Annual Governance Statement (AGS)

For Accounting Period 2025/26

1 Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control, risk management and corporate governance that supports the achievement of the Scottish Fire and Rescue Service's (SFRS) policies, strategic aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am also responsible for ensuring that the SFRS is administered prudently and economically and that resources are applied efficiently and effectively. I acknowledge my responsibilities as set out in the Principal Officers Memorandum to Accountable Officers of Other Public Bodies.

2 The SFRS Corporate Governance Framework

Members of the Board are appointed by the Scottish Ministers in line with the Code of Practice for Ministerial Appointments to Public Bodies in Scotland. For the first 10 months during 2025/26, the SFRS Board ('the Board') comprised of twelve Non-Executive Members including the Non-Executive Chair. In January 2026, the former Chair Kirsty Darwent retired and Board Member Mhairi Wylie, was appointed to the role of Chair. This reduced the Board to eleven Non-Executive Members, including the Non-Executive Chair.

2.1 The Board

The SFRS Board is responsible for providing strategic direction, support and guidance to the SFRS, ensuring it discharges its functions effectively and that Ministers' priorities are implemented. The SFRS Governance and Accountability Framework document sets out these responsibilities in detail, along with the formal relationships between the SFRS and the Scottish Ministers and Officials. The Board discusses, debates and makes decisions in many areas and focuses on:

- the quality of the service being delivered and how this can be improved;
- strategic decisions, including key areas for future development;
- financial position and organisational performance, to ensure that the SFRS is in line with its targets and statutory obligations.

The Board has approved Standing Orders and a Scheme of Delegations (incorporating matters reserved to the Board) in place that outlines the responsibilities for the Board, Chief Officer and Strategic Leadership Team (SLT) on key issues such as governance and financial transactions. All staff are required to comply with the requirements set out in these documents and they are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

During 2025/26 the Board met six times in public using a blended approach of face-to-face meetings and virtual technology and made the minutes and papers of these meetings available on the SFRS website. The Board also conducted three standalone meetings in private during this reporting period. Further to this, nine Board Strategy / Development / Information Days were held to support the effective and positive working relationships between the Board and Strategic Leadership of the Service. These continue to inform the Board of key strategies, projects, work streams and organisational workloads and allow the Board the opportunity to engage at a Strategic level.

KEY HIGHLIGHTS OF THE BOARD DECISIONS DURING 2025-26

- Approved the Annual Governance Review of Board and Committee Related Items to ensure the continued effectiveness of the governance arrangements of the SFRS Board and its Committees.
- Approved the Internal Audit Plan 2025/26 which set out a timetable of the main reviews of key activities during 2025/26 that are intended to assist in ensuring effective governance and monitoring arrangements within SFRS.
- Approved the Prevention Strategy.
- Approved the SFRS Strategy 2025-2028. (Private)
- Approved the Service Delivery Review (SDR) Options Development and Appraisal Outcome Report. (Private)
- Approved the Arrangements for Reviewing the Effectiveness of the Board.
- Approved the SFRS Three-Year Delivery Plan.
- Approved the CivTech 10 – Pre-Commercial Agreement (PCA) Phase. (Private)
- Approved the CivTech 10.2 – Pre-Commercial Agreement (PCA) Phase. (Private)
- Approved the Annual Performance Review Report 2024/25. (Private)
- Approved the Board Forward Plan Schedule 2026/27 for all Board and Committee meetings.
- Approved the Annual Procurement Review Report 2024/25.
- Approved the proposed virement within the Capital Budget.
- Approved the Draft Annual Report and Accounts 2024/25 and authorised the Chief Officer, as the Accountable Officer, to sign and submit this on behalf of the Service. (Private)
- Approved the revised Anti-Fraud and Corruption Policy Framework.
- Approved further legal action in Scotland against Systemes et Telecommunications SA

(Systel). (Private)

- Approved the Resource Budget 2026/27.
- Approved the Capital Programme 2026-2029.

2.2 Board Members

The biographies and interests of Board Members can be found on the SFRS website at: Board members | Scottish Fire and Rescue Service (firescotland.gov.uk).

The table below outlines Board meetings and Board Member attendance for 2025/26.

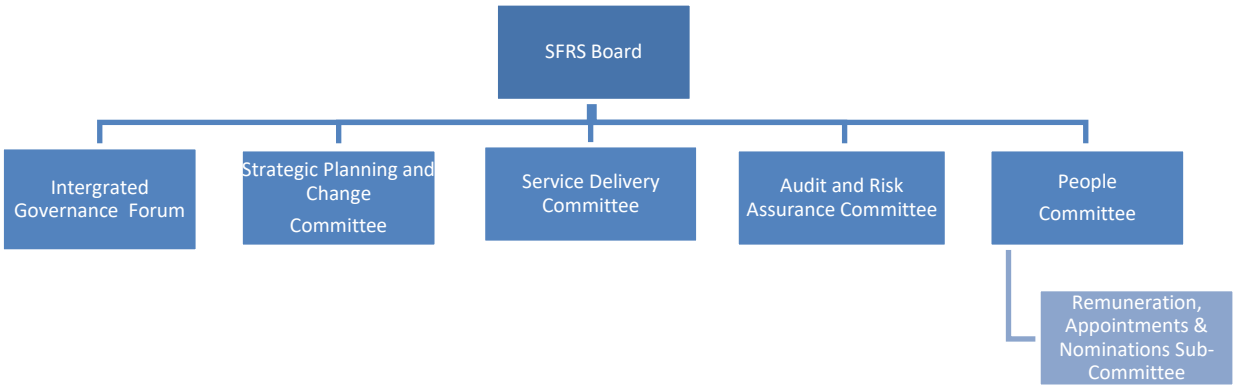
Name of Board Member	Number of meetings attended in year	Possible
Kirsty Darwent (Chair until January 2026)	7	7
Mhairi Wylie (Deputy Chair from November 2025 until January 2026, Chair from February 2026)	8	9
Paul Stollard (Deputy Chair until November 2025)	9	9
Angiolina Foster (Deputy Chair from February 2026)	9	9
Stuart Ballingall	7	9
Brian Baverstock	7	9
Neil Mapes	9	9
Therese O'Donnell	9	9
Andrew Smith	9	9
Madeline Smith	9	9
Malcolm Payton	8	9
Tim Wright	7	9

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined or retired.)

2.3 Committee Structure and Coverage

During 2025/26 the Board had a Committee structure comprising four standing Committees and one Sub-Committee, together with an Integrated Governance Forum. Each of these Committees/Forum have a Terms of Reference, which are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

SFRS Board Committee Structure during 2025/26



2.3.1 Audit and Risk Assurance Committee (ARAC)

The ARAC scrutinises the systems and processes for governance, internal control and risk management and provides assurances on their effectiveness to the Board and Accountable Officer. The ARAC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee is Brian Baverstock.

Representatives from the external and internal auditors attended all meetings and met separately in private with Committee Members. The Accountable Officer and the Director of Finance and Contractual Services attend the ARAC, along with other Senior Managers as appropriate. Representatives from His Majesty's Fire Service Inspectorate (HMFSI) were also invited to attend and to provide their Annual Report.

Based on the Committee's work during the period under review and the assurances received, the Committee concluded that, in general, the SFRS has has effective risk management, governance and internal control arrangements in place.

Further highlights of the ARAC's work during 2025/26 can be found via this link which takes you to their Annual Report to the Board and Accountable Officer.

The table below outlines ARAC meetings and Board Member attendance 2025/26

Board Member	Number of meetings attended in year	Possible
Brian Baverstock (Chair)	4	4
Malcolm Payton (Deputy Chair)	4	4
Neil Mapes	3	4

Madeline Smith	4	4
Mhairi Wylie (Until February 2026)	4	4
Therese O'Donnell (From February 2026)	0	0

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined or retired.)

2.3.2 Strategic Planning and Change Committee (SPCC)

The SPCC provides scrutiny and oversight of strategic change and financial planning of the organisation, specific major change projects and strategic oversight of the Change Portfolio and budget provision ensuring alignment with the Strategy and available delivery capacity and capability. The SPCC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee was Stuart Ballingall until February 2026, when Therese O'Donnell took over the role of Chair. The Deputy Chief Officer, Deputy Chief Officer (Corporate Services), Director of Strategic Planning, Performance and Communication, Director of Finance and Contractual Services and other Senior Managers were invited to attend the meetings as appropriate.

The Committee monitored progress of major projects such as the New Mobilising System, People Payroll, Finance and Training Project, as well as other projects such as Rostering along with the Service Delivery Review (SDR).

The risk tracking and risk monitoring for individual projects was further developed, with a view to gaining better insight of risks that may affect the delivery of the Programme while the methodology for benefits mapping and project finance reporting also continued to be developed. Evaluation reports were produced which highlighted lessons identified and learned, for review and reflection within new projects.

The Deputy Chief Officer (Corporate Services) provided Executive leadership and oversight regarding the Change portfolio and how it was managed.

Further highlights of the SPCC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the public meeting held on 14 May 2026.

The table below outlines SPCC meetings and Board Member attendance 2025/26.

Board Member	Number of meetings attended in year	Possible
Stuart Ballingall (Chair – Until February 2026)	3	4
Therese O'Donnell (Chair – From March 2026	4	4
Angiolina Foster (Deputy Chair)	4	4
Paul Stollard	4	4
Tim Wright	4	4

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.3 Service Delivery Committee (SDC)

The SDC's purpose is to scrutinise, monitor and review performance, and provide assurances to the Board relating to the quality of Service Delivery through operational efficiency and effectiveness, operational safety, and delivery of approved prevention and operational strategies.

The SDC comprises five Non-Executive Members and during 2025/26 met four times in public, with one private session. The Committee Chair is Tim Wright. The Deputy Chief Officer, Director of Operational Delivery, Director of Prevention, Protection and Preparedness and Director of Training, Safety and Assurance, as well as other Senior Managers, were invited to attend the meetings as appropriate.

HMFSI continue to attend the SDC, primarily to monitor progress against the SDC aligned HMFSI action plans, but also from a general Service Delivery business perspective across the Service.

At each meeting, the Committee received a revised Service Delivery Update report from the Deputy Chief Officer. This comprehensive report outlines updates of key points of work from the Operational Delivery Directorate and the Training, Safety and Assurance Directorate over the previous quarter.

Further highlights of the SDC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the 4 June 2026 public meeting.

The table below outlines SDC meetings and Board Member attendance 2025/26.

Board Member	Number of meetings attended in year	Possible
Tim Wright (Chair)	4	4
Paul Stollard (Deputy Chair)	4	4
Angiolina Foster	4	4

Andrew Smith	4	4
Madeline Smith	3	4

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.4 People Committee (PC) and Remuneration, Appointments & Nominations Sub-Committee (RANSC)

The PC provides strategic advice and direction on matters affecting employees and ensures that staffing and remuneration arrangements support the strategic aims and objectives of the SFRS, reflecting best practice. The PC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee was Mhairi Wylie until end of January 2026, thereafter Board Member Madeline Smith took over the role. The RANSC Chair is Mhairi Wylie.

The overall purpose of the RANSC is to offer guidance, support and recommendations to the Board and Chief Officer, in relation to matters of remuneration, appointments, nominations and negotiations. The RANSC comprises up to six Non-Executive Members (including the Chair of the SFRS Board and Deputy Chair of the SFRS Board) and during 2025/26 met four times in private.

The business which comes before the PC does not vary significantly from year to year and is primarily intended to obtain assurances on behalf of the Board, who are the statutory employer of all SFRS staff, regarding matters affecting employees. The RANSC formally report to the PC after each meeting. Monitoring of People and Training, Safety and Assurance (TSA) Directorates progress and performance and the RANSC Forward Plan feature regularly on the PC agenda and these enable future work priorities to be set.

The success of any organisation is critically related to the commitment and skill of its employees, and to its adherence to the culture and values it espouses. These in turn are underpinned by the policies and procedures it has in place, the arrangements and opportunities for learning, training and development of employees so they may attain their full potential, and the quality of engagement and relations between the organisation and its representative bodies. The work of the PC and its RANSC seeks to assist me within my role as the Accountable Officer and the Director of People and her team together with the SLT to plan and deliver effective policies and actions in this regard, and to provide appropriate assurance to the Board accordingly.

Further highlights of the PC's and RANSC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the 18 June 2026 PC public meeting.

The table below outlines PC meetings and Board Member attendance 2025/26.

Board Member	Number of meetings attended in year	Possible
Mhairi Wylie (Chair – Until January 2026)	2	3
Madeline Smith (Chair – From February 2026)	3	4
Andrew Smith (Deputy Chair)	4	4
Neil Mapes	4	4
Malcolm Payton	4	4
Angiolina Foster (From February 2026)	1	1

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

The table below outlines RANSC meetings and Board Member attendance 2025/26.

Board Member	Number of meetings attended in year	Possible
Mhairi Wylie (Chair)	4	4
Stuart Ballingall	4	4
Malcolm Payton	4	4
Kirsty Darwent (Until January 2026)	3	3
Therese O'Donnell (Until January 2026)	3	3
Paul Stollard (Until January 2026)	2	3
Angiolina Foster (From February 2026)	1	1
Andrew Smith (From February 2026)	1	1
Madeline Smith (From February 2026)	1	1

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.5 Integrated Governance Forum (IGF)

The IGF was formed in June 2017, initially termed as a group and until March 2020 a standing Committee of the Board, however following a review a decision was made to establish this as a Forum and use this as a basis for all Committee Chairs to meet regularly. Chaired by the Chair of the Board and made up of the Deputy Chair of the Board and Chairs of all other Committees, it reviews and discusses issues and key themes identified in specific governance Committees and as

an outcome provides additional assurance to the Board, ensuring a joined-up approach to corporate governance.

The Forum comprises six Non-Executive Members and during 2025/26 met three times. The Chief Officer and other Senior Managers were invited to attend the meetings as appropriate. Good examples of Common Themes and/or areas of overlap included performance reporting around wildfires and the broader aspects such as monitoring of prevention activity, public service reform/reform collaboration, governance process of tactical incidents and how they progress through the organisation and management of risk. The Forum again recognised the importance of having an increased focus on risk to better inform decision making/scrutiny. The continual evolution to ensure good governance and the appropriate levels of scrutiny/focus by the Committees/Board were also recognised and that the progression of integrated assurance mapping, would also focus attention on specific areas.

During Committee workshops where their purpose, responsibilities and general business were reviewed, the consensus was that the IGF provides a required and valuable platform. The examples set out above demonstrate the benefit of having the Chairs of each Committee meet formally to ensure a joined-up approach to corporate governance and ensure continuous improvement across the Service.

The table below outlines IGF meetings attended by Members during 2025/26.

Name	**Number of meetings attended in year**	**Possible**
Kirsty Darwent (Chair - Until January 2026)	3	3
Mhairi Wylie (Deputy Chair from November 2025 until January 2026, Chair from February 2026)	3	3
Paul Stollard (Deputy Chair – Until November 2025)	2	2
Angiolina Foster (Deputy Chair – From February 2026)	0	0
Brian Baverstock	3	3
Tim Wright	3	3
Stuart Ballingall (Until February 2026)	3	3

Madeline Smith (From February 2026)	0	0
Therese O'Donnell (From March 2026)	0	0

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.4 Review of Board Effectiveness

The Board continues to be committed to developing its capacity and capability to be effective, and ensures that its performance, as well as the performance of individual Committees and individual Board Members is regularly reviewed.

Further highlights that demonstrate the Board's commitment to improving their effectiveness throughout 2025/26 can be found in the Arrangements and Outcome of the Annual Review – Effectiveness of the Board report, available via this link. In summary, through individual Committees and the detailed variety of examples within the report to be presented to the Board in August 2026, it is anticipated that clear progress will be demonstrated in improving the overall effectiveness of the Board.

Introduction of the SFRS Good Governance Framework in April 2022 which replaced our Code of Corporate Governance, outlines our continued commitment to upholding high standards of corporate governance by setting out the principles and supporting characteristics being applied to ensure we are achieving our intended outcomes, while always acting in the publics' interest. The Framework will continue to be a living document and evolve as we strive to continually improve in everything we do. Importantly it embodies and supports our values of Safety, Teamwork, Respect and Innovation.

As Accountable Officer I am therefore confident we comply with good governance standards as set out within our SFRS Governance and Accountability Framework demonstrating our continued commitment to delivering our intended outcomes in the best possible manner.

3 Risk Management Framework

The ARAC advises the Board and the Accountable Officer on the effectiveness of strategic processes for risk management and internal controls. During 2025/26, quarterly written and verbal reports to the ARAC and periodic reports from the Chair of the ARAC to the Board, provided assurance that appropriate systems of risk management and internal control were in place.

The SFRS recognises that it cannot completely eliminate financial or reputational risk, or the risk of disruption to its Service Delivery, and that a residual level of risk will always remain. However, the risk management framework has been developed to minimise the likelihood and impact of risk causing disruption to SFRS's strategic priorities.

The aim of the SFRS is to be risk aware, allowing innovation and aspiration, whilst actively managing risk through a range of measures to ensure key priorities are met. The risk framework establishes a consistent and effective structure and is integrated within the governance and assurance arrangements of the Service.

Development of the framework will continue, aligned to the use of risk appetite within reports and risk registers and through external validation undertaken by internal audit as part of their 2025/26 audit plan.

Monitoring and review of risk information is embedded throughout the Service, forming an integral reporting element to all Committees and the Senior Management Board. Early engagement with the Board, SLT and Directorates ensures the framework is effectively used to inform the decision-making process, allowing the Service to present a fair and reasonable reflection of the most significant risks impacting upon its operations.

The outcome of the risk and governance framework is an awareness of those risks with the potential to impact upon the intended outcomes of the Service, with the risk management framework providing a single consistent approach to the identification, assessment and reporting of business risk across the Service.

4 Risk Registers

The most significant risks identified by the SFRS are reported through Directorate risk registers, with additional information identified through Project risk registers. Prioritisation of each risk is undertaken in line with the SFRS's risk assessment matrix, with guidance provided to staff around probability and likelihood ratings.

Individual meetings with Board Members and SLT have shaped the Register, increasing awareness and ownership of risk across the SFRS.

Risk update reports are provided quarterly to ARAC, all other Committees and the Senior Management Board highlighting the Services most significant risks.

Risk Registers are aligned to the SFRS Strategic Plan, reflecting the service values and strategy, ensuring our work supports the priorities outlined within the Fire and Rescue Framework for Scotland 2022. The Services most significant risks, at the time of reporting, are as follows:

Risk ID	Risk Name	RIsk Rating	Previous Risk Rating	Date Updated
FCS019	Critical service and system failure	20	20	2026-27 May
SDD007	Cyber Security	20	20	2026-27 May
FCS026	Health and Safety compliance	16	16	2026-27 May
PPP009	HFSV Partner Application	16	16	2026-27 May
TSA018	Training Capacity	16	16	2026-27 May
TSA019	Training Facilities	16	16	2026-27 May
TSA020	Health and Safety Legal Compliance	16	16	2026-27 May
FCS017	Planning for and minimising Cyber disruption	15	15	2026-27 May
POD027	People Systems & Technology	15	15	2026-27 May
POD030	Employment Rights Act - Guaranteed Hours Provisions	15	15	2026-27 May

Risks will be managed collectively by the SLT with each Director responsible for the creation, monitoring and integration of risk within their functions.

Scrutiny and assurance, as to the adequacy and effectiveness of controls, is undertaken through quarterly reporting to the ARAC and the SLT and annually through the SFRS Assurance Framework. To ensure a consistent approach, additional reporting to Committees of the Board, and Executive Boards, will continue to be undertaken where deemed appropriate through spotlighting specific risks.

This consists of risks being selected from the register by the Committee or the Senior Management Board and then presented through a combination of written or verbal reports, thus enabling scrutiny bodies to seek wider assurance that all necessary work is being undertaken to mitigate these wherever possible.

5 Review of Effectiveness of Risk Management and Internal Control

As Accountable Officer, I am responsible for reviewing the effectiveness of systems of risk management, internal control and corporate governance. My review is formed by many sources, and includes the work of the Executive Directors, the ARAC, and the views of the organisation's internal and external auditors, as well as the outcomes of inspection work carried out by independent bodies such as HMFSI, Audit Scotland, Gateway Reviews. The key findings of the review are outlined below.

5.1 Assurance Framework

The SFRS Assurance Framework provides a structured means of identifying and mapping the main sources of assurance in the organisation, and co-ordinating this evidence to provide an overall opinion of the adequacy and effectiveness of the SFRS's risk management, and internal control arrangements.

Development of the SFRS Good Governance Framework in April 2022 has further clarified and strengthened our governance arrangements. Proposals to develop our assurance mapping

processes further, which now includes levels of assurance from Directors in Committee and Board level reports, have continued in 2025/2026.

Our risk-based assurance plan ensured that the assurance evidence being gathered and assessed for 2025/26 was focused on the most appropriate areas of the SFRS. The Assurance Framework was reviewed by ARAC on 9 April 2026 as part of the paper submitted in relation to the 'Arrangements for Preparing the AGS'. Scottish Government engagement ensured the SFRS Assurance Framework and internal control checklist remained consistent with the Scottish Public Finance Manual. The Service engaged early in 2026, identifying changes to the checklist and incorporating these within the SFRS Assurance Framework.

To ensure increased governance and assurance around potential fraud activities within SFRS, all Heads of Function are required to complete a Fraud Risk Assessment (FRA) of their function and provide details of any areas that have been identified as having risk of fraud. Risk ratings were provided for each risk and any actions to be taken to mitigate the risk were identified. Training and engagement on this process continues to be provided, assisting Heads of Function in identifying further potential fraud considerations and to ensure risks are mitigated where possible. Fraud Risk Action Plans (FRAPs) produced following the completion of a Fraud Risk Assessment as outlined within the Internal Control checklist and aligned to the Anti-Fraud and Corruption Policy are reported as part of the Fraud Report, provided to the Senior Management Board (SMB) and ARAC.

In addition to internal arrangements for the detection and prevention of fraud, SFRS also participates in the National Fraud Initiative (NFI), which is led in Scotland by Audit Scotland. The NFI is a proactive data matching exercise designed to identify and prevent fraud within a range of public sector organisations in Scotland. Audit Scotland, as External Auditors and as the NFI point of contact, have confirmed that they are happy with the Services approach.

For the latest exercise, identified in September 2024 SFRS completed all required matches with no element of fraud identified. The exercise also resulted in over £19,000 being recovered through the data matching process.

Following receipt of the Certificates of Assurance from all Directors, I can report that there are no significant matters that have been identified out with those risks already detailed on our risk register and I can therefore provide assurance that effective and standardised systems of control are in place and operating effectively. Accordingly, any necessary action will be taken by responsible managers to ensure continuous improvement is made in areas of development that have been identified during this process and adequately addressed to enhance the effectiveness of our risk management and internal control arrangements. These areas of further development are fully captured within the

Improvement Actions Plans (IAP) which are centrally stored within the Corporate Business Support SharePoint site and link where appropriate to Strategic and Directorate Risk Registers, building into our business-as-usual process. It is the responsibility of the Heads of Function to ensure quarterly updates on IAP on a quarterly basis to the SMB, with evidence against the areas highlighted readily available, should this be required for further scrutiny by Internal / External Audit or ARAC. This gives me, as Accountable Officer, great comfort that we have robust processes in place, which remain under continual review.

5.2 Audit and Risk Assurance Committee

The ARAC provides an Annual Report to the Board and Accountable Officer, summarising its evaluation of the SFRS's risk management, governance and internal control arrangements. The ARAC has prepared its Committee Annual Report based upon the work it conducted during 2025/26 and concluded that, in general, the SFRS has effective risk management, governance and internal control arrangements in place that are sufficient to give me, as the Accountable Officer, the necessary assurance in relation to the preparation of this Annual Governance Statement.

5.3 Internal Audit

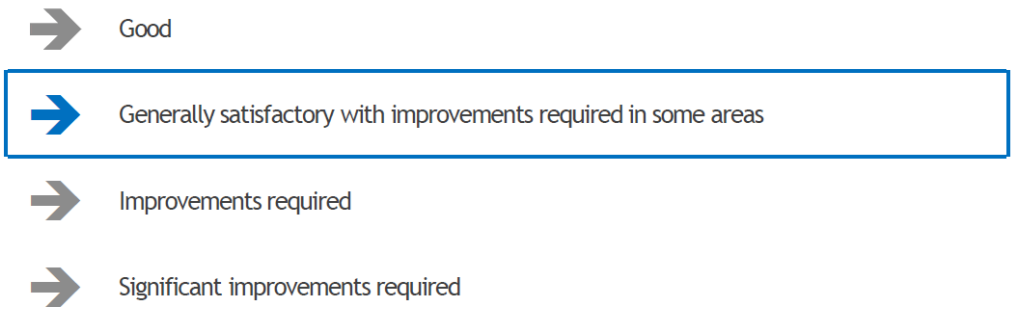
BDO, as Internal Auditors to SFRS, undertook the internal audit plan for 2025/26 in accordance with the recognised Global Internal audit Standards (GIAS) from the Institute of Internal Auditors and the Internal Audit Standards Advisory Board's Application Note GIAS in the UK Public Sector.

The internal audit programme is risk-based and their work is designed to align to key risks over the life cycle of the internal audit plan. The approved internal audit plan for 2025/26 comprised the following assignments, with the overall report opinion provided for each of the 6 internal audit reviews:

AUDIT	TYPE OF REVIEW	RECOMMENDATIONS AND SIGNIFICANCE				OVERALL REPORT OPINION		LINK TO RISK REGISTER	LINK TO INTERNAL AUDIT PLAN
		HIGH	MEDIUM	LOW	ADVISORY	CONTROL DESIGN	OPERATIONAL EFFECTIVENESS	RISK REGISTER (AT START OF PLAN)	
Corporate Governance	Assurance	0	1	2	0	Substantial	Substantial	SPPC003	No change
Risk Management	Assurance	0	2	4	0	Moderate	Moderate	FCS020	No change
Budgetary Management and Investment Prioritisation	Assurance	0	3	3	0	Moderate	Limited	FCS008; TSA019; POD020	No change
PPE Process	Assurance	1	6	3	0	Moderate	Limited	FCS021; POD022; TSA014	No change
Estates Management	Assurance	0	3	4	0	Moderate	Moderate	SPPC004; POD018	No change
Freedom of Information	Assurance	1	4	2	0	Moderate	Limited	FCS021	No change
Annual Follow Up	Follow Up	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No change

BDO have confirmed, within their Annual Report and Opinion June 2026, that they are satisfied that sufficient internal audit work has been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the SFRS's risk management, control and governance processes.

BDO Opinion:



ANNUAL OPINION DEFINITIONS

OPINION		DEFINITION
	Good	The controls in the areas which we examined were found to be suitably designed and operating effectively to achieve the specific risk management, control and governance arrangements and value for money.
	Generally satisfactory with improvements required in some areas	The controls in the areas which we examined were found to be suitably designed and operating effectively to achieve the specific risk management, control and governance arrangements and value for money. However, there are some areas where weaknesses and/or non-compliance were identified and therefore may put the achievement of objectives at risk.. Where weaknesses have been identified, improvements are required to enhance the design and/or effectiveness of risk management, control and governance arrangements and value for money arrangements.
	Improvements required	Significant weaknesses were identified in both the design and/or operational effectiveness of the controls in all/the majority of the areas which we examined and weaken the risk management, governance and control and/or value for money arrangements. Significant improvements are required to enhance the design and/or effectiveness of risk management, control and governance arrangements and value for money arrangements.
	Unsatisfactory	The framework of governance, risk management and control and/or value for money arrangements is poor. Immediate action is required to improve the design and/or operational effectiveness]of the governance, risk management and control and/or value for money arrangements.

In providing their opinion, BDO noted that the assurance can never be absolute. The most that Internal Audit can provide to the Board is reasonable assurance that there are no major weaknesses in the SFRS risk management, control and governance processes.

5.4 External Audit

The Auditor General for Scotland appointed Audit Scotland as auditors to the SFRS covering the 12-month period ending 31 March 2026. In October 2025, Audit Scotland presented their final report to the Audit and Risk Assurance Committee (ARAC) of Scottish Fire and Rescue Service (SFRS) for the 2024/25 audit issuing an unmodified audit opinion, further detail can be found via this link.

Information was provided by Audit Scotland to the ARAC on 9 April 2026, communicating the audit activity to be undertaken for the SFRS for the period 2025/26. It is anticipated that the conclusions of the Audit will be reported to ARAC on 20 October 2026 and included within the Annual Report and Accounts for 2025/26.

5.5 His Majesty's Fire Service Inspectorate (HMFSI)

The SFRS has a duty under the Fire (Scotland) Act 2005 to have regard to any report given to it by HMFSI and to take such action as deemed fit. During the period under review, HMFSI published local area and thematic inspection reports, where further detail can be found via this link to their website.

HMFSI continue to present quarterly progress reports, presented by the Chief Inspector or nominated representative, at every ARAC meeting during 2025/26. The report allows for monitoring of general progress against the HMFSI inspections and reporting activity. SFRS Committees provide detailed scrutiny of action plans from HMFSI. Our response to the recommendations and other key findings from the inspection reports published during 2025/26 continue to be monitored through robust governance arrangements with oversight and scrutiny of this work by the ARAC providing assurance at Committee level through to the Board. These mechanisms form part of SFRS's broader corporate governance arrangements and ensure that we are continuing to fully meet our statutory obligation by giving due regard to HMFSI inspection reports and acting to continuously improve and transform the services we deliver to the communities of Scotland. As detailed earlier, HMFSI is now also an attendee at the quarterly SDC meeting.

5.6 Executive Directors

Executive Directors have responsibility for the development and maintenance of the risk management and internal control arrangements within their area of responsibility. They provide me as 'Accountable Officer' with a Certificate of Assurance covering a self-assessment of areas. The Directors, in turn receive individual Certificates of Assurance, and the actual supporting Internal Control Checklists themselves, from their Heads of Function, together with relevant Improvement Action Plans. Fraud Risk Action plans are also produced to address areas of potential fraud risk identified. Where applicable, Improvement and Fraud Risk Action Plans will be reported to the Corporate Board and ARAC by exception during 2026/27 to ensure continuous improvement against identified areas.

6 Significant Issues

My review confirms that overall, the SFRS has a proven and sound system of risk management and internal control arrangements in place that supports the achievement of our strategic aims and objectives, which is underpinned by our robust policies and procedures.

As part of our on-going work and our commitment towards continuous improvement, where we have identified areas for development in both our risk and fraud management and internal controls

arrangements, these issues, and the risks arising from them, will be addressed through specific Improvement and Fraud Risk Action Plans, for relevant managers where appropriate.

ACCOUNTABLE OFFICER

Stuart Stevens

Chief Officer

ORGANISATION: Scottish Fire and Rescue Service

JULY 2026