

WIRRAL COUNCIL

PENSIONS COMMITTEE

22 JUNE 2022

REPORT TITLE:	STATEMENT OF ACCOUNTS 2021/22 – MANAGEMENT QUESTIONS
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to request members review and endorse the management responses to questions posed by the Fund's external auditors, Grant Thornton.

Grant Thornton, as part of their audit of the Fund's Statement of Accounts for 2021/22 have asked management to respond to a series of questions.

Fund officers have completed the questionnaire prepared by Grant Thornton and present it to Members, to support Members responsibilities in relation to the financial reporting process. This will inform the auditors risk assessment, where the auditor is required to make inquiries of Pensions Committee under auditing standards.

The questionnaire provides members with an understanding of management processes and the Fund's oversight of the following areas:

- General Enquiries of Management
- Fraud
- Laws and Regulations
- Related Parties
- Going Concern
- Accounting Estimates

The completed questionnaire can be found as an appendix to this report.

RECOMMENDATIONS

That the Pensions Committee be recommended to review and endorse the management responses to questions posed by the Fund's external auditors, Grant Thornton.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION

- 1.1 The review and endorsement of the management responses to questions posed by the Fund's external auditors supports Pensions Committee in fulfilling its responsibilities in relation to the financial reporting process and forms part of the governance arrangements.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not relevant for this report.

3.0 BACKGROUND INFORMATION

- 3.1 The Fund is statutory required to prepare and publish financial statements, they are published within the Council's financial statements as an appendix and within the Fund's annual report.
- 3.2 The Fund has many management processes and oversight to ensure its financial statements are compliant with relevant requirements and to reduce the risk of error or misstatement.
- 3.3 The external audit approach in pre 2020/21 reporting was to request management to complete a questionnaire as well as the Chair of ARMC. Since 2020/21 reporting, the approach is for management to respond to the questions and for the questions and responses to be reviewed by Pensions Committee and for Committee to consider whether these responses are consistent with its understanding and whether there are any other comments Committee wishes to make.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report

5.0 LEGAL IMPLICATIONS

- 5.1 The Council has a statutory duty to produce annual accounts, this report provides Members with an understanding of management processes and the Fund's oversight in particular areas that could have a significant impact upon the financial statements.

6.0 RESOURCE IMPLICATIONS: STAFFING; ICT AND ASSETS

- 6.1 There are no additional resource implications arising from this report.

7.0 RELEVANT RISKS

7.1 This report provides Members with assurances that management processes and the Fund's oversight in particular areas are adequate to reduce the risk of error in the accounts, by ensuring a clear framework for financial reporting, consistent with guidance.

8.0 ENGAGEMENT/CONSULTATION

8.1 There has been no consultation undertaken or proposed for this report. There are no implications for partner organisations arising from this report.

9.0 EQUALITY IMPLICATIONS

9.1 The content and/or recommendation contained within this report have no direct implications for equality.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no environmental or climate implications arising from this report.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The content and/or recommendation contained within this report have no direct implications for community wealth.

REPORT AUTHOR: Donna Smith
Head of Finance & Risk
telephone (0151) 242 1312
email donnasmith@wirral.gov.uk

APPENDICES

Grant Thornton Questionnaire with management responses.

BACKGROUND PAPERS

CIPFA – Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Pension Committee	22 June 2021