AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 27 October 2026

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

REPORT SUMMARY

This report presents 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.

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

RECOMMENDATION

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

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 issued by the Audit Commission and includes nationally prescribed and locally determined work.

3.2 The report attached at Appendix 1 provides members of the Committee with an update on progress of the 2025/26 external audit and includes information on national publications relevant to the Council.

3.3 The report addresses the following areas:

- **Financial Statements Audit:** The 2025/26 financial statements audit is significantly progressed, with work continuing across the key areas of significant risk, with completion expected by the end of November 2026. No significant findings are currently reported for the Committee's attention.
- **Value for Money:** Work on the Council's Value for Money arrangements remains ongoing, including consideration of the response to the previous statutory recommendations. Completion is expected before Christmas 2026.
- **Audit Reporting Timetable:** The Audit Findings Report, Auditor's Report and Auditor's Annual Report are now scheduled for January 2027, ahead of the statutory backstop date of 31 January 2027.
- **Social Care:** The report highlights key developments and emerging sector risks across adult and children's social care, including safeguarding, social care reform and pressures relating to unregistered children's placements.
- **Governance and Best Value:** The report provides updates on the importance of a robust Annual Governance Statement and developments in Best Value guidance, together with further resources for Audit Committee members.

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 None arising directly from this report.

7.0 RELEVANT RISKS

7.1 There are no risks arising directly from this report which is for information only. However, 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 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. The files attached may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact Shaun Allen if you would like these documents in an accessible format.

10.0 ENVIRONMENT, BIODIVERSITY AND CLIMATE CHANGE IMPLICATIONS

10.1 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.

12.0 CRIME AND DISORDER IMPLICATIONS

12.1 The content and/or recommendations contained within this report have no direct implications for crime and disorder.

REPORT AUTHOR: **Shaun Allen**
Senior Finance Manager
Telephone: 0151 666 4644
email: shaunallen@wirral.gov.uk

APPENDICES

Appendix 1 – Wirral Council Audit Progress Report and Sector Updates – October 2026

BACKGROUND PAPERS

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

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee -2025/26 Unaudited Statement of Accounts for Wirral Council and Merseyside Pension Fund	27th October 2026
Audit & Risk Management Committee - External Audit Plan For Wirral Council 2025-26	24th June 2026
Audit & Risk Management Committee - External Audit Plan for Merseyside Pension Fund 2025-26	24th June 2026
Audit & Risk Management Committee - 2024/25 Statement Of Accounts For Wirral Council And Merseyside Pension Fund, Annual Audit Report, And Annual Governance Statement	19th February 2026
Audit & Risk Management Committee - Unaudited Statement of Accounts and Financial Management Code for 2024/25	2nd September 2025
Audit & Risk Management Committee - Wirral Council External Audit Plan and Update 2024-25	25th June 2025
Audit & Risk Management Committee - External Audit Plan Merseyside Pension Fund 2024-25	25th June 2025
Audit & Risk Management Committee - 2023-24 Statement Of Accounts For Wirral Council & Merseyside Pension Fund	28 January 2025
Audit & Risk Management Committee – 2023/24 External Annual Audit Report	28 January 2025

Audit & Risk Management Committee - Draft Statement of Accounts and draft Annual Governance Statement for 2023/24	31 July 2024
Audit & Risk Management Committee –Statement of Accounts for 2022/23 for Wirral Council & Merseyside PF, and Annual Governance Statement	12 December 2023