



AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 24 October 2023

REPORT TITLE:	UPDATE ON EXTERNAL AUDIT RECOMMENDATIONS 2020-21
REPORT OF:	DIRECTOR OF FINANCE (S151)

REPORT SUMMARY

The Council's external auditors (Grant Thornton) completed the Council's main audit 2020/21 Accounts in January 2022. Their reports contained a number of recommendations which the Council brought to the Audit and Risk Committee in July 2022. This report is a follow-up to that report with updates to the recommendations.

As the report highlighted above relates to the financial year 2020/21, much time has passed, and significant progress has already been made in addressing these recommendations. Indeed, some of the recommendations link to the External Assurance Review reports published by Department of Levelling Up, Housing and Communities for which the actions are completed.

RECOMMENDATION/S

The Audit and Risk Management Committee is requested to note the report and approve the updated response to the external auditors' recommendations for onward circulation to Policy and Resources Committee.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To provide Members with an update on the audit recommendations from the External audit 2020-21 and the progress made with regard those recommendations.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 There is the option not to report on this matter. This would however not be in accordance with the recommendation of the 20th July 2022 Audit and Risk Management Committee made in response to the Council's external auditor Grant Thornton's External Audit Annual Report 2020-21.

3.0 BACKGROUND INFORMATION

- 3.1 Grant Thornton made a number of recommendations as part of their 2020-21 Annual Audit Report and Value for Money review – Governance of Company and other Investments (see appendix 2 and 3) and these reports were presented to Audit and Risk Management committee in July 2022 along with an update of actions the Council had taken and would take. An update on those outstanding recommendations is brought back to the committee in Appendix 1 and 4.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report which is for noting.

5.0 LEGAL IMPLICATIONS

- 5.1 In order to comply with the Council's fiduciary duty to the Council Tax payer, it is necessary to demonstrate good governance by the Council of the finances of its joint ventures and controlled companies.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 None arising directly from this report.

7.0 RELEVANT RISKS

- 7.1 If any concerns identified by Grant Thornton are not addressed by 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 as well as impacting upon the Value for Money and Financial Resilience of the Council and the Council's reputation.

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

11.0 COMMUNITY WEALTH IMPLICATIONS

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

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APPENDICES

Appendix 1 - Grant Thornton External Audit Recommendations Update
Appendix 2 – Wirral Council Auditors Annual Report Company Governance 2020-21
Appendix 3 – Wirral Council Auditors Annual Report 2020-21
Appendix 4 – Draft Procurement Strategy

The PDF files may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact dianegrisdale@wirral.gov.uk if you would like this document in an accessible format.

BACKGROUND PAPERS

Grant Thornton Value for Money Governance of Companies and other investments 2020-21
Grant Thornton Auditors Annual Report 2020-21
Legal agreements
CIPFA Code or Practice
International Financial Reporting Standards

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
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Policy and Resources Committee
Audit and Risk Management Committee

07 September 2022
20 July 2022