

 Finance and Audit Scrutiny Committee 8 January 2013		Agenda Item No. 5
Title	External Audit Report – Certification of claims and returns – annual report	
For further information about this report please contact	Mike Snow 01926 456800 Mike.snow@warwickdc.gov.uk	
Service Area	Finance	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number		
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Deputy Chief Executive		Andy Jones
Chief Executive		
CMT		
Section 151 Officer		Author
Legal		
Finance		
Portfolio Holder(s)		Andrew Mobbs
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1.1 The Council's external auditors are required to audit several grants and returns that are prepared by council officers each year. A separate report has been issued on these claims and returns relating to 2011/12.

2. **RECOMMENDATION**

- 2.1 The Committee considers the Certification work report 2011/12 and if necessary agrees any further information required from either officers or the Council's auditors.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The Certification of claims and returns – annual report should be considered by the Finance and Audit Scrutiny Committee. The external auditors will be present at the meeting to discuss the report and answer any questions.
- 3.2 Of the nine claims referred to in the report, only four required formal certification, and of these, only one required any amendment.
- 3.3 The Housing and Council Tax Benefit claim was qualified by the auditors. Whilst this is disappointing, as noted in previous years, it is the exception nationally for this claim to be unqualified. As referred to in the report (paragraph 2.4), the qualification was due to a single claim where benefit had been underpaid. The total underpayment for 2011/12 amounted to £9.12. This was not an item for which the subsidy claim needed to be altered. For the claimant, the benefit has been amended with the underpayment having been backdated. The amount of this underpayment will be part of the 2012/13 claim, and will be eligible for subsidy from DWP as part of that claim.
- 3.4 The adjustments to the Housing and Council Tax Benefit claim related to subsidy being incorrectly allocated on the subsidy claim form resulting in a reduced amount of £13,827 due from DWP.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 No alternatives are proposed as it is within the remit of the Committee to consider reports from the external auditors.

5. **BUDGETARY FRAMEWORK**

- 5.1 Whilst the costs of the claims have increased compared to last year to £24k, this is still well below previous years, having decreased from £54,000 in respect of 2007/08 claims. This decrease is as a result of fewer claims being audited (notably for AWM and Housing claims), and also the auditors placing more reliance on officers' work, and work within the core audit.

6. **POLICY FRAMEWORK**

- 6.1 Bringing this report to members' attention is recognised as good governance.