

28 February 2017		ITEM: 10
Standards and Audit Committee		
Report from Ernst and Young: Certification of Claims and Returns Annual Report 2015/16		
Wards and communities affected: All	Key Decision: Non-Key	
Report of: Sean Clark, Director of Finance and IT		
Accountable Head of Service: Sean Clark, Director of Finance and IT		
Accountable Director: Sean Clark, Director of Finance and IT		
This report is Public		

Executive Summary

Attached to this paper is a report from Ernst and Young on the Certification of Claims and Returns Annual Report 2015/16. This will be presented by Ernst and Young and sets out the findings from the work conducted on the 2015/16 claims and returns.

1. Recommendation(s)

1.1 That the report attached at Appendix 1 and the agreed actions are noted.

2. Introduction and Background

2.1 The Certification of Claims and Returns Annual Report 2015/16 was issued in February 2017. The report is specifically completed in relation to the Housing Benefits subsidy claim. There are two further claims and returns requiring an external audit opinion and this work has been completed by Ernst and Young. While this work is not completed within the certification arrangements of the Public Sector Audit Appointments Ltd the findings are included within this report. The certification of the Housing Benefit subsidy claim was completed in November 2016. The report sets out the detailed findings and is presented to the Committee by Ernst and Young who are happy to receive questions on the report. All findings have been accepted and agreed by officers.

3. Issues, Options and Analysis of Options

3.1 Ernst and Young were required to certify one claim relating to the year 2015/16. The Housing Benefit claim was audited against a Department of

Work and Pensions (DWP) methodology and the summary of the findings are as follows:

- 3.2 Housing benefits subsidy claim 2015/16. The total value of the Housing Benefits subsidy claim was £58.2m – the work identified amendments totalling £195 and three issues which have been reported to the DWP which may result in further work although this is expected to have a limited impact on subsidy.
- 3.3 It is pleasing to note the comment that the Housing Benefit arrangements continue to improve year on year with a reduction in the number and type of errors identified.
- 3.3 The total proposed fee for the audit of the Housing Benefit claim is £15,664 a fall of 31.5 per cent relative to 2014/15. This reflects a reduction in the number of errors found in the work on the Housing Benefits claim compared with the prior year.
- 3.4 Ernst and Young also audited the Teachers Pension claim and the Pooling of Capital Receipts return. The work did not identify any significant issues.
- 3.5 The total fee for this work was £18,575 – an increase of 4.7 per cent on the prior year.

4. Reasons for Recommendation

- 4.1 The Committee is asked to note the findings of the report. Future reports to the Committee will contain updates on the recommendations raised.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The matters have been considered by this Committee. The detailed findings from the report have been discussed and agreed with relevant officers. They are also subject to the review of the Director of Finance and IT.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 There are no direct implications arising from this report in terms of the community and delivery of services.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Director of Finance and IT

The financial implications have been noted in the body of the report.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law and Governance

There are no specific legal implications of the report. The claims and returns are certified under section 28 of the Audit Commission Act 1998.

7.3 Diversity and Equality Rebecca Price

Community Development Officer

There are no specific implications from this report.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. Appendices to the report

- Appendix 1: Certification of Claims & Returns – Annual Report 2015/16

Report Author:

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