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Certification of grants and returns 2011/12

Bury Metropolitan Borough Council

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The contacts at KPMG in connection with this report are:

Trevor Rees

Partner

Tel: 0161 246 4063

trevor.rees@kpmg.co.uk

Heather Garrett

Senior Manager

Tel: 0161 246 4294

heather.garrett@kpmg.co.uk

Rachel Lindley

Manager

Tel: 0113 231 3551

rachel.lindley@kpmg.co.uk

Gemma Douse

Assistant Manager

Tel: 0161 246 4257

gemma.douse@kpmg.co.uk

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Introduction and background	<p>This report summarises the results of work on the certification of the Council's 2011/12 grant claims and returns.</p> <ul style="list-style-type: none"> In 2011/12 we certified five returns with a total value of £139m. 	-
Certification results	<p>We issued unqualified certificates for four returns but a qualification was necessary in one case.</p> <ul style="list-style-type: none"> The housing and council tax benefit claim was qualified due to a rent rebate underpayment which was identified during our testing. This claim was not qualified in 2010/ 11. 	Pages 3 – 4
Audit adjustments	<p>No adjustments were necessary to the Council's grants and returns as a result of our certification work this year.</p>	Pages 3 – 4
The Council's arrangements	<p>The Council has good arrangements for preparing its grants and returns and supporting our certification work.</p>	Page 5
Fees	<p>Our overall fee for the certification of grants and returns is £24,190 which is significantly lower than our original estimate of £35,000. This reflects the reduced number of grants certified and continued improvements in the Authority's working papers and timely responses to queries raised.</p>	Page 5

Overall, we certified five grants and returns:

- four were unqualified with no amendment; and
- One required a qualification to our audit certificate.

Detailed comments are provided overleaf.

The table summarises the outcome from our certification work on the Council's 2011/12 grants and returns.

A qualification means that issues were identified concerning the Council's compliance with a scheme's requirements that could not be resolved through adjustment. In these circumstances, it is likely that the relevant grant paying body will require further information from the Council to satisfy itself that the full amounts of grant claimed are appropriate.

	Comments overleaf	Qualified certificate	Significant adjustment	Minor adjustment	Unqualified certificate
Housing and Council Tax Benefit	1				
Housing Subsidy					
NNDR					
Pooling of Housing Capital Receipts					
Teachers' Pension Return					
		2	-	-	3

Qualification issues

This table details the key issues behind each of the qualifications identified on the previous page.

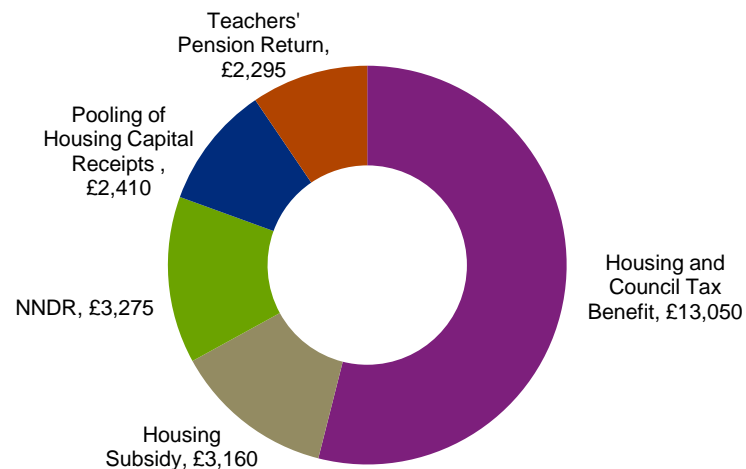
Ref	Summary observations	Amendment
1	<p>Housing and Council Tax Benefit</p> <ul style="list-style-type: none"> ■ A qualification was made to the Housing and Council Tax Benefit claim for 2011/12 due to one rent rebate underpayment being identified. Due to the nature of the underpayment we were not able to confirm that it was an isolated incident and therefore no amendment could be made to the claim, therefore qualification was necessary. ■ The issue arose as a result of the weekly rent liability being incorrectly transferred from the housing management system to the benefits system. Management should carry out regular testing of the interface between the two systems in order to identify potential issues and resolve these appropriately. 	-

Our overall fee for the certification of grants and returns has been contained within the original estimate.

The final position of £24,200 is significantly lower than the estimated fee of £35,000.

This reflects the reduced number of grants certified and continued improvements in the Authorities working papers and timely responses to queries raised.

Breakdown of certification fees 2011/12



Breakdown of fee by grant/return

	2011/12 (£)	2010/11 (£)
Housing and Council Tax Benefit	13,050	13,820
Housing Subsidy	3,160	4,500
NNDR	3,275	2,857
Pooling of Housing Capital Receipts	2,410	1,538
Teachers' Pension Return	2,295	2,913
Housing Subsidy Base Data	-	4,808
Disabled Facilities Grant	-	1,135
General Sure Start Grant	-	4,697
Total fee	24,190	36,268

Our initial estimated fees for certifying 2011/12 grants and returns was £35,000. The actual fee charged was lower than that estimate. The main reasons for the fee exceeding the original estimate were:

- four of the grants and returns audited in 2010/11 did not require certification in 2011/12 in accordance with the Audit Commission's certification instruction.
- the authority produced high quality working paper files for each of the returns that were certified which helped to ensure a smooth process; and
- the queries raised during the certification of each claim were answered in a timely manner and there were no delays incurred as a result of outstanding information.



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