

SHROPSHIRE COUNCIL AUDIT SERVICES

FINAL INTERNAL AUDIT REPORT CORPORATE GOVERNANCE 2015/16

Assurance Level	Good
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Customer	Shropshire Fire & Rescue Service
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Distribution	Sharon Lloyd – Corporate Support Manager
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Auditors	Peter Chadderton
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Fieldwork dates	August 2015
Debrief meeting	Not required
Draft report issued	Not required
Responses received	Not required
Final report issued	2 nd September 2015

Introduction and Background

1. As part of the approved internal audit plan for 2015/16 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. Audit Services would like to express their thanks to the officers who assisted during the course of the audit.

Scope of the Audit

4. The scope, incorporating the objectives of the audit, was agreed with key contacts at the commencement of the audit.

To review the Code of Corporate Governance and collate evidence to support the statements within the code.

5. Audit work was undertaken to give assurance on the extent to which the following management control objectives are being achieved:
 - Principle 1
Focussing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 - Principle 2
Members and Officers working together to achieve a common purpose with clearly defined functions and roles
 - Principle 3
Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 - Principle 4
Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
 - Principle 5
Developing the capacity and capability of members and officers to be effective
 - Principle 6
Engaging with local people and other stakeholders to ensure robust public accountability
6. The audit was delivered on time and within budget.

Audit Opinion

7. An opinion is given on the effectiveness of the control environment. This indicates the level of assurance that can be given based upon testing and evaluation of the system. This opinion will be reported to the Audit Committee and will inform the Annual Governance Statement which is included in the Annual Statement of Accounts. There are four levels of assurance; Good, Reasonable, Limited and Unsatisfactory.

As a result of the evaluation and testing of the controls that are in place in the areas

examined, from work undertaken Audit Services are able to give the following assurance opinion:

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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8. Responsibility for the maintenance of a sound system of internal control rests with management. The audit process is designed to provide a reasonable chance of discovery of material weaknesses in internal control by means of sample testing. It cannot however guarantee absolute assurance against all material weaknesses, the overriding of management controls, collusion, or instances of fraud or irregularity.
9. Our review did not identify any exceptions and no recommendations have been made.

Audit Approach

12. The approach adopted for this audit included:
 - Collation of evidence to support a sample of statements made within the code and examination for compliance.

Ceri Pilawski
Audit Services Manager