

Certification of Claims and Returns 2009/10 – Audit Commission

Summary

1. The purpose of this report is to allow consideration of the Certificate of Claims and Returns Report 2009/10 produced by the Audit Commission (Annex A). The report reviews the Council's arrangements for the preparation and administration of grant claims within the Council.

Background

2. The report identifies that the Audit Commission was responsible for certifying 12 claims and returns to the value of £142.1m in 2009/10 (£140.3m in 2008/09). This certification work being charged on an hourly basis to the Council, in total £49,462 in 2009/10 (£54,806 in 2008/09). The fee reduction has occurred due to improved working papers from Council employees, a reduction in the number of amendments on individual claims and timely submission allowing the Audit Commission to plan and certify claims by the required deadlines.
3. The work that the audit commission completed has had a positive affect on the Council's financial position with additional housing subsidy being received and a reduction in Council Housing tax and benefits claim not being required. This totaled £77,832.
4. The overall conclusion from the Audit Commission's findings was that the Council has continued to improve its grant claim arrangements from 2008/09. A lower proportion of grant claims have been amended or qualified and all submission deadlines have been met. This is a significant improvement on the previous year, when 20 % of claims were submitted late.
5. The number and proportion of grant claims qualified or amended has improved significantly from the previous 2 years. The required improvements outlined by the Audit Commission in previous years have been acted upon during 2009/10.
6. However, the report also recognises areas of improvements that can still be made:
 - a) The Control environment when claims are completed could only be relied upon in 43% of returns. Improved explanation as to previous year amendments and providing clear evidence on significant variance that occur would increase reliability.

- b) Issues identified in qualification letters and amendments from previous years should be considered when preparing the current year claim or return.
7. As a result of the discussions from this review the Action Plan, at Appendix 3 of the Audit Commission Report at Annex A, has been agreed with the Audit Commission with responsibility for implementing these actions laying with all Finance Managers across the Council.

Consultation

8. Officers have contributed to this report where appropriate.

Options

9. Not relevant for the purpose of the report.

Analysis

10. Not relevant for the purpose of the report.

Corporate Priorities

11. This report contributes to the overall aims and priorities by helping to ensure probity, integrity and honesty in everything it does. It specifically contributes to the effective Organisation priority in the Corporate Strategy.

Implications

12. There are no financial implications other than those outlined in the report. There are no HR, equalities, legal, crime and disorder, IT or property implications arising from this report.

Risk Management

13. Failure to provide adequate arrangements for the administration and preparation of grant claims result in both financial and reputation risks to the Council.

Recommendations

14. Members are asked to:
- (a) consider the content of the Certification of Claims and Returns Annual report 2009/10;

Reason

To enable members to consider the effectiveness of the council's grant administration activity, and in particular the areas for improvement identified within the report.

- (b) note the agreed Action Plan presented as Appendix 3 to the Audit Commission Report;

Reason

To enable Members to comment on the proposed improvement arrangements.

Contact Details

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Report Approved

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Specialist Implications Officers

Not applicable

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Audit and Governance Committee 21 September 2009: Grant Claim Certification Report 2007/08 –
Audit Commission
Audit and Governance Committee 21 December 2009: Follow Up Audit Recommendations
Audit and Governance Committee 15 February 2010: Grant Claim Certification Report 2008/09 –
Audit Commission

Annex

Certification of Claims and Returns Annual Report 2009/10 – Audit Commission