



AUDIT AND RISK MANAGEMENT COMMITTEE

Wednesday, 31 July 2024

REPORT TITLE:	MERSEYSIDE PENSION FUND EXTERNAL AUDIT PLAN 2023/24
REPORT OF:	DIRECTOR OF FINANCE (S151 OFFICER)

REPORT SUMMARY

The purpose of this report is to inform Committee Members of the plan for the external audit of the Fund's Statutory financial statements for 2023/24.

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 Committee.

The purpose of the Audit Plan is to direct and communicate the audit approach to those charged with governance. The Audit Plan considers the risks to the audit in forming the Audit Opinion and details the approach to addressing the key areas of the Fund's financial statements.

The Council's external auditors have produced the Audit Plan for their statutory audit of Merseyside Pension Fund 2023-24

The External Audit Plan can be found as an appendix to this report.

RECOMMENDATION/S

The Audit & Risk Management Committee is requested to note the external audit plan for 2023/24 as prepared by Grant Thornton.

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. The review of the Audit Plan supports 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 Option to not submit to Committee for comment and note, however, this would not comply with the audit regulations and would be at the detriment of the Council.

3.0 BACKGROUND INFORMATION

- 3.1 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.
- 3.2 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 issued by the Audit Commission and includes nationally prescribed and locally determined work.
- 3.3 The purpose of the Audit Plan is to direct and communicate the audit approach to those charged with governance. The Audit Plan considers the risks to the audit in forming the Audit Opinion and details the approach to addressing the key areas of the Fund's financial statements.
- 3.4 The results of this audit, including the opinion on the Funds Annual Statement of Accounts and Annual Report will be reported back to the Committee.

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 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 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 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 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 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.

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APPENDICES

Appendix 1 - Grant Thornton External Audit Plan 2023/24.

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

BACKGROUND PAPERS

External Audit Plan 2023/24

TERMS OF REFERENCE

This report is being considered by the Audit and Risk Management Committee in accordance with Section F and G of its Terms of Reference.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Committee (Report is also presented to Pension Committee)	27 June 2023 27 June 2022 5 July 2021