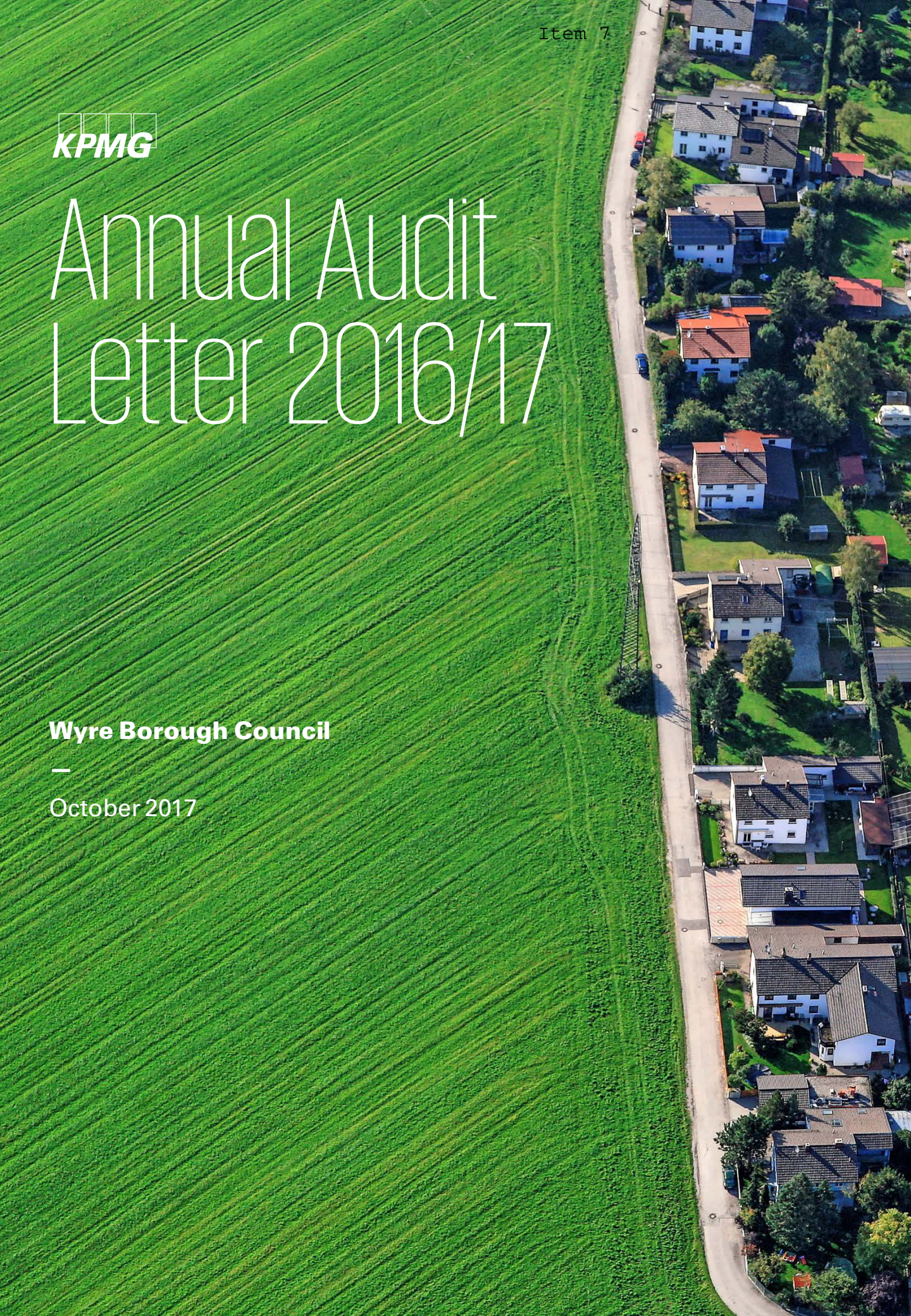




Annual Audit Letter 2016/17

Wyre Borough Council

—
October 2017



Contents

Report sections

Summary 3

Appendices

- 1. Summary of reports issued 5
- 2. Audit fees 7

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Amanda Latham, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers (andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

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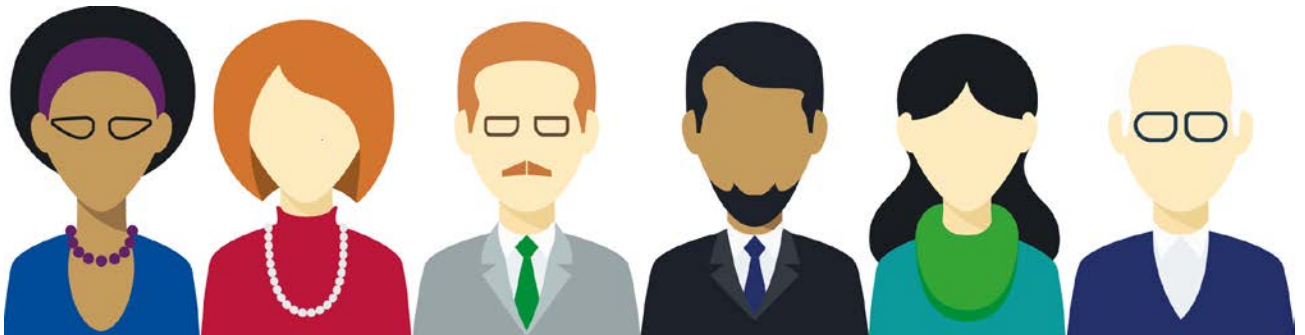
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Section one

Summary

This Annual Audit Letter summarises the outcome from our audit work at Wyre Borough Council in relation to the 2016/17 audit year. Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.



VFM conclusion

We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2016/17 on 19 September 2017. This means we are satisfied that during the year the Authority had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources.

To arrive at our conclusion we looked at the Authority's arrangements to make informed decision making, sustainable resource deployment and working with partners and third parties.

VFM risk areas

We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.

Our work identified the following significant matters:

Coast Protection Scheme

The Authority is the administering body for a significant £63.2m coast protection scheme at Rossall. The project represents a significant undertaking for the Authority, which has a responsibility to manage the deployment of resources appropriately and in a manner which delivers value for money. There is a risk that if the Authority does not have appropriate arrangements to exercise informed decision making over the deployment of this significant tranche of grant funding, that value for money will not be achieved.

Our work consisted of reviewing the arrangements put in place by the Authority for managing and monitoring the Coast Protection Scheme. This included:

- Interviewing officers of the Authority to develop our understanding of the systems and processes in place for managing the project;
- Reviewing documentation to confirm that these systems and processes are operating effectively; and
- Reviewing the formal and informal arrangements for reporting on progress to the Cabinet and to the Council.

The findings of our work on this significant risk indicate that the Council has established effective arrangements for managing and monitoring this process. Council officers attend regular project meetings with Project Officers. Spend profile is monitored and project risks are continuously assessed to ensure that they are appropriately mitigated.

Our work in connection with this significant risk has not identified any issues which would indicate that the Authority has not put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Section one

Audit opinion

We issued an unqualified opinion on the Authority's financial statements on 19 September 2017. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year.

Financial statements audit

We are pleased to report that we did not identify any material misstatements.

We did identify a number of presentational adjustments required to ensure that the accounts are compliant with the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 ('the Code'). The Authority amended its Statement of Account for all of these presentational matters prior to approval of the final accounts.

Other information accompanying the financial statements

Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements to consider its material consistency with the audited accounts. This year we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding and did not identify any issues.

Whole of Government Accounts

The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review your pack in detail as the Authority falls below the threshold where an audit is required. As required by the guidance we have confirmed this with the National Audit Office.

High priority recommendations

We did not raise any high priority recommendations in connection with our audit for 2016/17.

Certificate

We issued our certificate on 19 September 2017. The certificate confirms that we have concluded the audit for 2016/17 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.

Audit fee

Our fee for 2016/17 was £48,662, excluding VAT. This was in line with the planned fee for 2016/17, and with the 2015/16 scale fee set by PSAA. Further detail is contained in Appendix 2.

Appendix 1

Summary of reports issued

This appendix summarises the reports we issued since our last Annual Audit Letter.

These reports can be accessed via the Audit Committee pages on the Authority's website at www.wyre.gov.uk.





Annual Audit Letter

This Annual Audit Letter provides a summary of the results of our audit for 2016/17.

Report to Those Charged with Governance

The Report to Those Charged with Governance summarised the results of our audit work for 2016/17 including key issues and recommendations raised as a result of our observations.

We also provided the mandatory declarations required under auditing standards as part of this report.

Auditor's Report

The Auditor's Report included our audit opinion on the financial statements, along with our VFM conclusion and our certificate.

Appendix 2

Audit fees

This appendix provides information on our final fees for the 2016/17 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2016/17 planned audit fee.

External audit

Our final fee for the 2016/17 audit of the Authority was £48,662, which is in line with the planned fee.

Our fees are still subject to final determination by Public Sector Audit Appointments.

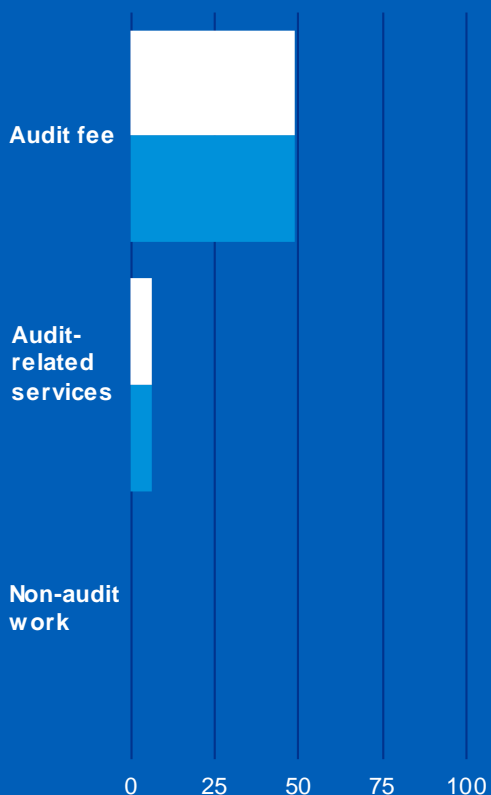
Certification of grants and returns

Under our terms of engagement with Public Sector Audit Appointments we undertake prescribed work in order to certify the Authority's housing benefit grant claim. This certification work is still ongoing. The final fee will be confirmed through our reporting on the outcome of that work in January 2018.

Other services

We did not charge any additional fees for other services.

External audit fees 2016/17 and 2015/16 (£'000)



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