



## **Governance & Audit Committee 1 February 2017**

### **Grant Certification 2015/16**

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#### **Purpose of report**

To provide an update on the Grant Certification work undertaken by the council's External Auditors, KPMG.

#### **Attachment(s):**

Appendix 1 – Certification of grants and returns 2015/16

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#### **1.0 Introduction**

1.1 This report summarises the results of work undertaken by KPMG on the certification of the council's 2015/16 grant claims and returns.

#### **2.0 Certification of grants and returns 2015/16**

2.1 KPMG carried out certification work on the council's Housing Benefit Subsidy claim. This involved reviewing the council's grant submission and associated documentation and records to ensure that they were accurate and sufficient.

2.2 There were no issues or errors identified and therefore no recommendations have been made to improve the claim completion process. KPMG have certified the grant claim as unqualified without any amendments.

#### **3.0 Equality and Diversity Implications**

3.1 There are no known equalities issues arising from this report.

#### **4.0 Legal Implications**

4.1 There are no known legal implications arising from this report.

#### **5.0 Risk Management**

5.1 There are no risk management implications arising from this report.

#### **6.0 Financial Implications**

6.1 There are no financial implications arising from this report.

#### **7.0 Corporate Outcomes**

7.1 This report links to the following Corporate Outcomes:


- Effective Management

*(The results of the grant certification allow the council to manage and review its financial performance, contributing to the effective management of the council)*

**8.0 Recommendations**

8.1 Members are asked to note the contents of this report and the certification of grants and returns for 2015/16.

*(Reason – this is an information report which addresses the management of benefits payments by the council)*

<b>Legal</b>	Power: Audit Commission Act 1998, the Local Government Act 1999 and the Audit Commission's Code of Audit Practice.				
	Other considerations:				
<b>Background Papers:</b>					
<b>Person Originating Report:</b> Michelle Drewery, Finance Manager <a href="mailto:mdrewery@east-northamptonshire.gov.uk">mdrewery@east-northamptonshire.gov.uk</a>					
<b>Date:</b> 12/01/17					
<b>CFO</b> <b>18/1/17</b>		<b>MO</b>		<b>CX</b>	

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**KPMG LLP**  
**Infrastructure, Government & Healthcare**  
One Snowhill,  
Snow Hill Queensway  
Birmingham  
United Kingdom

Tel +44 (0) 121 232 3000  
Fax +44 (0) 121 232 3500

**Private & confidential**

Mr G Hammons  
Chief Financial Officer and S151 Officer  
East Northamptonshire Council  
Cedar Drive  
Thrapston  
Northants, NN14 4LZ

Our ref JG/YG ENC Ben01

Contact Jonathan Gorrie  
0121 232 3000  
Ext 3645

11 January 2017

Dear Glenn

**East Northamptonshire Council - Certification of claims and returns - annual report 2015/16**

Public Sector Audit Appointments requires its external auditors to prepare an annual report on the claims and returns certified for each audited body. This letter is our annual report for the certification work we have undertaken for 2015/16.

In 2015/16 we carried out certification work on only one claim/return, the Housing Benefit Subsidy claim. The certified value of the claim was £18.883 million, and we completed our work and certified the claim on 28 November 2016.

**Matters arising**

Our certification work on Housing Subsidy Benefit claim included:

- agreeing standard rates, such as for allowances and benefit incomes, to the DWP Circular communicating the value of each rate for the year;
- sample testing of benefit claims to confirm that the entitlement had been correctly calculated and was supported by appropriate evidence;
- undertaking an analytical review of the claim form considering year-on-year variances and key ratios;
- confirming that the subsidy claim had been prepared using the correct benefits system version; and
- completing testing in relation to modified schemes payments, uncashed cheques and verifying the accurate completion of the claim form.

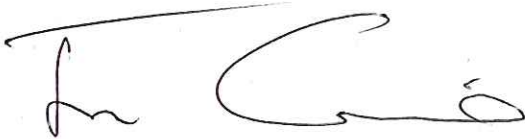
Our work did not identify any issues or errors and we certified the claim unqualified without amendment.

Consequently we have made no recommendations to the Council to improve its claims completion process. There were no recommendations made last year and there are no further matters to report to you regarding our certification work.

**Certification work fees**

Public Sector Audit Appointments set an indicative fee for our certification work in 2015/16 of £5,742. Our actual fee was the same as the indicative fee, and this compares to the 2014/15 fee for this claim of £8,470.

Yours sincerely



Jon Gorrie  
Director



This report is addressed to the Council and has been prepared for the sole use of the Council. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. We draw your attention to the Statement of Responsibilities of auditors and audited bodies, which is available on Public Sector Audit Appointment's website ([www.psaa.co.uk](http://www.psaa.co.uk)).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Jon Gorrie, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers, by email to [andrew.sayers@kpmg.co.uk](mailto:andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk), by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.