



AUDIT AND RISK MANAGEMENT COMMITTEE

Monday, 5 July 2021

REPORT TITLE:	EXTERNAL AUDIT PLAN MERSEYSIDE PENSION FUND 2020-21
REPORT OF:	DIRECTOR OF RESOURCES

REPORT SUMMARY

The Merseyside Pension Fund is required to subject its financial statements to external scrutiny before a final version is published to ensure compliance with statutory requirements. This scrutiny role will be carried out by the Council's appointed auditors, Grant Thornton. During the summer Grant Thornton will undertake their audit of the relevant financial activities and provide verification of the Pension Fund's financial statements. The results of this audit will be reported back to the Audit & Risk Management Committee.

Additionally, Grant Thornton will provide assurance over International Accounting Standards (IAS) 19 pension information for auditors of a small number of admitted bodies in the Fund.

The Council's external auditors have produced the Audit Plan for their statutory audit of Merseyside Pension Fund 2020-21. The plan is appended to this document in Appendix 1.

RECOMMENDATION/S

The Audit & Risk Management Committee are requested to:-

1. Note and comment on the report; and
2. Consider the proposed Audit Plan and confirm that the arrangements set out will meet the Committee's expectations with regard to providing independent scrutiny.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Audit Plan sets out the work the Pension Fund Auditors, Grant Thornton will be carrying out in their statutory audit on the Pension Funds financial statements and arrangements.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Option to not submit to Committee for comment and approval, however, this would not comply with the audit regulations and would be at the detriment of the Council.

3.0 BACKGROUND INFORMATION

- 3.1 Grant Thornton have been appointed as the Council's independent external auditors. Their annual work programme is set in accordance with the Code of Audit Practice and includes nationally prescribed and locally determined work.
- 3.2 The report provides members of the Committee with a summary of the external audit approach; it also includes details of the audit fees for 2020/21 on page 13 of the report.

4.0 FINANCIAL IMPLICATIONS

4.1 The audit fees will be met from within the revenue budget of the Pension Fund and IAS 19 assurance letter fees will be recharged to relevant admitted bodies. The fees are set out in the Audit plan.

5.0 LEGAL IMPLICATIONS

5.1 There are no legal aspects related to this matter.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 None arising directly from this report.

7.0 RELEVANT RISKS

7.1 Grant Thornton will complete a risk based audit whereby they will focus audit effort on those areas where they have identified a risk of material misstatement in the accounts.

7.2 If any concerns identified by Grant Thornton are not addressed by the Pension Fund and the Council, then there is a risk that the Council will not be able to meet its statutory requirements in respect to the Statement of Accounts.

8.0 ENGAGEMENT/CONSULTATION

8.1 None arising directly from this report.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help Council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 There are no equality implications arising specifically from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 No direct implications. The content and/or recommendations contained within this report are expected to have no impact on emissions of Greenhouse Gases.

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APPENDICES

Appendix 1 – External Auditors Audit Plan Merseyside Pension Fund 2020-21

BACKGROUND PAPERS

External Audit Plan 2020-21

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
External Auditors Audit Plan 2019/20	10/03/20
External Auditors Audit Plan 2018/19	24/04/19
External Auditors Audit Plan 2017/18	12/03/18