

AUDIT COMMITTEE

12 MARCH 2015

CERTIFICATION OF CLAIMS & RETURNS 2013/14- ANNUAL REPORT

REPORT OF CHIEF FINANCE OFFICER

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Ernst & Young have now presented their report for the work performed in 2014 in respect of grant claims and returns for the 2013/14 financial year.

There was one claim and one return checked and certified by Ernst & Young, with a total value of £30 million. No qualification letters were issued in respect of the 2013/14 claim and return that were reviewed. The certification work identified a few minor errors, which the Council corrected, that resulted in a small reduction in the amount payable in respect of the Housing Benefits claim to the Department of Work and Pensions (DWP).

Regulatory requirements are that the Auditors' Report be made available to all Members of the Council before the end of February. The report was published on the Council's website at the end of January and the link was circulated to all Members on 30 January 2015.

The final audit fees for the certification work are £15,284.

RECOMMENDATION:

That the Audit Committee considers the attached Audit Report.

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CERTIFICATION OF CLAIMS & RETURNS 2013/14 - ANNUAL REPORT

REPORT OF THE CHIEF FINANCE OFFICER

1 Introduction

- 1.1 The Auditor is required by statute to certify some claims and returns for grants or subsidies paid by government departments and other public bodies to the Council. The extent of the audit work undertaken is primarily determined by the value of the claim.
- 1.2 In 2013/14, the Audit Commission did not ask auditors to certify individual claims and returns below £125,000. The threshold below which auditors undertook only limited tests remained at £500,000. Above this threshold, certification work took account of the audited body's overall control environment for preparing the claim or return. The exception was the housing benefits subsidy claim where the grant paying department set the level of testing.
- 1.3 The Council is responsible for compiling grant claims and returns in accordance with the requirements and timescale set by the grant paying departments.
- 1.4 The auditors have now presented their report on the work performed in 2014 in respect of grant claims and returns for the 2013/14 financial year.
- 1.5 The report is appended and has been published on the Council's website and made available to all Members.

2 Summary

- 2.1 In total, one claim and one return were audited amounting to £30m.
- 2.2 No qualification letters were issued in respect of the 2013/14 claim and return that were reviewed.
- 2.3 The certification work identified a few minor errors, which the Council corrected, that resulted in a small reduction in the amount payable in respect of the Housing Benefits claim to the DWP

OTHER CONSIDERATIONS

3 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

- 3.1 External Audit supports all facets of the Community Strategy, and Portfolio Plans and in particular the core tenet to: continue to demonstrate high standards in managing the taxpayers' money.

4 RESOURCE IMPLICATIONS:

- 4.1 Audit fees for grant certification work are charged to cover the full cost of the work and are based on the actual work performed. Final fees for 2013/14 are £15,284 which is the same as the indicative fee provided. The actual fee for 2012/13 was £14,400.

5 RISK MANAGEMENT ISSUES

- 5.1 Relevant risk issues have been considered in accordance with the Council's risk management procedures.

ATTACHMENTS:

Certification of claims and returns annual report 2013-14