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# Certification of grants and returns 2012/13

Bury Metropolitan Borough Council

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DRAFT



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<b>Introduction and background</b>	<p><b>This report summarises the results of work on the certification of the Council's 2012/13 grant claims and returns.</b></p> <p>In 2012/13 we certified:</p> <ul style="list-style-type: none"> <li>– Four returns with a total value of £132m.</li> </ul>	<p>-</p>
<b>Certification results</b>	<p><b>We issued unqualified certificates for all grants and returns.</b></p>	<p><b>Pages 3 – 4</b></p>
<b>Audit adjustments</b>	<p><b>Adjustments were necessary to one of the Council's grants and returns as a result of our certification work this year.</b></p> <ul style="list-style-type: none"> <li>■ The housing and council tax benefit claim was amended due to benefits system having incorrectly calculated the cap limits. The full population of cases affected by this system error was tested and resulted in an adjustment of £2,660 on Rent Rebate subsidy claimed; and</li> <li>■ There were 2 additional minor amendments to the housing and council tax benefit claim identified by the benefits team due to errors with individual cases.</li> <li>■ In 11/12 the claim was qualified due to rent rebate underpayment.</li> </ul>	<p><b>Pages 3 – 4</b></p>
<b>The Council's arrangements</b>	<p><b>The Council has good arrangements for preparing its grants and returns and supporting our certification work.</b></p> <p>All claims were submitted for audit on time and with good quality working papers. This has helped us keep our fee within the indicative value recommended by the Audit Commission.</p>	<p><b>Page 5</b></p>
<b>Fees</b>	<p><b>The Audit Commission changed its fee regime for certifying grants and returns in 2012/13, and set an indicative fee for the Council of £12,700. We have delivered the audit within this fee:</b></p> <ul style="list-style-type: none"> <li>■ This represents a £11,490, 47%, reduction on the 2011/12 audit fee; and</li> <li>■ We expect this to reduce further next year as the number of claims that we audit will reduce.</li> </ul>	<p><b>Page 6</b></p>

Overall, we certified four grants and returns:

- Three were unqualified with no amendment;
- One was unqualified but required some amendment to the final figures; and

Detailed comments are provided overleaf.

Detailed below is a summary of the key outcomes from our certification work on the Council's 2012/13 grants and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate.

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 & Council Tax Benefit	1				
Pooling of Housing Capital Receipts					
National Non Domestic Rates return					
Teachers' Pensions return					
		-	-	1	3

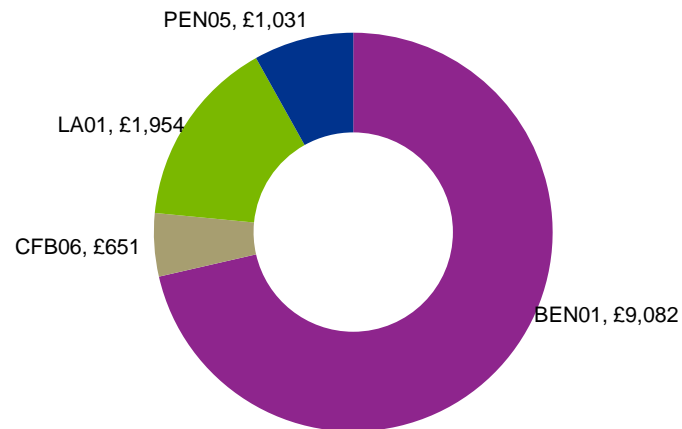
This table summarises the key issues behind each of the adjustments or qualifications that were identified on the previous page.

Ref	Summary observations	Amendment
1	<p><b>Housing and Council Tax Benefit</b></p> <ul style="list-style-type: none"> <li>■ The Civica Open Revenues benefits system in use at the Council had experienced issues during 2012/13 which had resulted in the claim being misstated. This was due to the subsidy cap limits had being incorrectly applied on the system and this fault was common across many councils who used the Civica Open Revenues system. This resulted in a reduction of total subsidy claimed of £2,571;</li> <li>■ The Benefits team identified four instances of issues with individual cases where, due to system issues, overpayments had not been produced. These cases were manually amended and resulted in a net reduction in total subsidy claimed of £37;</li> <li>■ In all cases the full population that could be affected by the error were tested and the exact misstatement was identified, therefore an amendment to the claim could be made and no qualification letter was required;</li> <li>■ None of the above issues were repeat errors from the previous year. Additional testing was performed on the issues identified in the previous years and no further issues were identified.</li> </ul>	<p><b>- £2,608</b></p>

## Fees

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

Breakdown of certification fees 2012/13



Breakdown of fee by grant/return

	2012/13 (£)	2011/12 (£)
Housing and Council Tax Benefit	9,082	13,050
Housing subsidy	-	3,160
Pooling of Housing Capital Receipts	651	2,410
National Non Domestic Rates return	1,954	3,275
Teachers' Pensions return	1,013	2,295
<b>Total fee</b>	<b>12,700</b>	<b>24,190</b>

The Audit Commission changed its fee regime for certifying grants and returns in 2012/13. It set an indicative fee for the Council of £12,700. Based on the actual work we carried out the actual fee we charged was in line with the indicative fee.



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