

Audit Committee – 25 January 2021

Annual Audit Letter for the year ending 31 March 2020

1. Summary of report

This report presents Grant Thornton's Annual Audit Letter 2019/20. It summarises the key issues arising from the work the external auditors have carried out at Walsall during 2019/20. 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 2019/20 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 2019/20 (Appendix 1).

3. Background

- 3.1 The Annual Audit Letter summarises the key work areas and audit conclusions arising during 2019/20 to assist the council in maintaining strong governance arrangements.
- 3.2 An unqualified audit opinion was issued at the 27 November 2020 Audit Committee confirming that the financial statements give a true and fair view of the financial position of the council as at 31 March 2020 and of its expenditure and income for the year.
- 3.3 Grant Thornton are unable to certify that they have completed the audit of the financial statements until work is completed on the certification of the Whole of Government Accounts (WGA) submission to Government. This process is currently being held up by system errors in the data collection tool provided to the Council by Government and is a national issue that is still being worked through.
- 3.4 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 over the medium term. The Council has developed a Transformation Programme to secure sustainable and resilient service delivery to meet future needs and to deliver the required medium term savings.

4. Resource and Legal Considerations

- 4.1 None directly relating to this report.

5. Citizen Impact

- 5.1 External audit work is intended to ensure that provide commentary on the results of their work to the Council and external stakeholders, and to highlight issues that the external auditor wishes to draw to the attention of the public. This protects the council and its officers and provides an assurance to stakeholders and citizens regarding the security of the council's operations.

6. Performance management and risk management issues

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

7. Equality implications

- 6.1 None directly associated with this report.

8. Consultation

- 7.1 The report is prepared in consultation with various managers.

9. Background Papers

- 8.1 Various financial reports



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