Shropshire and Wrekin Fire and Rescue Authority

Audit progress report and sector updates

12 October 2026

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Audit Progress Report

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Introduction

This paper provides the Audit and Standards Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Audit and Standards Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:
Local government | Grant Thornton

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.



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Progress as of 12 October 2026

Financial Statements Audit

The final accounts phase of the Authority's Financial Statements audit is now in progress. We are approximately three months into the four-month audit cycle. There are currently no significant audit findings to report. A summary of progress to date is provided below:

- The Authority published its financial statements on 30 June 2026, in line with the national deadline set out in the Accounts and Audit Regulations 2015.
- We have reviewed our risk assessment upon receipt of the draft financial statements. There are no changes to the significant risks as reported in our Audit Plan.
- We considered updating our materiality thresholds upon receipt of the draft financial statements. We have determined that it is appropriate to maintain these thresholds at the levels set out in our Audit Plan.
- Our interim testing is now largely complete with our year end testing well underway. All samples have been selected and issued, with the exception of one which relates to pension fund account member data. The response times on sample requests has been good to date.
- The majority of key working papers were received at the start of the audit. A small number remain outstanding, and we are holding regular meetings with management to track progress against these requests.

Our fieldwork phase runs until the end of October, and our audit findings will be reported to the November Audit and Standards Committee through our audit findings report.

Value for Money

Our work in the following areas is now in progress at the Authority:

Financial sustainability - How the Authority plans and manages its resources to ensure it can continue to deliver its services.

Governance - How the Authority ensures that it makes informed decisions and properly manages its risks.

Improving economy, efficiency and effectiveness - How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We have continued to hold regular liaison meetings with the Chief Fire Officer and other Statutory Officers to discuss the Authority's progress in addressing our prior year VFM recommendations. From these discussions, the Authority appears to be taking a proactive approach, with actions identified and underway, although it is recognised that some areas will require a longer timeframe to fully implement.

The fieldwork has now begun and we are working to update our knowledge of the arrangements in place at the Authority. Our findings will be reported in the Auditor's Annual Report in November 2026.

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Progress as of 12 October 2026 (continued)

Meetings

Since commencement of our work in respect of the audit year 2025/26 we have met with the Director of Finance and Resources, Head of Finance, Monitoring Officer and Chief Fire Officer on multiple occasions to discuss both the financial statements audit, along with the value for money work.

Audit Fees

PSAA published their scale fees for 2025/26: 2025/26 audit fee scale - PSAA

For Shropshire and Wrekin Fire and Rescue Authority these fees are £100,642 for the Authority audit. These fees are derived from the procurement exercise carried out by PSAA in 2022. They reflect both the increased work auditors must now undertake as well as the scarcity of audit firms willing to do this work. We will confirm the final 2025/26 audit fee, on completion of our financial statements and value for money work.

Events

We provide a range of workshops and network events.

On 2nd July 2026, we hosted a webinar on how the local government Audit Committee functions within a wider governance landscape. Insights from our webinar can be found here: Supporting Effective Audit Committees in a Changing Local Government Landscape | Grant Thornton.

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Audit Deliverables

Below are some of the audit deliverables planned for 2025/26

2025/26 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Audit & Standards Committee setting out our proposed approach in order to give an opinion on the Council's 2025/26 financial statements.	March 2026	Complete
Audit Progress Report This includes a summary of audit progress and sector update.	July 2026	Complete
Audit Progress Report This includes a summary of audit progress and sector update.	October 2026	Complete – this Committee
Audit Findings Report The Audit Findings Report will be reported to the Audit & Standards Committee.	November 2026	Not yet due
Auditor's Report This includes the opinion on your financial statements.	November 2026	Not yet due
Auditor's Annual Report This report communicates the key outputs of the audit, including our commentary on the Authority's value for money arrangements.	November 2026	Not yet due

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Sector Updates

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Making the Annual Governance Statement matter

Audit Committees are responsible for approving the AGS and should seek assurance it reflects a robust review against the CIPFA/SOLACE principles, a well-developed Code of Corporate Governance, and a clear assessment of effectiveness.

- An evidence-based, candid view of strengths, weaknesses and planned improvements
- Effectiveness is a qualitative judgement — not just a policy checklist
- The review and drafting of the AGS should always be internally led
- Senior officers must show genuine ownership, directed by members
- An organisation-wide understanding of how governance works in practice

> **The AGS is a key indicator of the effectiveness of a council's governance framework and a potential early warning sign of wider governance weaknesses.**
>
> Grant Thornton UK, July 2026

Read our full article → Published 20 July 2026

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Audit Committee resources

Commentary from Grant Thornton on recovering the accounts preparation and audit timetable:

Local audit reset: What comes after the backstop? | Grant Thornton

Latest guidance and learning from Grant Thornton on local government reorganisation and devolution:

Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton

Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?

Learning from the new unitary councils

Grant Thornton learning on procurement and contract management:

Local government procurement and contract management

Audit Committee and organisational effectiveness in local authorities (CIPFA):

https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

Global Internal Audit Standards in the UK Public Sector | CIPFA

CIPFA Good Governance

Delivering Good Governance in Local Government Addendum

The Three Lines of Defence Model (IAA)
https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf

Risk Management Guidance / The Orange Book (UK Government):

https://www.gov.uk/government/publications/orange-book

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