

AUDIT COMMITTEE

12 MARCH 2012

CERTIFICATION OF CLAIMS & RETURNS 2010/11- ANNUAL REPORT

REPORT OF HEAD OF FINANCE

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RECENT REFERENCES:

PS410: External Audit Opinion Plan 2009/10 & Annual Audit Fees for 2010/11, 14 June 2010

AUD021: Annual Audit Letter, 5 December 2011

CAB2246: Pooling of Housing Capital Receipts, 9 November 2011

CAB2247: Streamlining Council Housing Asset Management: Disposals and Receipts – Response to Consultation Paper, 9 November 2011

EXECUTIVE SUMMARY:

The Audit Commission have now presented their report for the work performed in 2011 in respect of grant claims and returns for the 2010/11 financial year; five claims/returns were audited amounting to £66m.

One qualification letter was issued in 2010/11 in respect of the Pooling of Housing Capital Receipts return. Amendments were made to the Housing and Council Tax Benefit claim and the Housing finance base data return.

In accordance with regulatory requirements the Auditors' Report was made available to all Members before the end of February.

The final audit fees for the certification work are £32,516 which is considerably less than the planned fees of £51,300.

RECOMMENDATION:

That the Audit Committee considers the attached Audit Report and takes the opportunity to discuss with the External Auditors who will be present at the meeting.

## AUDIT COMMITTEE

12 MARCH 2012

### CERTIFICATION OF CLAIMS & RETURNS 2010/11- ANNUAL REPORT

#### Report of Head of Finance

##### 1 Introduction

- 1.1 The Audit Commission 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 The Council is responsible for compiling grant claims and returns in accordance with the requirements and timescale set by the grant paying departments.
- 1.3 The auditors have now presented their report on the work performed in 2011 in respect of grant claims and returns for the 2010/11 financial year.
- 1.4 The report is appended and has been published on the Council's website and made available to all Members in the Democratic Services update on 12 February 2012.

##### 2 Summary

- 2.1 In total, five claims/returns were audited amounting to £66m.
- 2.2 One qualification letter was issued in 2010/11 in respect of the Pooling of Housing Capital Receipts return. This matter was reported in detail in CAB2246 and considered by Cabinet on 9 November 2011 and The Overview and Scrutiny Committee on 14 November. The Audit Committee also considered the report at its meeting on 5 December 2011.
- 2.3 Amendments were made to the Housing and Council Tax Benefit claim and the Housing finance base data return.

#### OTHER CONSIDERATIONS

##### 3 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 3.1 External Audit supports all facets of the Sustainable Community Strategy, and Change Plans 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 are £32,516 (£38,316 for 2009/10) which is £18,784 lower than the planned fee for 2010/11 of £51,300 (see [PS410](#)).

5 RISK MANAGEMENT ISSUES

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

ATTACHMENTS:

Report on Grant Claim Certification 2010/11