

AUDIT & GOVERNANCE COMMITTEE

23rd April 2012

AUDIT COMMISSION - ANNUAL GRANTS REPORT 2010/11

Relevant Portfolio Holder	Councillor Michael Braley, portfolio Holder for Corporate Services
Portfolio Holder Consulted	No
Relevant Head of Service	Jayne Pickering, Executive Director for Finance and Corporate Resources
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

To advise the Committee of the Certification of Claims and Returns – Annual Report, that were undertaken during 2009/10 by the Audit Commission.

2. RECOMMENDATIONS

Members are asked to RESOLVE that

- 1) the Certification of Claims and Returns – Annual Report be considered; and**
- 2) Officers be requested to respond to the recommendations following the Committee meeting.**

3. KEY ISSUES

Financial Implications

- 3.1 A review is undertaken on all grant related claims that the Council submits. There are 5 claims that are subject full reviews by External Audit due to their value; Housing Benefit Claim, Pooling of Housing Capital Receipts, HRA Subsidy, National Non Domestic Rates claim and Disabled Facilities Grants claims. The cost associated with the Audit is £34k.

Legal Implications

- 3.2 The Council has a statutory responsibility to include an audit certificate alongside certain grant claims due to the scheme terms and conditions.

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Service / Operational Implications

- 3.3 The Audit Commission have recognised that the Council has good arrangements in place to ensure claims are prepared compliantly and the officers cooperate well with their auditors.
- 3.4 A number of recommendations have been made by the commission in previous years and progress against these are included within the report.

Housing and Council Tax Benefits Claim

- 3.5 This claim was subjected to a full review as it was valued at £29 million.
- 3.6 An estimated error of £68k was identified which represents 0.3% of the value and is within the parameters of error for the claims of this size and complexity. A qualification letter was issued as the guidelines state any overpayment error found results in a qualification of the claim.

HRA Subsidy Base Data Return

- 3.7 A qualification letter was received in relation the lack of supporting evidence in relation to the housing numbers and therefore the Commission could not complete their testing. Officers are looking into this issue with the aim to respond to the DCLG and the Audit Commission shortly.

National Non Domestic Claim

- 3.8 A qualification letter was received in relation to the additional level of assurance that was sought by the Commission which was not prepared for the claim. This is to be addressed by the Revenues Manager.

Disabled Facilities Grant

- 3.9 No concerns were raised. The claim was certified.

Customer / Equalities and Diversity Implications

- 3.10 None as a direct result of this report.

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4. RISK MANAGEMENT

The Financial Services risk register includes the preparation of the accounts and the controls in place to ensure the accounts are treated in compliance with accounting standards.

5. APPENDICES

Appendix 1 – Annual Grant Claim report

6. BACKGROUND PAPERS

None identified.

AUTHOR OF REPORT

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