

AUDIT AND GOVERNANCE COMMITTEE – 27th JUNE 2014

CERTIFICATION OF CLAIMS AND RETURNS – WORK PLAN 2013/2014

Report of the Head of Financial Resources

1. Purpose of the Report

- 1.1 This report details the external auditors (Mazars) work that they intend to carry out for all grant claims and returns made by the Council for the financial year 2013/2014, which according to government regulations or by the grant awarding body, requires an external audit opinion and / or an audit certificate. The work plan also acknowledges that most grant claims are now not subject to external review which means more certification is being carried out internally instead.

2. Summary of the Report

- 2.1 The attached document (Appendix 1) advises members of the main coverage of the audit work to be carried out for the one remaining grant claim (Housing Benefit) subject to external audit for 2013/14 and a useful summary is included on pages 7 and 8 of the document outlining the work to be completed. This also recognises that internal audit do carry out some certification work as required by certain grant awarding bodies that fall outside of the Audit Commission Regime.
- 2.2 In addition to the criteria set out on page 3 which sets out the level of audit work applicable to this grant claim based on the values involved which are specified within the Audit Commission Regime there is also a further requirement for some additional work to be carried out for the Council in respect of its Section 256 agreements. This is required because the Council must provide independent assurance to its Clinical Commissioning Groups / NHS England that the funds allocated have been expended correctly by the council as specified in these agreements. This is a new requirement for 2013/14 and will be an additional cost to the Council as they fall outside of the Audit Commission Regime. The Audit Commission has also made a late change to remove the Teachers Pensions Return from external review however it is unclear whether the Teachers Pensions Agency will require a separate certification.
- 2.3 The cost of the work within the Audit Commission Regime for 2013/14 was initially estimated to cost £15,600 compared to £16,050 for the previous year on a comparable basis however the fee has been reduced further to £12,412 to take into account the changes mentioned above which has reduced the number of grant claims / returns to be audited compared to the previous year

to only one (A. The cost of the additional work in respect of the S256 agreements has not yet been agreed.

- 2.4 An officer from Mazars LLP will be in attendance to outline the content of the Report and to answer member's questions.

3 Description of Decision

- 3.1 The Committee is recommended to note the contents of this report