

Independent auditor's report to the members of Wirral Council

In our auditor's report issued on 28 February 2025, we explained that we could not formally conclude the audit and issue an audit certificate for Wirral Council ('the Authority') for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until the National Audit Office (NAO) has concluded their work in respect of Whole of Government Accounts (WGA) for the year ended 31 March 2024. The National Audit Office have now concluded their work in respect of WGA for the year ended 31 March 2024 and confirmed that audit certificates that are open in relation to this can be issued. We are therefore satisfied all audit work necessary has been completed.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2024 issued on 28 February 2025 we reported that, in our opinion the financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2024 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Opinion on the pension fund financial statements

In our auditor's report for the year ended 31 March 2024 issued on 28 February 2025 we reported that, in our opinion the financial statements of Merseyside Pension Fund:

- give a true and fair view of the financial transactions of Merseyside Pension Fund during the year ended 31 March 2024 and of the amount and disposition at that date of the fund's assets and liabilities;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Report on other legal and regulatory requirements - the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

In our auditor's report for the year ended 31 March 2024 issued on 28 February 2025 we reported that:

We have nothing to report in respect of whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024 except:

On 29 January 2024, we identified a significant weakness in the Authority's arrangements for financial sustainability. This was in relation to the Authority exhibiting signs of financial stress that indicate a threat to its financial sustainability in the short and medium terms. We recommended that the Authority's members should ensure that there is a robust response to these financial stresses and that officers are supported in making the changes needed. We followed up on the Authority's progress implementing this

recommendation for year ended 31 March 2024 and this significant weakness is replaced by the written recommendation to the Authority under section 24 of the Local Authority and Accountability Act 2014.

On 6 January 2025, we identified two significant weaknesses in the Authority's arrangements for:

- Financial sustainability - The level of the Authority's Dedicated Schools Grant (DSG) deficit, and rate of increase, creates significant financial risk to the Authority. The Authority needs to address these matters with urgency considering the statutory override is scheduled to end 31 March 2026. Our work has also established inconsistencies in the Council's DSG deficit data and highlights opportunities for the Authority to strengthen the forecasting of the DSG deficit matters. We recommended that the Authority needs to place a significant and urgent focus on developing and implementing interventions which will support the management and mitigation of the DSG deficit. Additionally, the Authority should ensure that it resolves inconsistencies in DSG deficit trajectory data and an update report is provided to the Schools Forum members to clarify the Authority's actual DSG forecasts. Finally, the financial risks relating to the DSG deficit should be added to the Authority's Corporate Risk Register.
- Improving economy, efficiency and effectiveness - During 2023/24 the Authority, and its partners, failed to demonstrate sufficient progress in improving special educational needs and disabilities (SEND) services. The Authority has also been made aware of specific commissioned service delivery issues. Also, those charged with governance were provided with limited performance information reports details SEND service performance/improvement. We recommended that the Authority needs to satisfy itself that it has the necessary organisational transformational capacity, skills and resources to ensure Local Area SEND Improvement Plan can be delivered in accordance with DfE requirements and is sufficient to drive sustainable improvement in SEND service provision and to mitigate associated SEND delivery risks. We also recommended that the Authority ensures that sufficient performance data is regularly provided to those charged with governance in relation to the Local Area SEND Improvement Plan to enable members to effectively track level of improvement and to support effective governance of this key area of service delivery.

No matters have come to our attention since that date that would have resulted in any additional exception reporting on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

Responsibilities of the Authority

The Authority is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor's responsibilities for the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Authority ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Authority has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Wirral Council for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 [and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited]. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah L Ironmonger

Sarah Ironmonger, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

22 October 2025