



External Audit 2023/24 Progress Update

Telford & Wrekin Council

—

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01 External Audit 2023/24 Progress Update

External Audit 2023/24 Progress Update

Since we met on 29 May 2024 at the last Audit Committee, where we presented our draft 2023/24 Telford & Wrekin Council (the Council) External Audit Plan, **we have made considerable progress on our 2023/24 audit ahead of our planned start of the final substantive phase in August 2024.**

Specifically, in terms of the 2023/24 financial statements audit, we have:

- Further progressed our audit risk assessment work to ensure that the audit work we carry out is efficient and targeted at the riskiest areas, enabling us to focus our efforts where it matters the most, and conclude on those we assessed as lower risk areas at an earlier stage;
- Engaged with our KPMG Data and Analytics specialists who are progressing the journals completeness audit testing and trial balance mapping, which will enable us to be more efficient and effective in our journals significant risk work in the substantive audit phase;
- Documented and concluded on the Whistleblowing case that was brought to our attention. We will be taking no further action as a result;
- Received a significant volume of information from management from our 'Provided by Management' audit request list, which is enabling us to utilise available audit resources over the summer to carry out early substantive work where possible;
- Received the draft 2023/24 financial statements, which we are reviewing and will provide initial comments in due course;
- Held regular catch up calls with management to provide updates from the audit team, and also receive progress updates from management in terms of outstanding requests; and
- Engaged with your outgoing auditors, Grant Thornton, to arrange a file review of their audit file for the 2022/23 audit.

As the Council have expenditure exceeding £500m, this puts the audit in scope of a potential quality review by the Financial Reporting Council (FRC) in the future. We therefore have KPMG's specialist quality review team (Second Line of Defence – 2LD) as an additional layer of review on our 2023/24 audit file. This provides additional support and challenge to the external audit team to ensure that our audit work is of the highest quality possible.

Additionally in terms of the Value for Money conclusion work:

- We have arranged the remaining meetings required with the Council's Service Heads to complete our required interviews. We have a meeting with the Director of Children's Services on Monday 15 July 2024.
- We are awaiting the completed Value for Money questionnaire from management to allow us to complete our risk assessment, to in turn conclude whether we consider there is a significant risk or not in relation to the three VFM Criteria of: Financial Sustainability, Governance, and/or Economy, Efficiency & Effectiveness.
- We have also received the 2022/23 Value for Money findings from your outgoing auditors for our review.

The audit progress made so far, and with our resource plan in place, means we are on track with our audit as reported in our 2023/24 Audit Plan.

We continue to work with management to ensure we receive all the remaining required information from the Council within agreed timelines.



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