



POLICY AND RESOURCES COMMITTEE

Wednesday, 11 September 2024

REPORT TITLE:	EXTERNAL ANNUAL AUDIT REPORT 2022/23
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

The report provides for consideration of the recommendations of the Audit and Risk Management Committee in respect of External Audit Annual Audit Report 2022/23.

The full minute of the Audit and Risk Management Committee and associated Report of the Director of Finance is attached.

The report contributes to the Wirral Plan 2023-2027 in supporting the organisation in meeting all Council priorities.

There are no direct ward implications, and the report is not a key decision

RECOMMENDATION/S

The Policy and Resources Committee is recommended to consider the referral from the Audit and Risk Management Committee Meeting held on 26 March 2024, requesting that the Committee considers the report and associated appendices and that they be forwarded to Council for final approval and publication on the Council website.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision that has a major impact on a number of Council services or on the Council as a whole. (paragraph 1.2 (b)(i) in section 3B of the Constitution).
- 1.2 The Audit and Risk Management Committee has responsibility considering the external auditor's reports and opinions, relevant requirements of the International Standards on Auditing and any other reports to members with respect to the Accounts, including the Merseyside Pension Fund, and to monitor management action in response to issues raised by the external auditor.
- 1.2 The Annual Audit Report is an essential element of the independent external audit process. These reports are to be presented to a Committee of the Council for their consideration.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other options have been considered as reported within the minutes of the Audit and Risk Management Committee and appended report.

3.0 BACKGROUND INFORMATION

- 3.1 The Council's external auditors (Grant Thornton) substantially completed the Council's main audit of the 2022-23 Statutory Accounts in December 2023, except for the Whole of Government Accounts which no longer meet the threshold for requiring external audit, and Value for Money as previously reported to the Audit and Risk Management Committee. The audit findings for the Statement of Accounts were reported to the Audit and Risk Management Committee in the form of the Audit Findings Report in December 2023.
- 3.2 The auditors are also under a duty to provide an Annual Audit Report of the key issues/findings from their audit for consideration by a wider audience across the Council, Pension Fund, and its key stakeholders. That report, the Annual Audit Report, is attached in Appendix 2. These reports, subject to approval by the Policy and Resources Committee, will be taken onto Full Council from where they will be placed on the Council's website.
- 3.3 The Annual Audit Report contains a set of recommendations for the Council to implement, and Management's response to these recommendations is also included in the report. As the report relates to the 2022/23 financial year, much time has passed, and progress has already been made in addressing these recommendations.

- 3.4 As the recommendations are for other Committees and the wider Council, the report would need to be considered by a full Council meeting via Policy and Resources Committee.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no specific financial implications to the report although the recommendations may come with cost implications once they are considered and implemented by appropriate Committees.

5.0 LEGAL IMPLICATIONS

- 5.1 In accordance with the Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.
- 5.2 The Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision (1.2) (b)(i)) that has a major impact on a number of Council services or on the Council as a whole.
- 5.3 As part of the matter of business that was the subject of the report to Audit and Risk Management Committee falls under that responsibility reserved to the Policy and Resources Committee, the Audit and Risk Management Committee's resolution is presented as a recommendation.
- 5.4 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.
- 5.5 Other legal considerations are as set out in the annexed report(s).

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 This report is for information only and does not contain any direct resource implications.

7.0 RELEVANT RISKS

7.1 The risks were covered in the original report submitted to the Committee.

8.0 ENGAGEMENT/CONSULTATION

8.1 Engagement and Consultation were covered in the original report submitted to the Committee.

9.0 EQUALITY IMPLICATIONS

9.1 There are no direct equality implications arising from this decision.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no direct environment or climate implications from this decision.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are no direct community wealth implications from this decision.

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APPENDICES

Appendix 1 – Minute 52 2023/24 Audit and Risk Management Committee
Appendix 2 – Report and associated appendices - External Audit Annual Audit Report 2022/23

BACKGROUND PAPERS

External Audit Findings Report 2022-23
Statement of Accounts 2022-23
External Audit Plan 2022-23

TERMS OF REFERENCE

The report is considered by the Policy and Resources Committee on accordance with section 1.2 (b)(i) of its Terms of Reference, “to provide a co-ordinating role across all other service committees and retain a ‘whole-council’ view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision that has a major impact on a number of Council services or on the Council as a whole.”

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
External Annual Audit Report 2022/23 – Audit and Risk Management Committee	26th March 2024

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