



SHROPSHIRE COUNCIL AUDIT SERVICES

"ADDING VALUE"

FINAL INTERNAL AUDIT REPORT SFRS CORPORATE GOVERNANCE 2020/21

Assurance Level | **Good**



Audit Data

Customer:	Shropshire Fire and Rescue Service
Report Distribution:	Joanne Coadey, Head of Finance Ged Edwards, Planning and Performance Manager
Auditor(s):	Carole Moir
Fieldwork Dates:	March 2021
Debrief Meeting:	N/A
Final Report Issued:	24th March 2021

Assurance

Previous Assurance Level	Current Assurance Level	Direction of Travel
Good	Good	No change to control environment

Introduction and Background

1. As part of the approved internal audit plan for 2020/21 Audit Services have undertaken a review of Corporate Governance.
2. This audit has been conducted in accordance with the Public Sector Internal Audit Standards.
3. Maintenance of the control environment is the responsibility of Management. The audit process is designed to provide a reasonable chance of discovering material weaknesses in internal controls. It cannot however, guarantee absolute assurance against all weaknesses including overriding of management controls, collusion, and instances of fraud or irregularity.
4. Audit Services would like to thank officers who assisted during the audit.
5. The audit was delivered on time and within budget.

Scope of the Audit

6. The following scope was agreed with key contacts at the beginning of the audit:
An annual review of the Shropshire Fire and Rescue Corporate Governance Statement undertaken as a desktop exercise, to ensure that there is evidence to support the statements made by the Authority.
7. The scope includes a follow up of recommendations made in the 2019/20 audit. Where not implemented fully, these are revisited and the findings included in this report.
8. Audit work was undertaken to give assurance on the extent to which the following management control objectives are being achieved. Objectives with a √ demonstrate that appropriate management controls are in place and upon which positive assurance can be given. Objectives with an X are those where the management controls are not being achieved:
 - √ The recommendations made in the 2019/20 Code of Corporate Governance Audit have been implemented.
 - √ Principle 1
Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
 - √ Principle 2
Ensuring openness and comprehensive stakeholder engagement.
 - √ Principle 3
Defining outcomes in terms of sustainable economic, social and environmental benefits.
 - √ Principle 4
Determining the interventions necessary to optimise the achievement of intended outcomes.
 - √ Principle 5
Developing the entity's capacity, including the capability of its leadership and the individuals within it.

- √ Principle 6
Managing risks and performance through robust internal control and strong public financial management.
- √ Principle 7
Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Assurance Level and Recommendations

9. An opinion is given on the effectiveness of the control environment reviewed during this audit. The level of assurance given is based upon sample testing and evaluation of the controls in place. This will be reported to the Audit Committee and will inform the Annual Governance Statement which accompanies the Annual Statement of Accounts. There are four levels of assurance; Good, Reasonable, Limited and Unsatisfactory.

Audit Services can give the following assurance level on the area audited:

Good	There is a sound system of control in place which is designed to address relevant risks, with controls being applied consistently.
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10. The status of the recommendations accepted by management at the previous audit has been reviewed and is summarised in the table below:

Number of recommendations accepted by management at the last audit	4
Recommendations implemented	4
Recommendations partially implemented	
Recommendations superseded	
Recommendations not implemented	

Good progress has been made in the implementation of previous recommendations.

Audit Approach

11. The approach adopted for this audit included:
- Review and documentation of the system.
 - Identification of the risks to achieving the business outcomes and associated key controls.
 - Follow up of previous recommendations.
 - Testing of controls to confirm their existence and effectiveness.
 - Identification of weaknesses and potential risks arising from them.
12. In accordance with the Public Sector Internal Audit Standards, recommendations will be followed up to evaluate the adequacy of management action taken to address identified control weaknesses.
13. It is important for us to monitor the quality of Audit Services to ensure that it not only fulfils the Council's statutory requirements, but also meets your needs as our customer(s). To assist in this, we would be grateful for any feedback on the audit. Please complete **Appendix 1** as part of your management response.

Ceri Pilawski
Head of Audit

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CUSTOMER FEEDBACK FOR SFRS CORPORATE GOVERNANCE 2020/21

	Excellent	Good	Reasonable	Weak	N/A
VALUE OF THE AUDIT TO YOU AS A MANAGER					
Pre-audit arrangements ¹					
Post-audit briefing					
Audit coverage/scope of the audit					
Timeliness of production of report					
Accuracy and clarity of report					
Practicality of recommendations					
CONDUCT OF AUDITOR/PROFESSIONALISM.					
Professionalism of approach, competence					
Communication skills, pleasant manner					
Timeliness of audit to your business process					

¹ Please tick the appropriate box

**If you think we could improve in any area or you have any additional comments or suggestions about the internal audit service, please note your comments/criticisms or compliments below.
Your responses will be treated seriously and will help to shape the service going forward.**

Do you consider audit to be a positive support to your establishment/service?²

Yes

No

² Please tick the appropriate box