

## SHROPSHIRE COUNCIL AUDIT SERVICES

### FINAL INTERNAL AUDIT REPORT

### CORPORATE GOVERNANCE 2013/14

<b>Assurance Level</b>	<b>Good</b>
------------------------	-------------

<b>Customer</b>	<b>Shropshire Fire and Rescue Service</b>
-----------------	---

<b>Distribution</b>	<b>Sharon Lloyd – Corporate Services Manager</b>
---------------------	--

<b>Auditors</b>	<b>Kathy Hall</b>
-----------------	-------------------

<b>Fieldwork dates</b>	August 2013
<b>Debrief meeting</b>	Not required
<b>Draft report issued</b>	Not required
<b>Responses received</b>	Not required
<b>Final report issued</b>	14 August 2013

## **Introduction and Background**

1. As part of the approved internal audit plan for 2013/14 we have undertaken a review of Corporate Governance.
2. This audit has been conducted in accordance with the Public Sector Internal Audit Standards developed jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Internal Auditors (CIIA).
3. We would like to express our 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 budget.

## **Audit Opinion**

7. An opinion is given on the effectiveness of the control environment which indicates the level of assurance that can be taken based upon our 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 audit work undertaken we are able to give the following assurance opinion:

<b>Good</b>	There is a sound system of control in place which is designed to address relevant risks, with controls being consistently applied.
-------------	--

8. Responsibility for the maintenance of a sound system of internal control rests with management. The audit process is designed so that any material weaknesses in internal control have a reasonable chance of discovery through sample testing, it cannot guarantee or give absolute assurance against all material weaknesses, the overriding of management controls, collusion, instances of fraud or irregularity.
9. Our review did not identify any exceptions.
10. No recommendations were made at the last audit.

### **Audit Approach**

11. 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