

**AUDIT STANDARDS & GOVERNANCE COMMITTEE 24<sup>TH</sup> MARCH 2016**

**GRANT THORNTON – CERTIFICATION WORK REPORT 2014/15**

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non–Key Decision

**1. SUMMARY OF PROPOSALS**

- 1.1 To present Members with the Grant Certification Letter for 2014/15 from the Councils External Auditors Grant Thornton.

**2. RECOMMENDATIONS**

- 2.1 **The Committee is asked to note the letter 2014/15**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 There are no additional financial implications as a result of the certification of the grants.

**Legal Implications**

- 3.2 Grant Thornton have a statutory responsibility to certify the claims submitted by the Council. The Council has a legally binding contract with Grant Thornton to provide the External Audit service for at least the next 3 years.

**Service / Operational Implications**

- 3.3 External Auditors have a duty to carry out all work necessary to meet their statutory responsibilities in accordance with the Code of Audit Practice. This includes certification of grant claims.
- 3.4 The auditors have certified the Housing Benefit Claim for 2014/15 relating to over £16m of expenditure. Their results on their certification work is detailed in Appendix 1. The claim was qualified due to a number of issues and recommendations made for improvements. There is an action plan in place within the benefits team to address the recommendations highlighted in the certification letter.

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- 3.5 The key messages from the Audits and to be addressed in the action plan include;
- Weaknesses in benefit processing identified as part of case testing
  - Improvements to subsidy claim preparation
  - Arrangements to streamline the audit
- 3.6 Officers have developed a comprehensive improvement plan which includes addressing the above recommendations and they are in regular liaison with the Auditors to ensure the plan is meeting expectations.
- 3.7 This is supported by a quality checking regime and increased resources to support the subsidy audit. Officers will be working with the DWP who can provide free support and advice to support the work to improve the quality of processing.

**Customer / Equalities and Diversity Implications**

- 3.8 There are no implications arising out of this report.

**4. RISK MANAGEMENT**

- 4.1 As part of all audit work the auditors undertake a risk assessment to ensure that adequate controls are in place within the Council so reliance can be placed on internal systems.

**5. APPENDICES**

Appendix 1 – Grant Thornton Certification Letter 2014/15

**6. BACKGROUND PAPERS**

Individual internal audit reports.

**AUTHOR OF REPORT**

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