

Audit Committee – 23 September 2019

Annual Audit and Inspection Letter for the year ending 31 March 2019

1. Summary of report

This report presents Grant Thornton's Annual Audit Letter 2018/19. It summarises the key issues arising from the work the external auditors have carried out at Walsall during 2018/19. The letter is designed to communicate key messages and conclusions to the council and external stakeholders, including members of the public. The letter covers the following work areas:

- Auditing the 2018/19 year end accounts and;
- Assessing the council's arrangements for securing economy, efficiency and effectiveness to ensure Value for Money (VFM) is achieved.

2. Recommendations

- 2.1 Audit Committee are requested to formally consider and receive Grant Thornton's Annual Audit Letter for 2018/19 (Appendix 1).

3. Governance

- 3.1 The Annual Audit Letter summarises the key work areas and audit conclusions arising during 2018/19 to assist the council in maintaining strong governance arrangements.
- 3.2 An unqualified audit opinion was issued confirming that the financial statements give a true and fair view of the financial position of the council as at 31 March 2019 and of its expenditure and income for the year.
- 3.3 Grant Thornton concluded that the council has put in place proper arrangements to secure value for money in the use of resources. They advised that, looking forward, the challenge for the Council remains significant with £24.6 million of savings required by the end of 2021/22. The Council is currently working on a Transformation Programme to secure sustainable and resilient service delivery to meet future needs and to deliver the required medium term savings. Action will be required by Members of the Council to ensure the objectives of the Transformation programme are delivered or if relevant mitigating plans are developed.
- 3.4 Regular assessments of the financial risks in relation to valuations of the West Midlands Pension Fund and the Council's investment in Birmingham Airport are undertaken, including any forecasted changes to the Birmingham Airport business plan for dividend income are incorporated into the medium term financial plan.

4. Resource and Legal Considerations

- 4.1 None directly relating to this report.

5. Performance management and risk management issues

5.1 Performance and risk management is embedded in the final accounts process.

6. Equality implications

6.1 None directly associated with this report.

7. Consultation

7.1 The report is prepared in consultation with various managers.

8. Background Papers

8.1 Various financial reports



Vicky Buckley - Head of Finance
12 September 2019

Author: Richard Walley, Finance Manager - ☎ 01922 650708,
✉ walleyr@walsall.gov.uk