



AUDIT COMMITTEE

AGENDA ITEM (9)

GRANT THORNTON - CERTIFICATION WORK FOR THE YEAR ENDED 31ST MARCH 2016

Accountable Member	Audit Committee
Accountable Officer	Jenny Poole Chief Finance Officer 01285 623313 jenny.poole@cotswold.gov.uk

Purpose of Report	To receive the letter from the Council's external auditors (Grant Thornton) setting out the outcome from the certification work carried out on the Housing Benefit subsidy return for 2015/16.
Recommendation(s)	That the report be noted
Reason(s) for Recommendation(s)	The Audit Committee receives and considers reports from the Council's external auditors.

Ward(s) Affected	None
Key Decision	No
Recommendation to Council	No

Financial Implications	None.
Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None
Human Resource Implications	None
Key Risks	None
Equalities Impact Assessment	Not Required

Related Decisions	None
Background Documents	None

Appendices	Appendix 'A' - Letter from Grant Thornton - Certification work for Cotswold District Council Year Ended 31st March 2016
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Performance Management Follow Up	None
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<p>Background Information</p> <p>1. A copy of the letter from Grant Thornton letter relating to the outcome of work carried out to certify the Housing Benefit subsidy claim for 2015/16 is attached at Appendix 'A'.</p> <p>2. While the auditors are satisfied that Council has appropriate arrangements in place to compile a complete, accurate and timely return, there were some issues arising from the certification work, as follows:-</p> <ul style="list-style-type: none"> • the reconciliation of benefit granted to benefit paid identified a discrepancy of £2,909.64; • testing from an initial sample of twenty rent allowance cases identified one error where earnings data had been incorrectly recorded (leading to a £0.04 error in benefit awarded). As a result, an additional forty benefit cases were checked. Further errors were identified in five cases, resulting in excess benefit being paid totalling £582. The extrapolated effect of these errors across the claim was £8,568; • a further issue was identified with regard to updating a system parameter on polygamous marriages. Although the Council does not have any relevant cases, it was not possible to provide evidence of this fact to Grant Thornton. The external auditors have agreed to work with the Council so that this evidence can be provided on an annual basis. <p>3. Following the audit, the subsidy return (£20.1m) was not adjusted. However, it was qualified.</p> <p>4. The Council is now waiting for a response from the Department for Works and Pensions with regard to finalising the subsidy claim for 2015/16.</p> <p>5. The relevant Strategic Director and the Group Manager GO Shared Services are working with the Revenues and Benefits team to strengthen the processing arrangements in order to reduce benefit processing errors, and to rectify issues raised in the Grant Thornton letter.</p>
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