



AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 15 March 2022

REPORT TITLE:	EXTERNAL AUDIT PROGRESS REPORT AND SECTOR UPDATE
REPORT OF:	DIRECTOR OF RESOURCES (S151 OFFICER)

REPORT SUMMARY

To provide the committee with a progress update on the work being undertaken by the external auditor, Grant Thornton. The report also includes a sector update which provides a summary of emerging national issues and areas for the Committee to consider in relation to these.

RECOMMENDATION/S

The Audit and Risk Management Committee is recommended to note the update provided by the Council's external auditors.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 For the Committee to exercise its duties and responsibilities within its Terms of Reference for considering reports of the External Auditor.
- 1.2 The Audit update sets out the current progress of the audit that the Council's Auditors, Grant Thornton will be carrying out in their statutory audit on the Council's financial statements and arrangements for securing value for money.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options as this as it is for information, to allow the Committee to comment and note.

3.0 BACKGROUND INFORMATION

- 3.1 Grant Thornton are 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 an update on progress of the external audit; it also includes details of national publications relevant to the Council.
- 3.3 The external auditor's progress report attached at Appendix 1 provides the Committee with an update on planning for the 2022/23 external audit work. Planning work is due to commence and the timeframes for the key deliverables are detailed in the report.
- 3.4 The sector update includes the following:-
 - Government response to MHCLG (now DLUHC) on Local Authority financial stability and the Section 114 regime
 - An update on the Public Accounts Committee (PAC)
 - Update on 2020/21 audited accounts – PSAA
 - Public Sector Audit Appointments 2023/24
 - Guide to Value for Money
 - Climate change risk
 - Local government and net zero in England
 - Cyber and information security – Good practice

4.0 FINANCIAL IMPLICATIONS

- 4.1 The audit fees will be met from within the revenue budget.

5.0 LEGAL IMPLICATIONS

- 5.1 There are no legal implications identified.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no human resources implications identified.

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.

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. The appendix is not equality compliant and therefore paper copies are available upon request.

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

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The external audits are currently undertaken remotely as a consequence of the pandemic and the authority will support this continuing were practically possible to reduce our carbon footprint. The content and/or recommendations contained within this report are expected to have no impact on emissions of Greenhouse Gases.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The content contained within this report ensures we have a financially resilient Council that supports the residents and economy of the Borough

REPORT AUTHOR: **Diane Grisdale**
Senior Finance Manager
email: dianegrisdale@wirral.gov.uk

APPENDICES

Appendix 1 – Wirral Council External Audit Progress Report – March 2022

BACKGROUND PAPERS

Terms of Engagement
External Audit Plan
Statement of Accounts
CIPFA Code of Practice

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Meeting – External Audit Progress Report	18 November 2019
Audit and Risk Management Meeting – External Audit Progress Report	28 January 2019
Audit and Risk Management Meeting – External Audit Progress Report	18 November 2018