

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 12 December 2023

Present: Councillor J Johnson (Chair)

Councillors GJ Davies I Lewis
P Basnett S Kelly
M Skillicorn N Graham

Independent Persons J Byrne

28 WELCOME AND INTRODUCTION

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy was retained on the Council's website.

29 APOLOGIES FOR ABSENCE

There were no apologies for absence.

30 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

- Cllr Naomi Graham declared a personal interest by virtue of her husband's employment, and pecuniary interests by virtue of being a member of Merseyside Pension Fund and employment for a charity that delivers educational services for the Council.
- Councillor Paula Basnett declared personal interests by virtue of being a Foster Carer, a member of the town deal board and the Chair of Wirral Chamber of Commerce.

31 MINUTES

Resolved – That the minutes of the meeting held on 24 October 2023, be approved.

32 PUBLIC AND MEMBER QUESTIONS

There were no questions, petitions or statements received for this meeting.

33 2022/23 STATEMENT OF ACCOUNTS, ANNUAL GOVERNANCE STATEMENT, EXTERNAL AUDITOR FINDINGS REPORTS. 2021/22 ANNUAL AUDIT REPORT.

The Senior Finance Business Partner presented the report of the Director of Finance which brought the final 2022/23 Statement of Accounts, the Audit Findings Reports of Wirral Council and Merseyside Pension, alongside the Annual Governance Statement for approval by the Committee as statutorily required on behalf of the Council. The report also presented the 2021/22 Annual Audit Report. The Senior Finance Business Partner highlighted a number of areas of note within the Statement of Accounts including levels of earmarked reserves, the removal of the requirement to produce group accounts, and increases in capital spend since production of the draft accounts.

The Head of Finance - Corporate notified to Members that further amendments to the Accounts were to be undertaken following a technical review by Grant Thornton. These related to amending a technical wording disclosure, the presentation of profits from the Wirral Growth Company, and the point of valuation of a school that had been brought back into the Council's Accounts. It was reported that the amendments were not anticipated to materially change the Accounts.

Representatives from Grant Thornton discussed the Audit Findings Reports detailed within the report which included observations relating to Council debt levels, heritage assets, and completeness of the fixed assets register. It was noted that the Audit work was substantially complete pending completion of work relating to Value of Money arrangements, and an unqualified opinion was anticipated for both the Council and Merseyside Pension Fund.

Members discussed the impact of scheduled regeneration projects on future accounts. The importance of the committee's role in scrutinising systemic risk relating to capacity and delivery taking into account the funding deadlines associated with those projects was noted. Members also explored Council management's responses to recommendations within the Audit Findings Report. In response to queries, The Director of Finance provided assurance that increases in debt levels related primarily to planned borrowing requirements for regeneration as part of the capital programme rather than any speculative investment.

Resolved – That

- 1. The changes to the draft 2022/23 Accounts and the External Audit Findings Reports for Wirral Council and Merseyside Pension Fund be noted;**
- 2. The Final 2022/23 Accounts (Council and Merseyside Pension Fund) be approved as presenting a true and fair view of the Council's and Merseyside Pension Fund's income and expenditure for the year and its overall financial position;**

- 3. The Annual Governance Statement 2022/23 be approved;**
 - 4. The Letters of Representation for Wirral Council and Merseyside Pension Fund be approved; and**
 - 5. The 2021/22 Annual Audit Report be approved.**
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