
- Providing assurance to the Deputy Mayor and Chief Fire Officer as appropriate on the effectiveness of the risk management framework in operation.
- Provide oversight and scrutiny of the risk registers of the Fire Service.

Regulatory Framework

- Maintain an overview of the work around professional standards in relation to an overview of the number and types of complaints.
- To review any Fire related issue referred to it by the Statutory Officers and make recommendations as appropriate.
- To monitor the policies of the Fire Service on 'Raising Concerns at Work', anti-fraud and corruption strategy and complaints process.

Internal Audit

- Advising the Deputy Mayor and Chief Fire Officer on the appropriate arrangements for internal audit, the appointment of the Internal Auditors and approving the Internal Audit Strategy.
- Approving the internal audit annual programme.
- Overseeing and giving assurance to the Deputy Mayor and Chief Fire Officer on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.
- Considering the Head of Internal Audit Annual Report and annual opinion on the internal control environment for the Fire Service; ensuring appropriate action is taken to address any areas for improvement.
- Reviewing and monitoring the effectiveness of the Fire Service on fraud, irregularity and corruption.

Inspection and Review

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for the Fire Service.

Complaints

- Maintain an overview of Fire Service complaints.

Freedom of Information

- Maintain an overview of FOI requests and Performance.
- Act as the review body for Freedom of Information appeals

Civil Claims

- Maintain an overview of Civil Claims

Information Governance

- Review Corporate Strategy, policies and procedures in relation to Information Governance for the Fire Service.
- Review reports from the Senior Information Risk Owner (SIRO) relating to the implementation of the corporate strategy, compliance with Data Protection Act and other information Governance related legislation.
- Consider any implications for governance and the annual governance statements of the Fire Service from issues in this area.