



ROYAL BERKSHIRE FIRE & RESCUE SERVICE

Internal Audit Progress Report

24 March 2025

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KEY MESSAGES

The internal audit plan for 2024/25 was approved by the Audit and Governance Committee at the 25 July 2024 meeting. This report provides an update on progress against the plan and summarises the results of our work to date.

We have issued three final reports as part of the 2024/25 internal audit plan since the Audit and Governance Committee meeting in November 2024:

- Payroll Provider - Dataplan 2.24.25 (**Reasonable assurance**)
- Risk Information 3.24.25 (**Reasonable assurance**)
- Fire Fighter Pension Administration 4.24.25 (**Reasonable assurance**)

A summary of the outcome of these reviews is provided in Section 1. [\[To discuss and note\]](#)

The draft Internal Audit Plan for 2025/26 is included on today's agenda [\[To note\]](#)

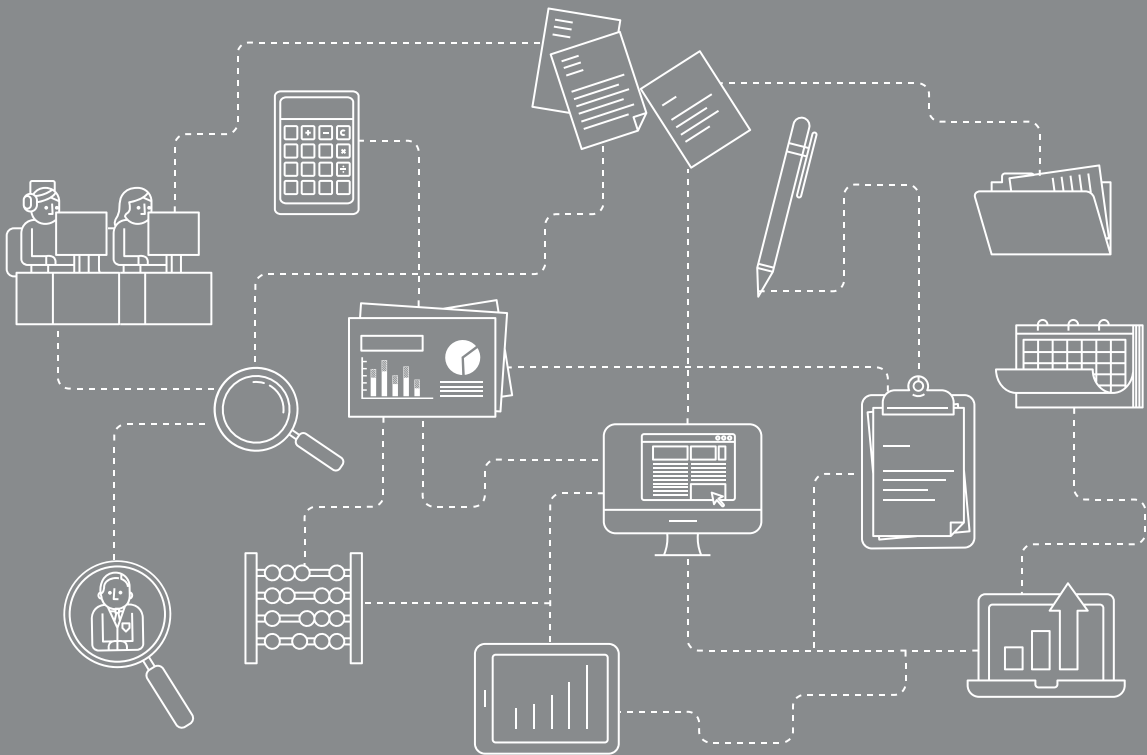
Details of the progress made against the 2024/25 internal audit plan are included at Appendix A. [\[To note\]](#)

We have issued the following client briefings to management prior to this Audit and Governance Committee:

- Emergency Services News Briefing – February 2025
- Global Internal Audit Standards in the UK Public Sector
- Emerging Risk Radar Spring 2025 [\[For information\]](#)

Final Reports

01



1 FINAL REPORTS

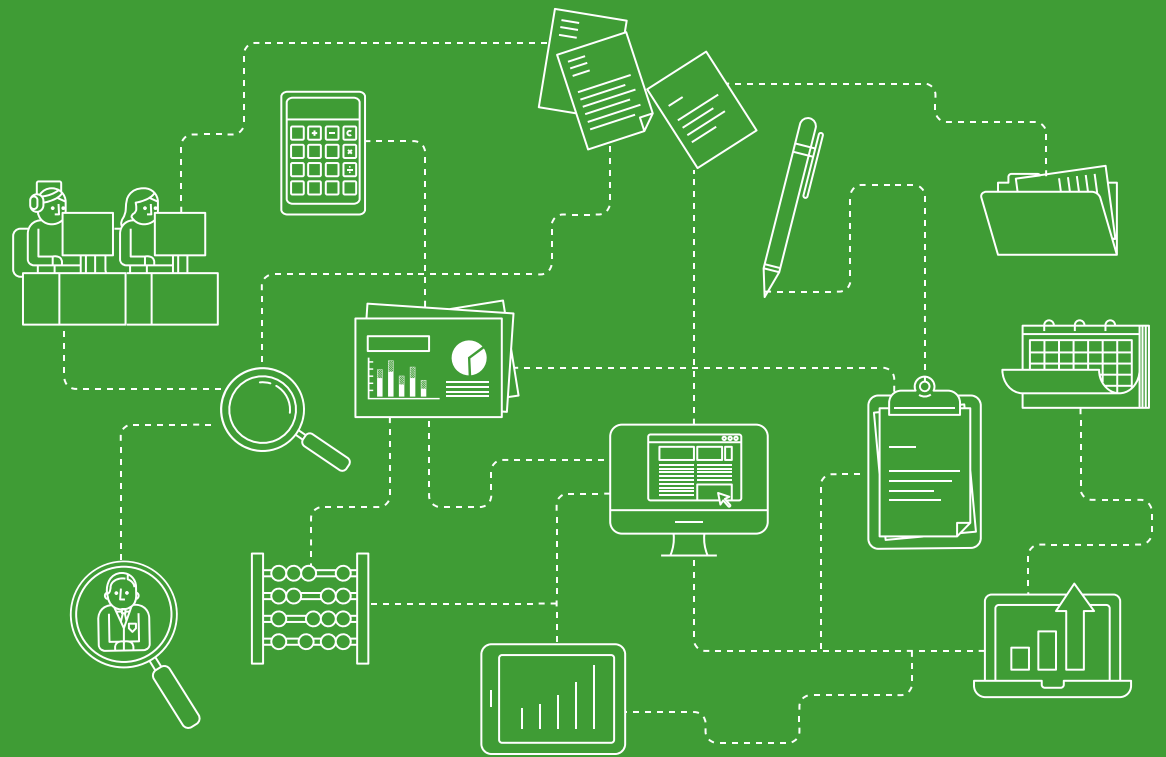
1.1 Summary of final reports being presented to this Committee

This section summarises the reports that have been finalised since the last meeting.

Assignment	Opinion issued	Actions agreed		
		L	M	H
<p>Payroll Provider – Dataplan (2.24.25)</p> <p>Overall, our review found that Dataplan has well-designed and robust controls in place, which were largely being followed. We confirmed that the processes outlined in the procedure document, particularly those related to new starters, temporary changes, and pension contribution amendments, are being consistently applied, as demonstrated through our sample testing. Additionally, we identified several areas of good practice, including the thorough review and verification of payroll reports, timely actioning of pension contributions, and the efficient handling of tax code changes.</p> <p>However, we identified actions where existing controls could be enhanced, this included areas such as updating the current contract agreement, which had expired in May 2024. We noted that segregation of duties was not being maintained, as our sample testing had shown instances where the processor was also reviewing the changes they had made. We were informed by the Senior Payroll Executive that this was due to staff shortages and have since added additional support to the team. Additionally, we noted there was a request that had been received by Dataplan for an overpayment reimbursement which we confirmed was received through email and did not follow the standardised process which could lead to confusion of the validity of the change.</p>	Reasonable assurance	0	3	0
<p>Risk Information (3.24.25)</p> <p>Overall, we found a well-designed and consistently applied control framework in place for the collection, management and reporting of site-specific risk information. We noted the Service has Risk Information policies and procedures which are subject to periodic review. The IBIS system captures Risk Information with ongoing reviews performed per required frequencies. We also noted that there was adequate and consistent reporting on risk information to both the SDMT and SMB.</p> <p>However, we identified areas for improvement which included consideration of an optimal operational risk information system that forms part of the Service holistic approach to manage Risk Information, enhancement of quality control of the information input into IBIS, non</p>	Reasonable assurance	0	4	0

Appendices

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APPENDIX A: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2024/25

Assignment and Executive Lead	Status / Opinion issued	Actions agreed				Target Committee meeting (as per IA plan / change controls*)	Actual Committee meeting
		A	L	M	H		
Driving Licence Checks 1.23/24	Partial Assurance	3	1	1	1	December 2024	December 2024
Payroll Provider - Dataplan	Reasonable Assurance	0	0	3	0	March 2024	March 2024
Fire Fighter Pension Administration	Reasonable Assurance	0	3	1	0	March 2024	March 2024
Risk Information	Reasonable Assurance	0	0	4	0	March 2024	March 2024
Discipline and Grievance Handling	QA in progress					March 2024	
Operational Vehicle Compliance	Awaiting debrief					March 2024	
Key Financial Controls	Fieldwork in progress					July 2024	
Risk Management	17 March 2025					July 2024	
Follow Up	24 March 2025					July 2024	
Cyber	15 April 2025					July 2024	

APPENDIX B: OTHER MATTERS

Detailed below are the changes to the audit plan:

There have been no agreed changes to the internal audit plan since the last Audit and Governance Committee.

Quality assurance and continual improvement

To ensure that RSM remains compliant with the PSIAS framework 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.

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.

2024/25 Annual Opinion

The Committee should note that the assurances given in our audit assignments are included within our Annual Assurance Report. In particular, the Committee should note that any negative assurance opinions or advisory reviews with significant weaknesses will need to be noted in the annual report and may result in a qualified or negative annual opinion. The negative opinion will impact, but will not in isolation qualify the year end opinion.

We have issued four final reports to date, three with a positive opinion and one negative opinion. This negative opinion will impact but will not in isolation qualify our opinion. We will continue to keep Officer updated on the remaining audits and any potential impact to our year end opinion.

APPENDIX C: KEY PERFORMANCE INDICATORS

	Delivery			Notes*	Quality		
	Target	Actual			Target	Actual	Notes*
Audits commenced in line with original timescales*	Yes	Yes		Conformance with PSIAS	Yes	Yes	
Draft reports issued within 10 days of debrief meeting	10	4 / 4 (100%)		Liaison with external audit to allow, where appropriate and required, the external auditor to place reliance on the work of internal audit	Yes	Yes	
Management responses received within 10 days of draft report	10 days	1 / 4 (25%)	Driving License Checks was 38 days, Pensions and Risk Information were 22 days	Response time for all general enquiries for assistance	2 working days	2 days	
Final report issued within 3 days of management response	3 days	4 / 4 (100%)		Response for emergencies and potential fraud	1 working day	1 day	

Notes

This takes into account changes agreed by management and Audit Committee during the year. Through employing an agile or a flexible approach to our service delivery we are able to respond to your assurance needs.

FOR FURTHER INFORMATION CONTACT



Dan Harris, Partner and Head of Internal Audit

Email: Daniel.Harris@rsmuk.com
Telephone: 01908 687 915



Zoe Walker, Managing Consultant

Email: Zoe.Walker@rsmuk.com
Telephone: +44 1245 454106

rsmuk.com

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 Royal Berkshire Fire & Rescue Service, 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.

RSM UK Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.





AUDIT OUTCOME OVERVIEW – PAYROLL PROVIDER - DATAPLAN

Background: A review of Payroll - Dataplan was undertaken as part of the approved Internal Audit Plan for 2024/25. The objective of the review was to allow management to take assurance that controls are in place and being applied for adequately delivering the payroll contract.

Royal Berkshire Fire & Rescue Service (RBFRS) has outsourced the processing of their payroll to West Yorkshire Pension Fund (WYPF) who have in turn subcontracted the payroll element to Dataplan. Dataplan has been a provider of payroll services for over 50 years and has been processing the payroll of RBFRS since April 2016. At Dataplan, the RBFRS payroll account is managed by a permanent team of two members of staff, consisting of the Senior Payroll Executive, and the team leader, who are also supported by other members of the Education team as required. Dataplan utilises Flexipay Payroll Software to manage the payroll. RBFRS and Dataplan utilise ePaysafe, an online payroll portal to share payroll related documentation including amendment notifications and monthly exception reports.

Conclusion: Overall, our review found that Dataplan has well-designed and robust controls in place, which were largely being followed. We confirmed that the processes outlined in the procedure document, particularly those related to new starters, temporary changes, and pension contribution amendments, are being consistently applied, as demonstrated through our sample testing. Additionally, we identified several areas of good practice, including the thorough review and verification of payroll reports, timely actioning of pension contributions, and the efficient handling of tax code changes. However, we identified actions where existing controls could be enhanced, this included areas such as updating the current contract agreement, which had expired in May 2024. We noted that segregation of duties was not being maintained, as our sample testing had shown instances where the processor was also reviewing the changes they had made. We were informed by the Senior Payroll Executive that this was due to staff shortages and have since added additional support to the team. Additionally, we noted there was a request that had been received by Dataplan for an overpayment reimbursement which we confirmed was received through email and did not follow the standardised process which could lead to confusion of the validity of the change.

Internal audit opinion:

 Minimal Assurance	 Partial Assurance	 Reasonable Assurance	 Substantial Assurance
----------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------

Taking account of the issues identified, the Authority 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).

Audit themes:

We identified the following exceptions, resulting in the agreement of three medium priority management actions:

Contract Agreement

Through review of the current agreements between RBFRS, WYPF and Dataplan, we confirmed that the current agreements had expired in May 2024, and we were informed there was no contract extension in place. There is a risk that if contract extensions beyond May 2024 were not formally agreed, the arrangement may be operating outside of a valid contractual agreement whereby the provider cannot be held to account, potential resulting in financial and reputation risk. **(Medium)**

Segregation of Duties

Our sample testing of new starters, leavers, and amendments noted instances where segregation of duties were not in place between the staff actioning an RBFRS request and those reviewing the changes. The absence of an independent reviewer increases the risk that mistakes are more likely to occur, which could result in financial risk. **(Medium)**

Overpayments

From our sample testing of overpayments and underpayments, we found that in one instance of overpayment, an amendment was made to reduce the overpayment reimbursement. We confirmed the request had originally been processed, however, during the first revision of the payroll an amendment was made to overpayment reimbursement. The original amount was £62 which was reduced to £46, following payroll revisions, although at the time of the audit it was unclear why this had occurred. Following the debrief meeting, we obtained evidence to show the request had been made by RBFRS through email and we confirmed the correct changes were applied. If the request cannot be evidenced using the standard action sheets and stored centrally, there is a risk that inconsistent documentation could lead to confusion, errors, audit challenges, or disputes over the validity of the changes made. **(Medium)**

We found the following controls to be well-designed and consistently applied:

Operational Guide

We confirmed an Operational Guide to Royal Berkshire Fire Authority Payroll is in place at Dataplan. The Guide provides details on how members of staff are to process the monthly payroll. The Guide is updated on an ongoing basis and the procedure was last reviewed and approved in November 2024 with a next review date of October 2025.

User Access Rights

We reviewed user access for both ePaysafe and Flexipay and found that there were defined user roles and restricted access for sensitive functions such as BACS processing and director-level accounts. Additionally, we confirmed a review of access rights for ePaysafe was conducted by RBFRS.

Pension Contributions

The Flexipay system efficiently automates pension contribution calculations based on earnings and ensures accurate deductions. Our review of five pension change requests since April 2024 confirmed that all adjustments, including complex cases, had a completed Action 5 sheet and were completed accurately and in a timely manner.

Temporary Changes

From a report of temporary changes we noted there had been four temporary change requests since April 2024. We confirmed that all were processed accurately and in a timely manner, with appropriate documentation and segregation of duties in place. For one of the completed temporary changes, the temporary changes were correctly reverted, while the other three remain active.

Payroll Report

We reviewed payroll reports for August, September, and October 2024, including the Analysis of Pay, Paycheck, and Payslip Reports, and confirmed they were reviewed and approved by Dataplan and RBFERS staff. All approvals, including those authorising the payroll cycle and BACS payments, were documented, and the monthly payroll checking schedule was completed and signed off.

Tax Code Changes

We reviewed a sample of five tax code changes since April 2024 and confirmed that four were prompted by P60 notices from HMRC and processed accurately and promptly. In the remaining case, a tax code was appropriately updated for a leaver's final payment, and all payslips reflected the correct tax codes following the changes.

Year End Documentation

Through review of the evidence provided for the year end documentation we were able to confirm that:

- The month end Bacs file for March 2024 was created and processed in March 2024;
- The RTI File was submitted in March 2024 and was confirmed by HMRC that it had been processed and was 'ok';
- The Employees p60 files had been sent to RBFERS in May 2024; and
- An example of a tax code uplift from 1250L to 1257L had been applied to an RBFERS member.

SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as*:

High

Immediate management attention is necessary.

Medium

Timely management attention is necessary.

Low

There is scope for enhancing control or improving efficiency.

Ref	Action	Priority	Responsible Owner	Date
1	Dataplan and RBFRS will review the current contract arrangements and ensure formal documentation exists for any continued service.	Medium	Adele Blackham – Director	31 December 2025
2	Dataplan will ensure there is a segregation of duties between who will action payroll requests and who will review the changes being made.	Medium	Senior Payroll Executive and Team Lead	Implemented
3	Dataplan will remind all staff involved in the actioning of payroll requests, that all supporting documentation for changes must be retained and stored centrally.	Medium	Senior Payroll Executive and Team Lead	Implemented

AUDIT OUTCOME OVERVIEW – RISK INFORMATION

Background: A review of Risk Information was undertaken as part of the approved Internal Audit Plan for 2024/25. The objective of the review was to allow the Service to take assurance around the systems in place for the collation of Site Specific Risk Information (SSRI) for the safety of firefighters. Risk information should be promptly available to officers on duty to ensure they are aware of any risks when attending an incident to maintain their safety and ensure the incident is addressed appropriately.





The Service has policies and procedures in place for Risk Information including technical guidance documents with sector specific information. Risk information is captured via the core system IBIS which captures operational risk information and protection risk information. Risk information is available to operational personnel via Mobile Data Terminals (MDT) which are linked to IBIS and fitted to the fire engines.

The Service are regularly updated on Risk Information issues via the Strategic Management Board (SMB) and Service Delivery Management Team (SDMT).

Conclusion: Overall, we found a well-designed and consistently applied control framework in place for the collection, management and reporting of site-specific risk information. We noted the Service has Risk Information policies and procedures which are subject to periodic review. The IBIS system captures Risk Information with ongoing reviews performed per required frequencies. We also noted that there was adequate and consistent reporting on risk information to both the SDMT and SMB.

However, we have identified areas for improvement which included consideration of an optimal operational risk information system that forms part of the Service holistic approach to manage Risk Information, enhancement of quality control of the information input into IBIS, non compliance to training requirements by service delivery staff and a pause in the information sharing protocol process between RBFRS and Thames Valley Fire Control Service (TVFCS).

Internal audit opinion:

				<p>Taking account of the issues identified, the Authority can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.</p> <p>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).</p>
Minimal Assurance	Partial Assurance	Reasonable Assurance	Substantial Assurance	

Audit themes: We identified the following exceptions, resulting in the agreement of four medium priority management actions:

Risk Information System

Our review identified instances where the Service Risk Information system IBIS requires multiple steps involving manual updating of Risk Information which is prone to data entry errors, omissions, or incorrect information that can lead to inaccurate risk assessments and decision-making. **(Medium)**

Risk Information updating process (Quality Assurance)

We could not confirm for both medium and high risk sites that SSRI forms and Tactical plans stored on the IBIS system were quality assured with regards to the information input into IBIS, as evidence of review had not been retained. **(Medium)**

Information sharing Protocol

We noted that the information sharing protocol between RBFRS and TVFCS had been on hold due to staffing issues. **(Medium)**

Training

We noted non compliance with mandatory SSRI training by service delivery staff, with the training records showing 258 completions and 206 non-completions since the course went live (November 2021) which indicates a 55.6% completion rate year to date. **(Medium)**

We noted the following controls to be well designed and operating effectively:

Polices and Procedures

The Service have in place an up to date and approved Operational Risk Information Policy, approved in October 2024 and technical guidance documents to support the processes for multi-occupied low, medium and high rise building and remote access to sit specific risk informaion, all of which we confirmed were available to staff via Siren.

Roles and Responsibilities

We confirmed through review that the Operational Risk Information Policy outlined the roles and responsibilities for key personnel accountable for the implementation of risk information including but not limited to the Risk Information and Emergency Planning Officer(s) (RIEPOs) and Operational personnel.

Ongoing reviews

Through review of our sample of 20 sites (10 medium risk sites and 10 high risk sites) we noted for medium risk sites, in all cases these had been recently reviewed and in date per the review timetable and all high risk sites were in date at the time of our review with due dates clearly outlined for the next review.

Through further review of the Operational Risk Properties Reassessments due register in entirety, of the 1030 properties only 30 were noted to be due for a review and through discussion with management we were advised either reassessments have been recently completed or properties have already been scheduled for a reassessment. We further noted reporting to the SDMT on the overdue visits for the period October and November 2024.

Specific Risk Information

We noted through review of a sample of 10 Special Risk Sites (High risk) detailed tactical plans were in place as per the Operational Risk Information Policy requirement. We also noted the tactical plans were reviewed after two years in eight cases the tactical plans had been recently reviewed and were in date for the next review. In the remaining two cases the tactical plans were last reviewed in 2022. Through discussion with the Risk Information & Emergency Planning Officer we were advised that visits for TP0005 and TP0010 have been completed and the Service were only awaiting information from the sites to complete the update.

New properties updates

We noted quarterly reports from Q1 and Q2 2024 for new properties that highlighted those that have not been assessed by fire crews were being prepared by the Service and had been shared with relevant stations to schedule visits.

Reporting

Through review of quarterly reports that were presented to the SMB in March and June 2024 (it was deemed that no update was needed in September and the December meeting had not yet occurred at the time of our review) we noted discussion of risk information including this being presented via the Service risk register.

We also noted discussion of risk information to the SDMT for July, October and November 2024. Through review of meeting minutes and agendas we noted this included discussion of low, medium and high-risk overdue premises visits, planned familiarisation visits, updates on new properties which have not been visited, REIPO reporting among others.

SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as*:

High

Immediate management attention is necessary.

Medium

Timely management attention is necessary.

Low

There is scope for enhancing control or improving efficiency.

Ref	Action	Priority	Responsible Owner	Date
1	<p>The Service will consider how IBIS can be adapted to incorporate and automate the process issues identified to allow seamless and fluid movement of risk information which in turn increases accuracy and effectiveness in terms of less manual updates.</p> <p>The Service will consider, as part of its ongoing ICT strategy, how it could deliver an optimal 'operational risk information system' that forms part of a holistic approach to how it manages premise risk information across all areas of Service Delivery.</p>	Medium	Tim Readings – Group Manager Intelligence, Performance and Risk	27 February 2026
2	<p>The Service will ensure all documentation used in risk information updating processes are retained as applicable.</p> <p>In addition, the Service will also consider enhancing quality control by automating the process to document management systems such as SharePoint to allow a singular document management system which allows information to be quality assured.</p>	Medium	Tim Readings – Group Manager Intelligence, Performance and Risk	27 February 2026
3	<p>The Service will ensure the Information Sharing Protocol process has been resumed with adequate reporting to the Service Delivery Management and monitor any identified gaps.</p>	Medium	Tim Readings – Group Manager Intelligence, Performance and Risk	27 February 2026
4	<p>The Service will ensure that all relevant service delivery staff complete their mandatory training with THE compliance rate monitored by appropriate committees, and any subsequent action plans followed up.</p> <p>This will include outlining a training compliance escalation process within the Operational Risk Information policy where non-compliance is noted.</p> <p>The Service will also ensure that the Mandatory training is robust and systemic and is completed by relevant staff and monitored.</p>	Medium	Tim Readings – Group Manager Intelligence, Performance and Risk	27 February 2026

AUDIT OUTCOME OVERVIEW – FIRE FIGHTER PENSION ADMINISTRATION

Background: A review of Fire Fighter Pension Administration was undertaken as part of the approved Internal Audit Plan for 2024/25. The objective of the review was to allow management to take assurance that controls are in place and being applied for firefighter pensions.





Royal Berkshire Fire and Rescue Service (RBFRS) has outsourced the management of pensions for its firefighters since 2016 to the West Yorkshire Pension Fund (WYPF), which manages the pensions of all of their current employees and retirees. WYPF utilise an internally developed system called UPM to manage the pension administration process, maintain member profiles, send updates to members, and record invoices for overpayments. RBFRS has three pension schemes in progress which are provided through WYPF, these are the 1992, 2006, and 2015 Firefighter Pension Schemes.

At the time of our review, approximately 47% of active RBFRS members are 'in scope of remedy'. This refers to addressing past discrimination identified in the pension schemes. Specifically, this relates to the Sargeant judgment, which found that the protection given to some members of the Firefighters' Pension Scheme 2015 (FPS 2015) were age discriminatory. The WYPF is in the process of updating their UPM system to ensure that it is able to perform calculations in relation to the remedy cases.

Conclusion: Overall, we found a well-designed and consistently applied control framework in place to manage pension administration processes at WYPF. Starters, deaths, and leavers had been processed correctly, pension payment runs reconciled and mechanisms to recover overpayments had been put in place.

We noted a weakness in relation to the need to update the WYPF UPM system to allow it to produce annual statements for all members (including those in scope of remedy) and check if any members are in breach of their annual allowances. We also identified a further three low priority management actions.

Internal audit opinion:

 Minimal Assurance	 Partial Assurance	 Reasonable Assurance	 Substantial Assurance
----------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------

Taking account of the issues identified, the Authority 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).

Audit themes:

We identified the following exceptions, resulting in the agreement of one medium priority management action:

Annual Allowance

We noted that in 2024/25, approximately 47% of active RBFERS members were in scope for remedy. Annual Benefit Statements (ABS) and Remediabale Service Statements (RSS) needed to be calculated manually. However, the WYPF was unable to do so in a timely manner and missed the deadline. The updated plan is to send ABS and RSS by March 2025, capturing any annual allowance breaches. RBFERS was notified of the delay.

There is a risk that delayed ABS may prevent RBFERS from identifying members who exceed their annual pension allowance, potentially leading to penalties, resulting in financial losses. **(Medium)**

We noted the following controls to be well designed and operating effectively:

Remedy Cases

Through review of two remedy cases (since April 2024), we confirmed that for both remedy cases, the retirement notification was obtained from RBFERS, the retirement quote checklist was completed, the final pensionable pay was calculated, the retirement pack was sent to the member, the relevant forms and documentation was returned by the member, the retirement actual checklist was completed and checked, and the lump sum paid aligned to the pension claim advice letter. We also confirmed that the checklists were completed and reviewed by separate individuals.

New starters

Through review of a sample of five new starters since April 2024, we confirmed that all five were administered in line with the established process and for each member, the monthly return information was sent to WYPF by RBFERS, a welcome letter was issued to each member, and each member was recorded onto the UPM system.

Retirements

Through review of two retirement cases (non-remedy) since April 2024, we confirmed that both cases were administered in line with the established process. As such for both cases, the retirement quote checklist was completed, final pensionable pay calculated, retirement pack sent, relevant forms and documentation returned, retirement actual checklist completed and checked, and lump sum paid aligned with the pension claim advice letter. We confirmed that checklists were completed and reviewed by separate individuals.

Deaths

We reviewed a sample of five deaths since April 2024 and we confirmed all were administered in line with the process. All five had a death notification form, death certificate, evidence from family members (if applicable), and letters sent to families for further information and confirmation. We confirmed that the system was updated to reflect the changed member status to 'Deceased'.

Overpayments

Since April 2024, there were two overpayments totalling £3.8k, both included in the August, September, and October 2024 reconciliations. These overpayments were due to member deaths and were handled according to the Overpayment policy.

In addition, we confirmed that the WYPF had a robust screening process to capture pensioner deaths and prevent overpayments, including:

-
- monthly checks by Accurate Data company against the disclosure of death registration information (DDRI) scheme for UK deaths;
 - National Fraud Initiative (NFI) screening every two years, with the last submission in October 2024 and results due in December 2024; and
 - ad hoc NFI screening twice a year, last completed in June 2024.

Tax Code Changes

We confirmed that tax code changes were downloaded by the WYPF IT team direct from the HMRC and had been uploaded into the UPM system and matched to the member using details such as national insurance number, payroll number and name, any tax code changes associated to the member are automatically applied.

Payment Run

We confirmed that WYPF had monthly payroll instructions covering all relevant processes, last reviewed in April 2023. The 2024/25 payroll timetable was in place, including the key dates. We also confirmed that payrolls were appropriately authorised. In addition, WYPF emails sent to RBFERS for August, September, and October 2024 confirmed that Gross to Net reports, reconciliations, and supporting information were provided after each payment run. We also confirmed that monthly payroll checklists, SQL reports checklists, and BACS summary reports were consistently completed by WYPF.

We have also agreed three Low priority management actions, and these are documented within the detailed findings below.

SUMMARY OF MANAGEMENT ACTIONS

The action priorities are defined as*:

High

Immediate management attention is necessary.

Medium

Timely management attention is necessary.

Low

There is scope for enhancing control or improving efficiency.

Ref	Action	Priority	Responsible Owner	Date
3	<p>WYPF will ensure that in line with the current plan the UPM is updated to enable the ABS and RSS calculation and that the statements are sent out to the members in line with the updated deadline.</p> <p>The WYPF will also make sure that all active members who are in scope for remedy have their annual allowance checked and any necessary taxes are paid.</p>	Medium	WYPF IT	31 March 2025

Emergency Services News Briefing

February 2025



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Introduction

In this edition of our news briefing, we draw attention to some of the key developments and publications in the sector, including His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) recent review of the police response to public disorder, the government's policing reforms and newly announced funding. Additionally, we cover the new fire and rescue service inspection programme starting in June 2025 and the National Fire Chiefs Council's participation in a global fire safety initiative.

Police

The police response to the public disorder in July and August 2024

HMICFRS has published its review, commissioned by the Home Office, of the police response to public disorder in the summer of 2024. The first part of the review (tranche 1) examined the police service's Public Order Public Safety (POPS) capacity and capabilities, their ability to mobilise officers across different areas, and the impact of repeated exposure to disorder on officers' well-being and resilience. Key findings from the review include:


- the National Police Chiefs' Council (NPCC) mobilised public order officers effectively, but the decision to implement the national mobilisation plan was made too late;
- there were information gaps, leading to some deployment decisions being made without adequate intelligence;
- while national training standards and command structures were well-established, there were concerns about the initial dress code of officers, which could have left them vulnerable to injury; and
- the report emphasised the importance of better utilising the National Police Well-being Service to support officers during such challenging times.

HMICFRS has made three main recommendations for chief constables and forces to enhance their capacity and capability to respond to widespread violent disorder, improve the mobilisation of POPS resources, and enhance overall preparedness.

Recommendations include:

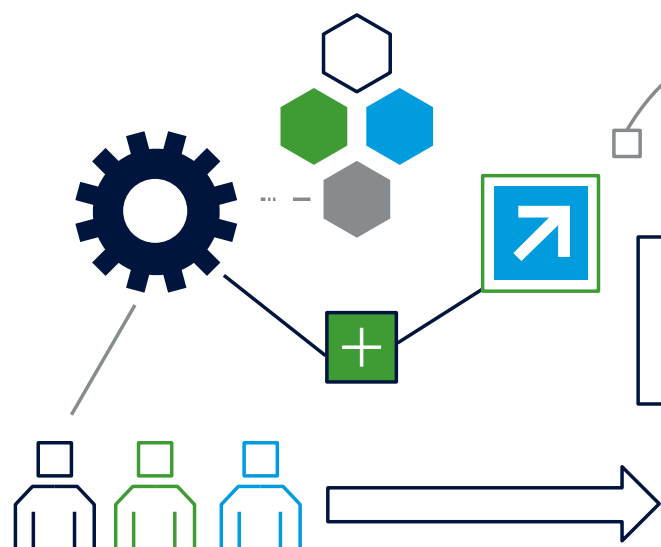
- develop a plan to improve the police's ability to handle widespread violent disorder;
- give the NPCC POPS lead full authority over national strategy and deployment, improving regional information centres, and upgrading technology for resource management; and
- improving well-being support for officers and staff, such as establishing protocols with ambulance services and hospitals, ensuring access to basic needs during operations, and providing additional support for officers in hostile incidents.

HMICFRS has also published the [terms of reference](#) for the second part (tranche 2) of the review of policing public disorder which focuses on further examining the police service's preparedness, response, and resilience in handling widespread violent disorder. The report is due to be published later this year.



Questions for committee's consideration

- Is the Audit Committee assured that the Force has taken action to address the recommendations from the HMICFRS report?



Home Secretary announces major policing reforms

Yvette Cooper, Home Secretary, has announced significant reforms aimed at improving police performance and public safety. Key initiatives include creating a new Home Office unit to monitor police performance, focusing on high-priority areas such as tackling violence against women and girls, knife crime, and improving neighbourhood policing. The reforms also introduce a Neighbourhood Policing Guarantee to ensure officers spend more time being visible and accessible in communities. Additionally, there will be a focus on police standards, with data on misconduct, vetting, and disciplinary procedures collected, monitored, and acted on to ensure forces are rooting out those who are not fit to serve and help restore the public's trust in their local officers. These measures are part of a broader effort to enhance public trust and ensure the police are better equipped to handle modern challenges.

The initiative builds on a government commitment to give HMICFRS more power to intervene in failing forces and supports ongoing efforts by the College of Policing and Police and Crime Commissioners (PCCs) to boost standards and drive improvement.

Multi-agency responses to serious youth violence: working together to support and protect children

The report, published by HMICFRS, Ofsted, the Care Quality Commission, and HM Inspectorate of Probation, examines how local partnerships and services respond to children and families affected by serious youth violence. The findings are based on six Joint Targeted Area Inspections (JTAs) conducted between September 2023 and May 2024. The inspections focused on three main themes; strategic responses to serious youth violence, work with children affected by serious youth violence and child criminal exploitation, and interventions to improve safety for children and communities.

The inspections highlighted the need:

- for better strategic planning;
- improved multi-agency collaboration;
- enhanced support for children at risk; and
- addressing the links between serious youth violence and child criminal exploitation.

Recommendations are made to improve practice, knowledge, and understanding among agencies involved in protecting children from serious youth violence.



Questions for committee's consideration

- What are the assurance mechanisms in place to provide assurance that the Force has responded appropriately to these reforms?
- What action will the Force be taking to ensure officers spend more time being visible and accessible in communities?



Questions for committee's consideration

- How will you be assured that the Force's partnership working will achieve better outcomes for the public?

Funding boost for police to keep streets safe

The Home Secretary has announced a £1bn funding boost for police forces in England and Wales to enhance public safety and restore neighbourhood policing. This increase will bring total police funding to £19.5bn in 2025/26. Most of the funds, up to £17.4bn, will be allocated to PCCs to tackle local crime, reduce antisocial behaviour, and apprehend persistent offenders. This includes a significant rise in the police core grant and new funding to recruit 13,000 additional neighbourhood officers, community support officers, and special constables.

Additionally, £140m will be invested in Counter Terrorism Policing to ensure they have the necessary resources to address threats and protect the public. The funding aims to address financial and operational challenges faced by police forces, improve efficiency, and deliver the government's Safer Streets mission.

Police workforce statistics

The Home Office has published the latest police workforce statistics for England and Wales, as of 30 September 2024. The total police workforce was 236,655 full-time equivalents (FTE), a slight increase of 0.2% from six months earlier. This includes 146,868 FTE police officers, a decrease of 0.6% from March 2024. Police staff and designated officers also totalled 82,371 FTE, up by 1.8%.

Amendments to the Police Regulations 2003

The Home Office has published details of the amendments that have been made to the Police Regulations 2003. The amendments are detailed in two circulars.

- [Circular 008/2024](#): This circular includes changes to determinations under regulation 35, specifically related to expenses. The amendments, effective from 1 January 2025, cover reimbursement of medical charges for injuries received in the line of duty, removal expenses for officers relocating, and other related expenses.
- [Circular 009/2024](#): This circular addresses amendments under regulation 10B, which relates to the conditions and procedures for officers rejoining a police force after leaving.



Questions for committee's consideration

- Have Force policies and procedures been updated in respect of changes to Police Regulations?



Questions for committee's consideration

- How does the proportion of police officers to total workforce in your Force compare to the national average?



Performance framework

The Independent Office for Police Conduct (IOPC) has published its monthly performance framework, highlighting its progress in meeting priorities. The framework aims to increase public awareness and confidence in the complaints system. Key performance indicators include resolving complaints against the IOPC within 20 working days and monitoring the percentage of complaints made by various demographic groups. The framework also emphasises delivering fair outcomes that hold police accountable. Targets include completing 85% of core investigations within 12 months and deciding on the mode of investigation for all cases within an average of five working days.

Oversight newsletter

The IOPC has published its latest oversight newsletter providing an update on its work. The newsletter highlights several new investigations into serious incidents involving police conduct. It also emphasises the IOPC's commitment to learning from these investigations to improve policing practices. Recent recommendations made to police forces aim to address systemic issues and prevent future incidents. Additionally, the newsletter details the IOPC's community engagement efforts to build trust and ensure that public concerns are heard. Performance metrics are also provided, highlighting the timeliness of investigations and the implementation of recommendations by police forces.



Fire

Fire inspectorate emphasises that effective leadership is key to making improvements

Roy Wilsher, His Majesty’s Inspector of Fire and Rescue Services, has highlighted the importance of leadership in tackling issues such as cultural shortcomings and misconduct management. He spoke at a recent event which was joined by chief fire officers and fire authority chairs from across England. Mr Wilsher acknowledged the progress made by some services but emphasised that further reform is necessary.

Representing the UK at global fire safety initiative

The National Fire Chiefs Council (NFCC) represented the UK at the launch of the ‘1 Billion Readiness’ initiative by the Dubai Civil Defence. This global programme, taking place between 2025 and 2027, aims to train and raise awareness among one billion people worldwide on fire prevention techniques. The event, held in Dubai, brought together FRSs from 34 countries and 18 major firefighting organisations.

Phil Garrigan, NFCC Vice-Chair and Chair-elect, highlighted the opportunity for the NFCC to contribute to global fire prevention efforts and enhance fire safety awareness within UK communities. The UK will also host the World Fire Congress in 2026, further demonstrating its leadership in international fire safety.

Fire and rescue services inspection programme and framework

Following its [consultation](#), HMICFRS has published the fire and rescue services (FRSs) inspection programme and framework commencing in June 2025. The inspection programme and framework aims to evaluate and report on the effectiveness and efficiency of England’s 44 FRSs, providing the public with information to compare performance and track improvements. The new framework includes a five-tier grading system, removal of pillar judgments, and a ‘fast-tracked process for addressing public safety risks.’

Recent inspections highlighted the need for stronger leadership and enhanced skills in managing change, as well as addressing cultural issues and misconduct. However, progress has been observed in raising awareness of behaviour standards and implementing the Core Code of Ethics. The final reports are expected to be published in summer 2025.



Questions for committee’s consideration

- Do you have oversight of the Fire and Rescue Service’s expected performance against the framework and are plans in place to address any under-performance?

Remediation acceleration is welcome, but faces significant practical challenges

The NFCC has welcomed the [government's plan](#) to accelerate the removal of unsafe cladding from buildings, recognising it as a crucial step towards enhancing public safety and preventing future tragedies. However, the NFCC also highlighted significant practical challenges in achieving these targets. One of the main issues is the shortage of skilled professionals needed to carry out the remediation work. FRSS are already under pressure to meet their statutory obligations, and without a coordinated, long-term strategy to address workforce shortages, there is a risk of overstressing resources. The NFCC calls for a collaborative approach involving local authorities, industry leaders, and training providers to build workforce capacity and ensure sustainable building safety improvements.

Fire and rescue incident statistics

The Home Office has published its latest fire and rescue incident statistics for England, covering the year ending September 2024. Key statistics include:

- fire and rescue services attended 591,676 incidents, a 4.8% decrease from the previous year;
- the total number of fires attended was 143,625, marking a significant 23% reduction compared to the previous year;
- of all incidents attended by fire and rescue services, fires accounted for 24%, fire false alarms for 42%, and non-fire incidents for 34%; and
- despite the overall reduction in incidents, there were 278 fire-related fatalities, which is slightly up from 273 the previous year.



Questions for committee's consideration

- How does your Fire and Rescue Service compare to these national statistics?

References



[The police response to the public disorder in July and August 2024](#)



[Fire and rescue services inspection programme and framework](#)



[Home Secretary to announce major policing reforms](#)



[Fire inspectorate emphasises that effective leadership is key to making improvements](#)



[Multi-agency responses to serious youth violence: working together to support and protect children](#)



[Representing the UK at global fire safety initiative](#)



[Funding boost for police to keep streets safe](#)



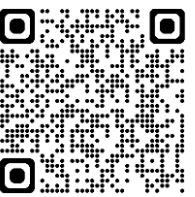
[Remediation acceleration is welcome, but faces significant practical challenges](#)



[Police workforce statistics](#)



[Fire and rescue incident statistics](#)



[Amendments to the Police Regulations 2003](#)



[Performance framework](#)



[Oversight newsletter](#)

Further information

Daniel Harris

National Head of Emergency Services and Local Government

T +44 (0)7792 948 767

daniel.harris@rsmuk.com

Risk and Governance Technical Team

Research and author

technical.consulting@rsmuk.com

rsmuk.com

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Application Note Global Internal Audit Standards in the UK Public Sector

January 2025

Global Internal Audit Standards in the UK Public Sector

The Application Note 'Global Internal Audit Standards in the UK Public Sector' is being adopted by the Relevant Internal Audit Standard Setters (RIASS) from 1 April 2025. It follows a period of consultation, and on the advice of the UK Public Sector Internal Audit Standards Advisory Board (IASAB), the Application Note should be applied in conjunction with the Global Internal Audit Standards published by the Institute of Internal Auditors. It includes key requirements and interpretations that are crucial for implementing the Standards within the practice of internal audit in the UK public sector.

Overview of the Standards

The RIASS have determined the Global Internal Audit Standards are 'a suitable basis for the practice of internal auditing', subject to interpretations and requirements. Whilst the section on 'Applying the Global Internal Audit Standards in the Public sector' is welcome, the Application Note provides UK public sector specific context and additional requirements.

Internal auditors must adhere to the requirements of the Global Internal Audit Standards and the International Professional Practices Framework. Throughout 2024, internal audit providers have been transitioning to the Standards, which became effective on 9 January 2025. The current Public Sector Internal Audit Standards have been in place since 2017. From 1 April 2025, auditors in the public sector must adhere to the Application Note, in addition to the requirements of the Global Internal Audit Standards.

The IASAB will periodically review the Application Note. This includes consideration of any Topical Requirements that are relevant to the public sector.

We have published several client briefings on the Global Internal Audit Standards and the requirements.

- Overview of the Global Internal Audit Standards.
- Quality Assurance and Improvement Programme.
- Key Stakeholder Requirements in Domain III.
- Assessing Readiness and Action Plans.

Please get in touch with your usual RSM contact to request a copy.

Global Internal Audit Standards in the UK Public Sector

Key interpretations and requirements

The Application Note includes several requirements and interpretations in the context of the UK public sector, summarised as follows.

- Alongside the requirements in the Global Internal Audit Standards in Domain II: Ethics and Professionalism, internal auditors must apply the Seven Principles of Public Life (the 'Nolan Principles').
- Auditors in the UK public sector need to understand when they are required to share or publish information. They should be familiar with their organisation's policies and procedures for publishing certain information, as well as any statutory obligations to do so.
- In meeting the requirements of Standard 9.1 Understanding Governance, Risk Management and Control Processes and Standard 13.4 Evaluation Criteria, auditors must recognise the importance of value for money.
- With the legal and regulatory structures across the public sector, where the chief audit executive is unable to co-ordinate with other assurance providers, the barriers must be set out to the board.
- Where a board does not have authority over budgets, this can hinder the chief audit executive's ability to seek additional funding due to other organisational priorities. To comply with Standard 8.2 Resources, the chief audit executive should develop a resource strategy that proposes practical solutions for the board's consideration.
- Where the chief audit executive is unable to develop a strategy to obtain sufficient resource to address shortfalls, there is no expectation to comply with Standards 10.1 to 10.3, Principle 10 Manage Resources. The chief audit executive must inform the board of the effect of insufficient resources and highlight any options to mitigate the impact. If internal audit's ability to fulfil its mandate is at risk, the board must also be informed.
- The chief audit executive must provide an overall conclusion on governance, risk management and control annually, with the conclusion informing internal audit planning in alignment with Standard 9.4.
- The results of internal quality assessments are to be reported annually and include any action plans to address non-conformance.
- The chief audit executive is to be qualified, holding a professional qualification such as CMIIA, CCAB or other equivalent qualification that includes training on the practice of internal audit. They should also have suitable experience.
- At least one individual within the external quality assessment (EQA) team should hold the skills and qualifications as that required of the chief audit executive. An EQA assessor is expected to understand the Global Internal Audit Standards in line with an individual with the Certified Internal Auditor designation, including how the standards are applied to the UK public sector.

Domain III Governing the Internal Audit Function sets out important 'essential conditions' for the board and senior management. When implemented they enable the internal audit function to be effective and fulfil its purpose. Given the unique governance and organisational structures in the public sector, internal audit functions may need to adapt some standards to achieve the same outcomes. These alternatives must be approved by the board or audit committee and, if permanent, must be explained in the Charter.

Global Internal Audit Standards in the UK Public Sector

Our internal audit services

In transitioning to the Global Internal Audit Standards, during 2024 we have updated our manuals, reports, charter and mandate, and trained our people. This ensured our preparedness and conformance with the new standards.

As a leading provider of internal audit services to the public sector we have carefully considered the requirements of the Application Note Global Internal Audit Standards in the UK Public Sector. With the Public Sector Internal Audit Standards being replaced, our charter and reports will be updated, applicable from 1 April 2025.

Having reviewed the interpretations and requirements, our internal audit services align with the intent of the Global Internal Audit Standards in the UK Public Sector.

Our last EQA 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. Our next EQA is due to take place in 2026 and will reflect the requirements of the Global Internal Audit Standards in the UK Public Sector.

Further information

Access the Application Note Global Internal Audit Standards in the UK Public Sector at: <https://www.iasab.org/standards>

Access the Global Internal Audit Standards at: <https://www.theiia.org/en/standards/2024-standards/global-internal-audit-standards/>

Should you have any questions regarding the Global Internal Audit Standards in the UK Public Sector, what it might mean for you, or our adherence to the Standards, please get in touch via your usual RSM contact.

FURTHER INFORMATION

Mark Jones

RSM Head of Internal Audit

mark.jones@rsmuk.com

Shauna Mallinson

Head of Risk and Governance Technical

shauna.mallinson@rsmuk.com

rsmuk.com

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Emerging Risk Radar

Emerging risk considerations

Spring 2025



Emerging Risk Radar – Spring 2025

Given your strategic objectives, what do you see as the **emerging events or threats that could impact on your business**, either negatively or positively, and that you believe should be watched?

We received **129 survey responses** from board members across all industries/sectors as well as drawing on our current emerging risk knowledge.

Key emerging risks in summary

There are 24 emerging risks identified, an increase of 6 since the last publication. New emerging risks in the form of **increasing levels of regulation, technology resilience, access to markets, technology fraud, shifts in business culture and potential for an epidemic** – impacting both private, public and not for profit sectors. In addition, there have been updates in previous emerging risks.

5 emerging risks identified as more prevalent (4 less since the last emerging risk radar publication), with **geo-political instability, change in government priorities, cyber attacks, continued economic slow down** and **financial planning uncertainties**. No change in these emerging risks since the previous emerging risk publication.

The top 3 most prevalent emerging risks:

01

Changes in government priorities

Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.

02

Geo-political instability

Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society.

03

Cyber attacks increasing

Cyber-attacks increasing in frequency and complexity. Unable to sufficiently invest in defence – attacks more disabling, coupled with loss of data in serious targeted attacks.

Emerging risk – why and what?

Why?

The board should establish and keep under review the risk and internal control framework and determine the nature and extent of the emerging and principal risks it is willing to take to achieve its strategic objectives.



What?

An emerging risk might be defined as:
 “a new or unforeseen level of uncertainty driven by external events – the risk may still be forming, and it may not be clear as to the implications for the business, be these negative or positive.”

To be watchful of these emerging risks and how they might play through is an important element of preparedness and the business management of risk.

We have framed the emerging risks as:

- **Most prevalent:** risk themes that were more regularly identified in responses and discussions;
- **Keep monitoring:** to represent the risk themes that had a moderate prevalence in responses and discussions;
- **Worth watching:** those emerging risk themes that were less prevalent.

These risk themes are constantly evolving and shifting, so are all worthy of consideration.



Emerging Risk Considerations

01

What do you see as the emerging risks?

02

How far will these emerging risks affect your business?

03

How far will these emerging risks play through into your existing strategic risks?

04

How far will they change the way you currently manage your strategic risks?

05

How will you respond?
How will you continue to review the emerging risks?



Emerging areas of risk – Spring 2025

Consistent >
 Increasing <^>
 Decreasing <v>

Direction of travel since previous emerging risk radar publication.

Most prevalent		
2.1	Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.	>
2.2	Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society.	>
4.1	Cyber-attacks increasing in frequency and complexity. Unable to sufficiently invest in defence – attacks more disruptive and disabling, coupled with loss / theft of data in serious targeted attacks.	>
5.1	Continued economic slow-down. Reduced spending by consumers and reduced / changes in spending by Government.	>
6.1	Shifts in employee costs, energy costs etc. Creating financial pressure, forecasting and planning uncertainties	>



Emerging areas of risk – Spring 2025

Direction of travel since previous emerging risk radar publication.

Keep monitoring		
2.3	NEW: Increasing level of regulation, compliance and inspection. e.g. Economic Crime and Corporate Transparency Act etc.	New
3.1	Ability to effectively engage with and leverage off the sustainability agenda, including ability to meet green agenda targets (coupled with potential for Green Washing).	✓
3.2	Increasing weather pattern shifts / extreme weather impacting the UK (and globally) – storms, floods, temperature changes impacting supply chains, productivity and continuity / recovery of operations.	➤
4.2	Digital transformation including impact of artificial intelligence on business – capacity, capabilities and funding available to understand, keep-up with, explore and develop digital.	✓
4.3	NEW: Operational resilience of technology e.g. power outage, IT infrastructure age, sabotage etc	New
5.2	Reduced investment in research and development - businesses take a short-term approach and focus on business as usual (reducing agility and innovation) due to macro-economic conditions including geo-political challenges.	✓
7.1	Shortages in skills and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers.	✓
6.2	Supply chain resilience across all ranges of goods and services.	➤
6.3	Access to and availability of finance and funding – impacting both private, public and not for profit sectors, including cost of finance, funding changes - including funding and grants provided by Government.	➤
8.2	Developing the board member capacity and capability - fitness for future, including availability of non-executives for appointment and holding modern world insights.	⬆

Emerging areas of risk – Spring 2025

Direction of travel since previous emerging risk radar publication.

Worth watching		
1.1	Availability and effectiveness of public services are reduced due to under investment, lack of resources and increased demand from the public.	➤
1.2	Increasing awareness of mental health and physical well-being issues impacting individuals stemming from post pandemic fall-out, increasing poverty etc. Impacting on public services and employers (as well as having potential duty of care implications).	➤
1.3	Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes.	➤
1.4	Access to affordable housing, homelessness and poor housing conditions. e.g. damp and mould hazards. Access to affordable housing and the impact on individuals, families, society more widely and business in the form of access to / availability of staff.	➤
1.5	NEW: Epidemic / further pandemic impacting public health / productivity.	New
5.3	NEW: Access to markets - global trade embargos, restrictions, tariffs and competition.	New
6.4	NEW: Increasing levels of fraudulent activity making use of technology as a tool for doing so.	New
8.1	Tick box governance – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified, and loss of accountability creating a loss of trust.	▼
8.3	NEW: Shifts in business culture due to external influence and attitudes.	New

Emerging Risk Radar Spring 2025

Societal and Community

- 1.1 – Availability and effectiveness of public services are reduced.
- 1.2 – Increasing awareness of mental health and physical well-being issues.
- 1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes.
- 1.4 – Access to affordable housing, homelessness and poor housing conditions.
- 1.5 – Epidemic / further pandemic impacting public health / productivity.

Governance

- 8.1 – Tick box governance – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified, and loss of accountability.
- 8.2 – Developing the board capacity and capability – fitness for future.
- 8.3 – Shifts in business culture due to external influence and attitudes.

Economic and Financial

- 6.1 – Shifts in employee costs, energy costs etc.
- 6.2 – Supply chain resilience across all ranges of goods and services.
- 6.3 – Access to and availability of finance and funding including cost of finance and funding changes.
- 6.4 – Increasing levels of fraudulent activity making use of technology as a tool for doing so.

People Resources

- 7.1 – Shortages in skills and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers.

Political, Policy and Regulation

- 2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.
- 2.2 – Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the influence on society and business.
- 2.3 – Increasing level of regulation, compliance and inspection.

Environmental

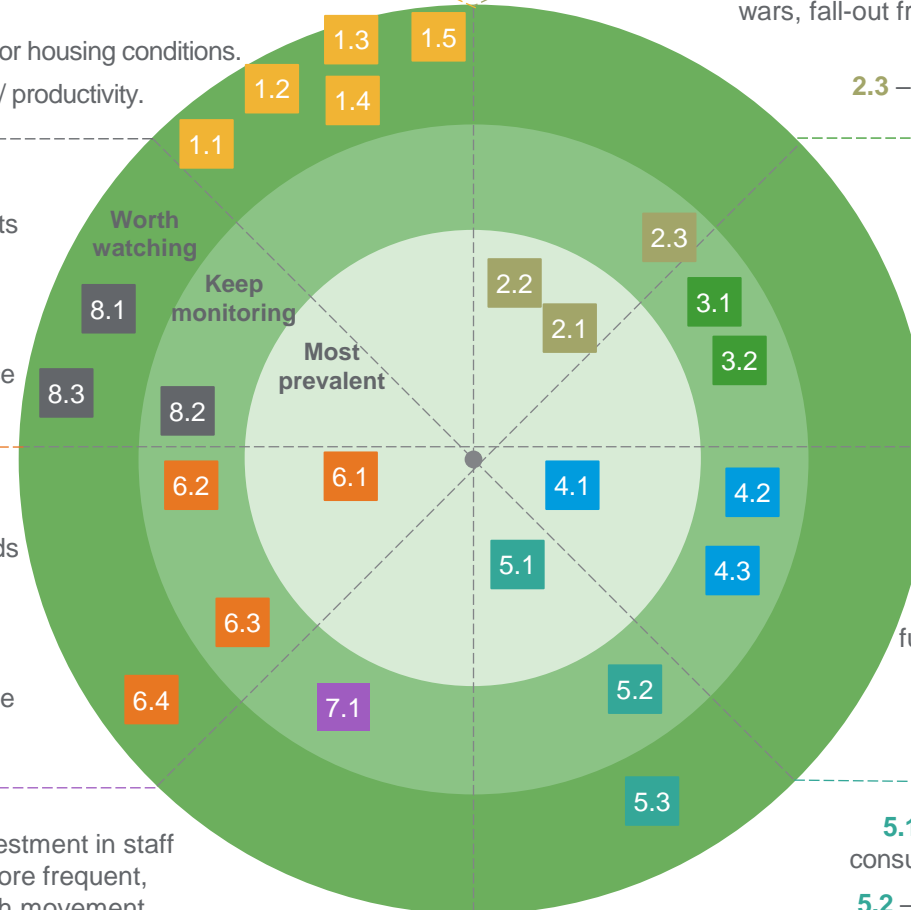
- 3.1 – Ability to effectively engage with and leverage off the sustainability agenda.
- 3.2 – Increasing weather pattern shifts / extreme weather impacting businesses and supply chain (nationally and globally).

Technological

- 4.1 – Cyber-attacks increasing in frequency and complexity.
- 4.2 – Digital transformation including Impact of artificial intelligence on business – capacity, capabilities and funding available to understand, keep-up with, explore and develop digital.
- 4.3 – Operational resilience of technology e.g. power outage, IT infrastructure age, sabotage etc.

Commercial

- 5.1 – Continued economic slow-down. Reduced spending by consumers and reduced / changes in spending by Government.
- 5.2 – Reduced investment in research and development due to macro-economic conditions.
- 5.3 – Access to markets - global trade embargos, restrictions, tariffs and competition.



Previous Emerging Risk Radar Summer 2024

Societal and Community

- 1.1 – Availability and effectiveness of public services are reduced.
- 1.2 – Increasing awareness of mental health and physical well-being issues.
- 1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes.
- 1.4 – Homelessness and poor housing conditions.

Governance

- 8.1 – Tick box governance. Lack of transparency in decision making, conflicts of interest justified, and loss of accountability and trust.
- 8.2 – Maintaining board member capacity and capability – fitness for future.

Economic and Financial

- 6.1 – Shifts in inflation, interest rates, salaries and wages, energy costs.
- 6.2 – Availability of supplies leading to increased costs across all ranges of materials.
- 6.3 – Access to and availability of finance and funding including cost of finance and funding changes

People Resources

- 7.1 – Shortages in skills and experience – reduced investment in staff development, temporary contracts more frequent, reduced pool of skilled staff with movement between employers and increasing lack of commitment to longer term career.

Political, Policy and Regulation

- 2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.
- 2.2 – Geo-political instability, including fall-out from and expansion of conflicts and the influence on society.

Environmental

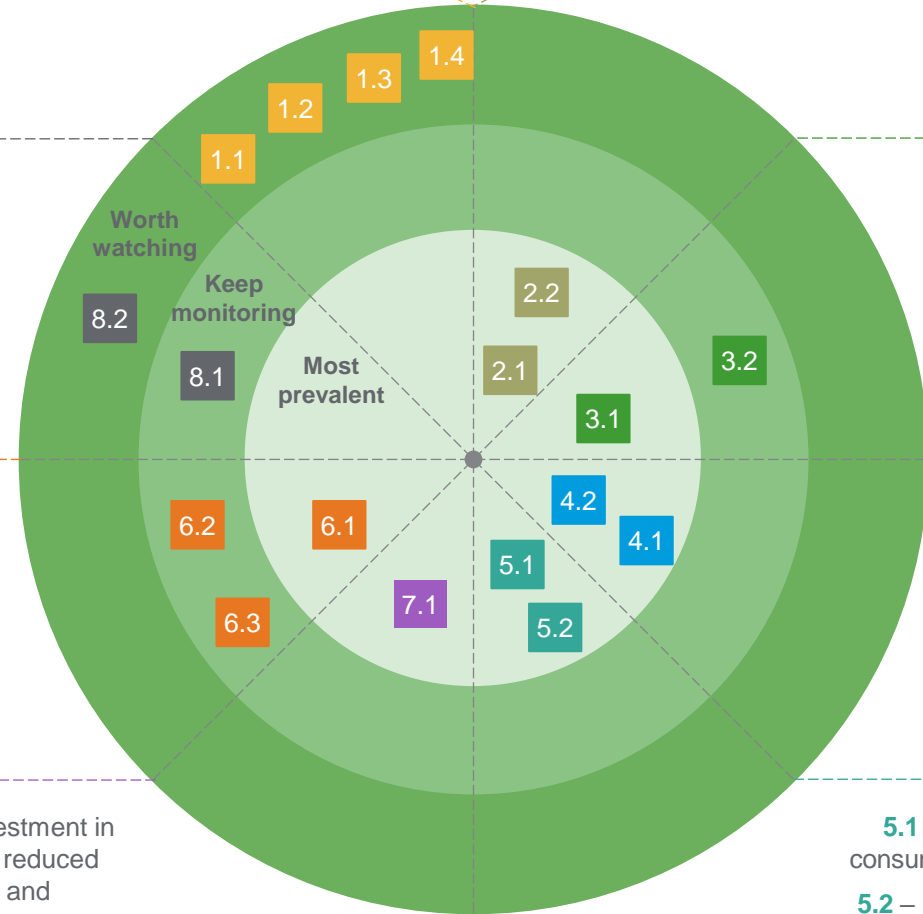
- 3.1 – Ability to effectively engage and leverage off the sustainability agenda.
- 3.2 – Increasing weather pattern shifts / extreme weather impacting the UK (and globally).

Technological

- 4.1 – Cyber-attacks increasing in frequency and complexity.
- 4.2 – Impact of artificial intelligence both positive and negative implications.

Commercial

- 5.1 – Continued economic slow-down. Reduced spending by consumers and reduced / changes in spending by Government.
- 5.2 – Reduced investment in research and development due to macro-economic conditions.



Further insights



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4risk: <https://youtu.be/12NyJhSNK3o>

4action: <https://youtu.be/xEuFSwzbzvw>

4policies: <https://youtu.be/ufXYt1juwhA>

4questionnaires: <https://youtu.be/NW17EoRJsjjs>

Contact

Matt Humphrey

Risk & Governance Consulting Partner

Matthew.Humphrey@rsmuk.com

If you would like to participate in the next emerging risk radar survey, please contact matthew.humphrey@rsmuk.com

Note re contents of the emerging risk radar:

- This is not subject to any form of validation. RSM cannot guarantee the completeness, accuracy or validity of the contents.
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