
Audit and Standards Committee – 17th July 2023

Report of the Director of Finance and Legal Services

External Audit Grant Thornton Annual Audit Plan 2022-2023 and Annual Risk Assessment 2022-2023

Purpose

1. To consider the External Auditor's Annual Audit Plan 2022-2023 and Annual Risk Assessment 2022-2023

Recommendations

2. It is recommended that Committee Members note the views of the Auditor and comment as appropriate on:
 - Grant Thornton's Annual Audit Plan 2021/22 (attached as appendix 1)
 - Annual Risk Assessment 2022/23 (attached as appendix 2)

Background

3. The External Auditor Grant Thornton produces an annual Audit Plan and Risk Assessment on an annual basis for Dudley Metropolitan Borough Council and those charged with governance. The plan outlines the work they will carry out in discharging their responsibilities in order to form and express opinion on the Council's financial statements.
4. Grant Thornton's Risk Assessment (appendix 1) identifies 3 significant risks that require special audit considerations and a further audit on those findings along with any other significant matters arising from the

audit will be included in their Annual Audit Report. The three significant risks are:

- Valuation of Property and Plant
- Valuation of the net pension liability
- Management override of controls

5. The key considerations set out within this report are:

- Grant Thorntons responsibilities under the Code of Audit Practice

Finance

6. The report deals with a number of financial affairs of the Council. No additional resources are required as a direct consequence. Representatives from Grant Thornton will be available at the meeting to answer any questions or queries that arise from this plan and risk assessment.

Law

7. Legislation appertaining to Local Authority Audit and Accounts is contained in the Local Government Act 1972, part 2 of the Audit Commission Act, 1998, and regulations made there under. The Local Audit and Accountability Act 2014 requires external auditors to report to those charged with governance on the results of their work.

Risk Management

8. The Corporate Risk Register recognises the risk that the Council may be unable to set and/or manage its budget so as to meet its statutory obligations within the resources available. At the last review point, this risk was allocated the rating of 20 (Very High)

Equality Impact

9. The proposals take into account the Council's Policy on Equality and Diversity. No consultations with Children and young people were undertaken or required in the preparation of this report.

Human Resources/Organisational Development

10. The proposals in this report do not have any direct human resource/organisational development implications.

Commercial/Procurement

11. There are no commercial opportunities associated with this report.

Environment/Climate Change

12. There are no environmental/climate change issues associated with this report.

Council Priorities and Projects

13. An effective framework of governance, risk management and internal control will assist the Council in achieving its priorities.



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List of Background Documents

Grant Thornton's Audit Plan (Appendix 1)
Risk Assessment 2022/23 (Appendix 2)