



South Wales Fire and Rescue Service

Indicative Audit Strategy 2025/28 and Annual Plan 2025/26

July 2025

3<sup>rd</sup> Revised Draft

# Executive Summary

## Introduction

The Audit Plan for 2025/26 has been informed by a risk assessment carried out across our clients in the sector and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks. This coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

## Key Risk Considerations

We have identified a number of key areas which require consideration when planning internal audit coverage.

**Macroeconomic and Financial Environment:** The UK economy continues to be impacted by a sequence of significant events including high interest rates, and ongoing global conflict. Increased costs provide a challenging financial situation and a weakening financial position for many providers. Boards should closely monitor financial positions and covenant compliance.

**Cyber Security:** This continues to be one of the highest ranked risks for organisations and shows no sign of going away. The volume and velocity of cyberattacks has climbed sharply over the past few years. Remote and hybrid working and increased online service delivery increases vulnerability for Registered Providers.

**New Technology and Artificial Intelligence (AI):** The speed of AI growth has been rapid recently. The integration of AI into services offered by major technology companies means the safe adoption of all AI into the organisation operations will be a key issue for Boards.

**Net Zero Strategies:** Climate change and global warming can lead to physical, operational, financial and reputational risks. Sustainability is now a high agenda item, with organisations further developing their sustainability goals.

**People and Culture:** The continuing fallout from the COVID-19 pandemic remains a major challenge for the shifting expectations of work. Workers in all age groups are continuing to seek a better work life balance and access to learning and development and there is a greater focus on employee well-being and for the companies in which they worked to demonstrate strong social values.

## Audit Strategy Methodology

In producing this audit strategy and annual plan, we have sought to build on our understanding of South Wales Fire's operating environment and risk profile through a review of key documentation and discussions with key staff and Commissioners. We have taken into account:

- South Wales Fire's business strategy and corporate objectives.
- The regulatory and legislative framework.
- South Wales Fire's risk register.
- Discussion with the Board/Committee.
- External sources of assurance.
- Previous Internal Audit coverage.

We take in to account any emerging or heightened risks that are facing the sector, to ensure that the work of internal audit remains appropriately prioritised and focused. Links to specific strategic risks are also contained in the Internal Audit Strategy.

Our approach complies with the IIA Global Internal Audit Standards the Public Sector Internal Audit Standards (PSIAS).

## Internal Audit Strategy and Plan

The Audit Strategy at Appendix A incorporates the proposed annual plan for 2025/26 and the indicative coverage for the following two years.

The Annual Plan at Appendix B sets out the assignments that will be carried out in 2025/26, the planned times and the high-level scopes for each of these assignments.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation; this will be formally reviewed with senior management and the Commissioners mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of each assignment within the Annual Plan includes: research; preparation and issue of terms of reference; site work; production and review of working papers; and reporting.

The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and South Wales Fire and Rescue Service. Where South Wales Fire agrees additional work the required number of days and the aggregate day rate will be agreed in advance with South Wales Fire and Rescue Service and will be clearly set out in the terms of reference for the additional review(s).

**Adequacy of the Planned Audit Coverage**

The reviews identified in the audit plan for 2025/26 support the Head of Internal Audit’s annual opinion on the overall adequacy and effectiveness of South Wales Fire’s framework of governance, risk management and control as required by TIAA’s charter. The reviews have been identified from your assurance framework, risk registers and key emerging themes.

**Disclaimer**

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No responsibility to any third party is accepted as the document has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this document and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our document.

**Release of Report**

The table below sets out the history of this plan:

<b>Draft Strategy and Plan:</b>	7 <sup>th</sup> April 2025
<b>Revised Draft Strategy and Plan:</b>	6 <sup>th</sup> May 2025
<b>2<sup>nd</sup> Revised Draft Strategy and Plan:</b>	24 <sup>th</sup> June 2025
<b>3<sup>rd</sup> Revised Draft Strategy and Plan:</b>	10 <sup>th</sup> July 2025
<b>Final Strategy and Plan:</b>	

## Appendix A: Rolling Strategic Plan

Review Area	Risk Ref / Rationale	Type	2025/26	2026/27 *	2027/28 *
<b>Governance</b>					
Governance	260 Culture Transformation and Change Projects	Assurance			6
Strategic Planning and Control	261 Culture Transformation and Change Projects	Assurance	6		
Complaints	260 Culture Transformation and Change Projects	Assurance	6		
Portfolio Management Office	261 Culture Transformation and Change Projects	Assurance		6	
Policy & Procedure – Architecture, definitions, document format, Standard Operating Procedures (SOP), metrics, e.g. completion rate, and aged analysis	261 Culture Transformation and Change Projects	Assurance		6	
<b>Risk</b>					
Risk Management – Mitigating Controls (Review of four selected risks)	All	Assurance		6	
<b>ICT</b>					
ICT Strategy	203 Cyber Risk DR ICT002 Technology Change Transformation and Change Projects	Assurance	6		
Airwave / Emergency Services Network	101 Emergency Services Network	Assurance			6
Freedom of Information (FOI) and General Data Protection Regulation (GDPR)	110 Information Management	Assurance		4	
Website Accessibility Compliance	210 Equality & Diversity	Compliance			4
ICT Cyber Security	110 Information Management 203 Cyber Risk CDR ICT001 Systems Failure	Assurance	6		
<b>Finance</b>					
Procurement Cards	Financial Risks	Compliance			6

Review Area	Risk Ref / Rationale	Type	2025/26	2026/27 *	2027/28 *
Capital Planning	Financial Risks	Assurance			4
Anti-Fraud	DR ACC003 Fraud	Compliance			4
Medium Term Financial Strategy (MTFS) & Efficiency Plans	Financial Risks Transformation and Change Projects	Assurance	4		
Contract Management	DR ORM001 Supplier difficulties	Assurance		6	
Procurement Strategy	Financial Risks	Assurance	4		
Payroll	Financial Risks	Assurance		6	
<b>Workforce</b>					
Communications Strategy	DR CS006 Engagement	Assurance	4		
Workforce Planning	260 Culture DR FE003 Skilled F&E workforce CDR PS001 Staff Turnover Transformation and Change Projects	Assurance		4	
Disciplinary Procedures	260 Culture	Assurance	6		
Promotion	260 Culture DR FE003 Skilled F&E workforce CDR PS001 Staff Turnover	Assurance	6		
Performance Review	260 Culture	Assurance		6	
Grievance Procedures	260 Culture	Assurance	6		
Recruitment	140 On-Call Availability 210 Equality & Diversity DR FE003 Skilled F&E workforce CDR PS001 Staff Turnover Transformation and Change Projects	Assurance		6	
Secondary Employment	259 Culture	Assurance			6
Employment Checks and Vetting	260 Culture Transformation and Change Projects	Compliance			6

Review Area	Risk Ref / Rationale	Type	2025/26	2026/27 *	2027/28 *
Rostering	140 On-Call Availability DR OPS001 Crewing Appliances	Assurance			6
<b>Estates and Fleet</b>					
Station Visits	Various	Compliance	4	4	4
Estates Strategy	Planning and prioritisation	Assurance		4	
Fleet Strategy	Planning, Prioritisation	Assurance			6
<b>Follow Up</b>					
Follow Up	N/A	Follow Up	2	2	2
<b>Management and Planning</b>					
Annual Planning	N/A	Management	2	2	2
Annual Report	N/A	Management	1	1	1
Audit Management	N/A	Management	7	7	7
<b>Total Days</b>			<b>70</b>	<b>70</b>	<b>70</b>
<b>Notes</b>					
<b>Areas for consideration in 2028/29</b> <ul style="list-style-type: none"> <li>- Governance (6 days)</li> <li>- Procurement Cards (6 days)</li> <li>- Key Financial Controls (6 days)</li> <li>- Fleet Management – Delivery (6 days)</li> </ul>					

**Additional audit areas considered during the Audit Needs Assessment but not included in the three-year Rolling Strategic Plan**

Electric Vehicle Charging.	National Operational Guidance.	Use of Enforcement Powers.
Red Kite.	New Technology / Artificial Intelligence.	

#### Additional services provided by TIAA

##### Investigatory Services

Our bespoke investigations practice forms part of our Anti-Crime and Investigations Team. We are able to provide focussed services in areas including:

- HR Disciplinary Investigations.
- Regulatory Breaches (such as Data loss/DPA).
- Whistleblowing Matters.
- Cyber Risk Investigations.
- Criminal Investigations.
- Fraud Investigations.

## Appendix B: Annual Plan – 2025/26

Quarter	Review	Type	Days	High-level Scope
2	Complaints	Assurance	6	<p><b><u>Rationale</u></b></p> <p>Appropriate complaints management processes need to be put in place to: ensure improved customer experience; identify repeat problems; uphold the organisation's reputation; and create opportunities to engage with stakeholders and gain insight into how services are delivered.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements for monitoring complaints received and ensuring that appropriate action is taken in a timely manner. The scope of the review does not include confirming that the matters leading to complaints received have been appropriately addressed.</p>
2	Promotion	Assurance	6	<p><b><u>Rationale</u></b></p> <p>There are a range of benefits to promoting staff which include enhanced employee development, increased job satisfaction, motivation, productivity and employee retention, retention of corporate knowledge and flatter learning curves and reduced recruitment costs. Effective processes need to be in place to manage risks such as discrimination and promote equality of opportunity.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements in place for identifying staff that meet or have potential to meet promotion criteria, communicating promotion opportunities, fairly and objectively assessing promotion candidates and announcing promotion decisions.</p>



Quarter	Review	Type	Days	High-level Scope
2	ICT Strategy	Assurance	6	<p><b><u>Rationale</u></b></p> <p>IT and digital delivery is increasingly a key determinant in service delivery and outcomes. It is important that organisations have IT and digital strategies that reflect business objectives, promote innovation, transformation and change and enhance security and management of risks associated with cyber threats.</p> <p>Prioritised to 25/26 as all departments need a strategy to consider service improvement with business as usual, i.e. CRMP, IT&amp;C projects changes.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements in place for development of organisation's IT and digital strategies, to include the arrangements for:</p> <ul style="list-style-type: none"> <li>• Alignment with organisational strategies and business plans</li> <li>• Analysis of current IT infrastructure</li> <li>• Determining technology needs and future trends</li> <li>• Allocation of resources for delivery of strategies including staffing resource and budgets</li> <li>• Measuring outcomes and success of initiatives delivered, including determination and reporting of key performance indicators (where in place)</li> <li>• Governance and ensuring compliance with organisational regulations, policies and procedures</li> <li>• Communication, collaboration and engagement with stakeholders.</li> </ul>
2	Procurement Strategy	Assurance	4	<p><b><u>Rationale</u></b></p> <p>It is important to have effective procurement practices in place to create improved efficiency and improved opportunities for cost savings and better quality goods and services and ensure compliance with the organisation's financial procedures and procurement strategies, and also procurement related legal requirements.</p> <p>New Procurement Act 2023.</p> <p><b><u>Scope</u></b></p> <p>The review considers the arrangements for the identification of need, sourcing, approving the procurement of goods and services, including the arrangements for obtaining quotes and tendering. The review will also consider the extent of knowledge and understanding of procurement practices of those responsible for undertaking procurement exercises and include the approach to sustainability within the procurement process.</p>
2	Station Visits	Compliance	4	<p><b><u>Rationale</u></b></p> <p>Ongoing cycle of station visits.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements for complying with the organisation's financial procedures at two whole-time stations and one retained duty system station.</p>

Quarter	Review	Type	Days	High-level Scope
3	Disciplinary Procedures	Assurance	6	<p><b><u>Rationale</u></b></p> <p>Effective disciplinary procedures need to be in place to ensure fairness and consistency, protect the employee and the employer, improve performance by offering corrective measures, and to set clear standards of behaviour.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements in place for carrying out formal disciplinary procedures to include: assessment processes for determining whether an issue resolved informally or if formal proceedings are necessary; notifying the employee about the allegations and the process; holding disciplinary meetings; making decisions in regard to disciplinary action based on the findings; and, the appeals process.</p>
3	Grievance Procedures	Assurance	6	<p><b><u>Rationale</u></b></p> <p>Effective grievance procedures are important to help management identify problems provide employees with a communication channel to management, prevent minor complaints or disagreements from becoming more serious, encourage the development of company policies and employment contracts, foster a culture of transparency, openness and trust, help prevent and address bias, discrimination and harassment and give employees a tool to resolve their problems.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the arrangements in place for the raising of grievances and management and resolution of grievances received. The scope of the review will include the following key processes in place in relation to:</p> <ul style="list-style-type: none"> <li>• Development of policies and procedures relating to grievances.</li> <li>• For reporting grievances.</li> <li>• For meeting with those raising a grievance to discuss concerns raised.</li> <li>• Deciding upon action to take.</li> <li>• Investigating and seeking resolution for grievances raised.</li> <li>• Overlapping grievances (where cases are related).</li> <li>• For taking action in respect of collective grievances.</li> <li>• Internal monitoring processes and reporting</li> <li>• Reporting to relevant Committee/Boards.</li> <li>• Identifying and taking action in respect of lessons learned.</li> </ul>

Quarter	Review	Type	Days	High-level Scope
3	Communications	Assurance	4	<p><b><u>Rationale</u></b></p> <p>Effective corporate communications are required to promote services, protective organisational reputation, encourage stakeholder feedback and seek engagement and to build and maintain trust and credibility with stakeholders, communities, and the media.</p> <p>Prioritised to 2025/26 as Commissioners have requested its introduction.</p> <p><b><u>Scope</u></b></p> <p>The review will consider the internal and external Communication and Public Relations strategies, management arrangements, processes and delivery. The review will also consider how corporate communications and departmental teams work together to publicise events and campaigns and how the effectiveness of the strategies are measured and assessed to include outcomes and reach.</p>
3	Strategic Planning and Control	Assurance	6	<p><b><u>Rationale</u></b></p> <p>An appropriate strategic plan enables an organisation to fully embed the strategy into the operations of the entire organisation. In order to successfully implement the strategy, the strategic plan should be closely monitored to measure success and adjusted, where needed.</p> <p><b><u>Scope</u></b></p> <p>The review considers the arrangements by which the Board and senior management groups ensure that the corporate plans for the organisation remain achievable in times of economic uncertainty. The review also considers the role and operation of the; Board and senior management groups; standing orders and financial regulations; and delegated authorities. The review does not include consideration of the extent of compliance and reporting on controls assurance or the arrangements for managing risks or conflicts of interest.</p>
4	ICT Cyber Security	Assurance	6	<p><b><u>Rationale</u></b></p> <p>Appropriate cyber security measures need to be put in place to: protect the organisation and employees from cyber-attacks; standardize security across an organisation; shift from reactive to proactive security; mitigate threats and keep the organisation operating smoothly without major disruption; agree on the security policies, procedures, and controls required to protect an organization against threats, risks, and vulnerabilities; and, outline the precise steps to take to respond to a breach.</p> <p><b><u>Scope</u></b></p> <p>The scope of the review will assess the management processes in place to reduce the likelihood and impact of a cyber-incident: Cyber Risk Management, Asset Management, Engagement and Training, Architecture and Configuration, Vulnerability Management, Identity and access management, Data Security, Logging and Monitoring, Incident Management, Supply Chain security.</p> <p><b>The scope to be agreed will be either a high-level review of basic cyber security measures in place, OR, an assessment of 2 or 3 of the 10 steps areas only.</b></p>

Quarter	Review	Type	Days	High-level Scope
4	Medium Term Financial Strategy (MTFS) & Efficiency Plans	Assurance	4	<p><b>Rationale</b></p> <p>With continued reductions in public sector spending and funding, effective financial planning and budgetary control arrangements are required to ensure that the organisation manages the associated risks such as budget over- and underspending, cashflow and financial forecasting, and potential for undetected fraud.</p> <p>MTFS and efficiency programme are themes emerging from LA budget engagement process.</p> <p><b>Scope</b></p> <p>The review will consider the arrangements in place to manage the risks associated with implementation of the Medium Term Financial Strategy and Efficiency Plans, to include:</p> <ul style="list-style-type: none"> <li>• Financial risks, including budget overruns, cost changes and changes to funding</li> <li>• Schedule risks, including determining timing and duration of projects and accounting for within the Medium Term Financial Strategy</li> <li>• Change risks, including changes to project specifications and operational changes and accounting for within the Medium Term Financial Strategy</li> <li>• Resource risks, including allocation of resources to projects and contingency plans to ensure resilience</li> <li>• Compliance risks, including financial strategies and projects delivered are developed and approved in line with organisational regulations, policies and procedures</li> <li>• Stakeholder risks, including communication plans and engagement strategies for internal, and where appropriate external, stakeholders for financial strategies and projects</li> </ul>
4	Follow Up	Follow Up	2	Follow-up of implementation of agreed recommendations from audit reports, ensuring the Service are implementing recommendations, and providing reports to the Finance and Audit Committee.
1	Annual Planning	Management	2	Assessing South Wales Fire and Rescue Service's annual audit needs.
4	Annual Report	Management	1	Reporting on the overall conclusions and opinion based on the year's audits and other information and providing input to the Annual Governance Statement.
1-4	Audit Management	Management	7	This time includes: meeting client management, overseeing the audit plan, reporting and supporting the Finance and Audit Committee, liaising with External Audit and Client briefings (including fraud alerts, fraud digests and committee briefings).
Total days			70	

# Internal Audit Charter

## Purpose

The purpose of internal audit is to strengthen South Wales Fire and Rescue Service's ability to create, protect, and sustain value by providing the board/committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal audit enhances South Wales Fire and Rescue Service's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

The internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with the IIA's Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

## Commitment to Adhering to the Global internal Audit Standards

TIAA will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. TIAA will report [periodically] to the board and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

## Authority

South Wales Fire's board/committee grants the internal audit function the mandate to provide the board/committee and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the board/committee. Such authority allows for unrestricted access to the board/committee.

The board authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of South Wales Fire and Rescue Service and other specialised services from within or outside South Wales Fire and Rescue Service to complete internal audit services.

## Independence and Reporting Relationships

TIAA will confirm to South Wales Fire and Rescue Service's board/committee, at least annually, the independence of the internal audit function. TIAA will disclose to the board/committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfil its mandate.

## Board/Committee Oversight

To establish, maintain, and ensure that TIAA internal audit provision has sufficient authority to fulfil its duties, the board/committee will:

- Discuss with TIAA and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure TIAA has unrestricted access to and communicates and interacts directly with the board/committee, including in private meetings without senior management present.
- Discuss with TIAA and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with TIAA and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve TIAA's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter periodically with TIAA to consider changes affecting the organisation, such as changes in the type, severity, and interdependencies of risks to the organisation; and approve the internal audit charter periodically. (typically, annually).
- Approve the risk-based internal audit plan.
- Review TIAA's performance.
- Receive communications from TIAA about the internal audit function including its performance relative to its plan.

- Ensure TIAA has established a quality assurance and improvement program and this is reported on annually.
- Make appropriate inquiries of senior management and TIAA to determine whether scope or resource limitations are inappropriate.

#### TIAA Role

TIAA will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organisation and be able to recognise conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organisation.
- Report organisational behaviour that is inconsistent with the organisation's ethical expectations, as described in applicable policies and procedures.

#### Objectivity

TIAA will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If TIAA determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement

internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Performing operational duties for South Wales Fire or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any South Wales Fire and Rescue Service employee that is not employed by TIAA, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as TIAA management, South Wales Fire and Rescue Service's board/committee and management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the framework of governance, risk management and control. TIAA is responsible for providing assurance to South Wales Fire and Rescue Service's governing body (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the risk management, control and governance processes.

#### TIAA's Responsibility

TIAA has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the board/committee and senior management.
- Discuss the plan with the board/committee and senior management and submit the plan to the board/committee for review and approval.
- Review and adjust the internal audit plan, as necessary, in response to changes in South Wales Fire and Rescue Service's business, risks, operations, programs, systems, and controls.
- Communicate with the board/committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the board/committee and senior management [periodically] and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfil the internal audit mandate.
- Identify and consider trends and emerging issues that could impact South Wales Fire and Rescue Service's and communicate to the board and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.

- Ensure adherence to TIAA's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the board and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If TIAA cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the board.

#### **Communication with the Board/Committee and Senior Management**

TIAA will report periodically to the board and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Significant revisions to the internal audit plan.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the board.
- Results of assurance and advisory services.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond South Wales Fire's risk appetite.

#### **Quality Assurance and Improvement Programme**

TIAA will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of TIAA's conformance with the Global Internal Audit Standards, as well as performance measurement to assess TIAA's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement. Annually, TIAA will communicate with the board and senior management about the quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside of TIAA.

#### **Scope**

The scope of internal audit services covers the entire breadth of the organisation, including all South Wales Fire and Rescue Service's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the board/committee and management on the adequacy and effectiveness of governance, risk management, and control processes for South Wales Fire and Rescue Service.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of South Wales Fire and Rescue Service's strategic objectives are appropriately identified and managed.
- The actions of South Wales Fire's officers, directors, management, employees, and contractors or other relevant parties comply with South Wales Fire and Rescue Service's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact South Wales Fire and Rescue Service.
- The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

Internal Audit's purpose will be carried out in a manner prescribed by TIAA's professional standards, Information Security and Information Governance policies.

#### **Irregularities, Including Fraud and Corruption**

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2002.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role

of TIAA is not to investigate the irregularity unless commissioned to do so.

Assurance Assessment Gradings

We use four levels of assurance assessments as set out below.

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Data Protection

TIAA has policies, procedures and processes in place to comply with all associated regulation and legislation on information security, which is underpinned by mandatory annual awareness training for all staff. To carry out our role

effectively, we need to obtain information that is reliable, relevant and sufficient to support our findings and recommendations. The collection of data, particularly sensitive personal data, is minimised and is not shared with unauthorised persons unless there is a valid and legal requirement to do so. We have clear policies on the retention of data and its appropriate, controlled disposal. TIAA has a fully robust Information Security Management System that meets all the requirements of ISO27001:2022.

Quality Assurance

TIAA recognises the importance of Internal Audit being controlled at each stage to ensure that we deliver a consistent and efficient Internal Audit service that is fully compliant with professional standards and also the conditions of contract. We operate a comprehensive internal operational quality review process to ensure that all Internal Audit work is carried out in accordance with these standards. These quarterly reviews are part of our quality management system which has ISO 9001:2015 accreditation.

Disclaimer

The matters raised in this planning report, along with those raised in our audit and annual reports, are only those that came to the attention of the auditor during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in

whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Performance Standards

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Performance Measure	Target
Completion of planned audits.	100%
Audits completed in time allocation.	100%
Draft report issued within 10 working days of exit meeting.	100%
Management responses received by TIAA within 10 working days of draft report issue.	100%
Final report issued within 10 working days of receipt of responses.	100%
Compliance with TIAA's audit charter and IIA GIAS/PSIAS	100%

Approved by the Board/Audit Committee at its meeting on date: XXX