

GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Wednesday, 27th September 2023
Report Subject	Audit Wales, Flintshire County Council – Detailed Audit Plan 2023
Report Author	Chief Executive

EXECUTIVE SUMMARY

The Detailed Audit Plan 2023 specifies the Auditor General for Wales statutory responsibilities as the Council's external auditor, and to fulfil their obligations under the Code of Audit Practice.

In addition, the Detailed Audit Plan 2023, sets out the work the Auditor General for Wales team intends undertaking to address the audit risks identified and other key areas of focus during 2023.

It also sets out the Auditor General for Wales estimated audit fee costs, details of the audit team and key dates for delivering the audit team's activities and planned outputs for the year.

RECOMMENDATIONS

1	Members to approve the Audit Wales, Flintshire County Council – Detailed Audit Plan 2023
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REPORT DETAILS

1.00	EXPLAINING THE DETAILED AUDIT PLAN 2023 BY AUDIT WALES
1.01	Audit Wales will be in attendance at the Governance and Audit Committee meeting to present Flintshire County Council – Detailed Audit Plan 2023.
1.02	<p>The Auditor General for Wales has a responsibility each year to meet the following duties;</p> <p>Audit of Financial Statements</p> <ul style="list-style-type: none">• Audit Flintshire County Council's financial statements to make sure that public money is being properly accounted for.• Flintshire County Council has to put in place arrangements to get value for money for the resources it uses, and has to be satisfied that it has done this.• Flintshire County Council needs to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General for Wales must assess the extent to which they are doing this. <p>Performance Audit Work</p> <ul style="list-style-type: none">• Carry out a programme of performance audit work to discharge their duties as Auditor General for Wales in relation to value for money and sustainable development.• Local performance audit programme will continue to be delivered through a combination of an Assurance and Risk Assessment Project, bespoke local projects and thematic projects examining risks common to all councils.
1.03	<p>Audit of Financial Statements</p> <p>The audit of financial statements will concentrate on risks and other areas of focus and will include;</p> <ul style="list-style-type: none">• Significant financial statement risk (Exhibit 1, Page 11)<ul style="list-style-type: none">○ Management override of controls• Other areas of audit focus (Exhibit 2, Page 12-13)<ul style="list-style-type: none">○ Valuation of land and buildings○ Valuation of pension net liability <p>Key dates for delivery of planned outputs in regard to Financial Statements is detailed in Exhibit 3, Page 14.</p>
1.04	<p>Performance Audit Work</p> <p>The performance audit will include;</p> <ul style="list-style-type: none">• Assurance and Risk Assessment• Thematic reviews;

	<ul style="list-style-type: none"> ○ Commissioning and Contract Management ○ Financial Sustainability in Local Government ● Local Report on Planning Services <p>Key dates for delivery of planned outputs in regard to Performance Audit Work is detailed in Exhibit 4, Page 15.</p>
1.05	Audit Wales will also perform an audit of Flintshire County Council's Group, which incorporates NEW Homes Limited and Newydd Catering & Cleaning Limited

2.00	RESOURCE IMPLICATIONS
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2.01	<p>Proposed fees charged for the audit work for Flintshire County Council is included in the Detailed Audit Plan 2023 in Exhibit 5: audit fee.</p> <p>Fee rates for 2023-24 have increased by 4.8% for inflationary pressures. In addition, the financial audit fee has a further increase of 10.2% for the impact of the revised auditing standard ISA 315 on the financial audit approach (further details regarding the auditing standard ISA 315 is within Appendix 1).</p> <p>The estimated total of the audit fee for 2023 will be £383,453.</p>
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3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	None required
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4.00	RISK MANAGEMENT
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4.01	All audit work is carried out on a risk based approach and Audit Wales use a three lines of assurance model to achieve this.
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5.00	APPENDICES
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5.01	Appendix 1: Audit Wales, Flintshire County Council – Detailed Audit Plan 2023
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<p>Contact Officer: Emma Heath – Strategic Performance Advisor</p> <p>Telephone: 01352 702 744</p> <p>E-mail: emma.heath@flintshire.gov.uk</p>
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7.00	GLOSSARY OF TERMS
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Audit Wales: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.

Financial Audit: The annual external audit of the Council's Statement of Accounts.

Financial Year: The period of 12 months commencing on 1st April.

Material: A concept used to inform judgements regarding the accuracy of the Council's Statement of Accounts. The basis could be quantitative with an assigned value or qualitative and affected by issues that are legal, regulatory, or politically sensitive.

Statement of Accounts / Final Accounts / Financial Accounts or Statements: The Council's annual finance report providing details of the Council's financial performance and position at the end of the financial year. The format is prescribed to enable external comparison with other public and private entities.