



Committee and Date

West Mercia Energy Joint
Committee

22nd March 2024

Item

6

Public

EXTERNAL AUDIT PLAN 2023/24

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1. Summary

- 1.1 It has been previously agreed for the Joint Committee to continue with an external audit to provide the Joint Committee the necessary continued assurance regarding stewardship of funds.
- 1.2 This report provides the Joint Committee with the proposed external audit plan for 2023/24 for consideration and approval.

2. Recommendations

It is recommended that the Joint Committee:

- 2.1 approve the draft audit plan for 2023/24 as presented by WR Partners attached at Appendix 1
- 2.2 approve the commissioning of WR Partners to undertake the audit in accordance with the audit plan.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2 There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3 WR Partners' audit work is conducted in accordance with the International Standards on Auditing (ISAs) (UK).

3.4 The risks associated with not conducting an external audit including an audit opinion were considered when the decision was made in September 2015 to continue with an external audit. It was accepted by the Joint Committee that without an annual external audit process not only would the Joint Committee lose the assurance regarding stewardship of funds but also the other Local Authorities/public entities with which WME trades.

4. Financial Implications

4.1 The fee for the 2023/24 audit is £15,100, a £700 (4.9%) rise against the fee for 2022/23 of £14,400.

5. Background

5.1 At the September 2015 Joint Committee, members were advised of the changes to the statutory audit requirements for Joint Committees effective from 1 April 2015. At this Joint Committee, it was agreed to continue with an annual external audit to provide the Joint Committee the necessary continued assurance regarding stewardship of funds.

5.2 Following the expiry of the previous three year tender period, a procurement exercise was conducted in late 2023 with three audit firms invited to tender with the winning tenderer being the previous auditors WR Partners.

5.3 WR Partners will conduct their main audit work on the WME accounts for 2023/24 in July and will bring their report to the September Joint Committee.

5.4 The attached WR Partners Service Plan sets out the scope of the audit to be undertaken, identifies risks and audit responses to these and outlines materiality levels.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
Joint Committee 28 September 2015 – Local Audit and Accountability Act 2014
Member Councillor G Butler of Shropshire Council (Chair of the Joint Committee)
Appendices Appendix 1 – WR Partners Audit Service Plan for West Mercia Energy (year ended 31 March 2024)