



PUBLIC SECTOR

Certification of grants and returns 2008/09

Leeds City Council

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AUDIT

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Headlines

<p>Introduction & background</p>	<p>This report summarises the results of work on the certification of the Council’s 2008/09 grant claims and returns</p> <ul style="list-style-type: none"> ● For 2008/09 we certified <ul style="list-style-type: none"> – 15 grants with a total value of £38m – Eight returns with a total value of £669m 	<p>-</p>
<p>Certification results</p>	<p>We issued unqualified certificates for 22 grants and returns and one qualification in respect of the Housing & Council Tax Benefit Return. This compares to three qualifications from 27 grants and returns for 2007-8. The qualification issues were:</p> <ul style="list-style-type: none"> ● Minor reconciliation differences between benefit granted and benefit paid for two benefit types; ● A minor in-year reconciliation difference on Council Tax. <p>Neither issue impacted on subsidy claimed.</p>	<p>Pages 3 – 4</p>
<p>Audit adjustments</p>	<p>Adjustments were necessary to only one of the Council’s grants and returns as a result of our certification work this year</p> <ul style="list-style-type: none"> ● Housing & Council Tax Benefit – various amendments were made to the Return, resulting in a net increase in the subsidy claimed of £98,981 <p>This compares to three claims in 2007-8 which were adjusted.</p>	<p>Pages 3 – 4</p>
<p>The Council’s arrangements</p>	<p>The Council has good arrangements for preparing its grants and returns and supporting our certification work; of particular note are the following:</p> <ul style="list-style-type: none"> ● Effective central co-ordination and communication; ● The large majority of claims and returns were submitted on time; and ● There was good availability of staff and the quality of information was of a good standard 	<p>Page 5</p>
<p>Fees</p>	<p>Our overall fee for the certification of grants and returns of £117,343 has exceeded the original estimate of £100,000 although is lower than the fee of £128,280 raised in 2007-8;</p> <ul style="list-style-type: none"> ● The main reason for the year on year reduction is the reduction in the number of claims certified. 	<p>Page 5</p>

Summary of certification work outcomes

Overall, we certified 23 grants and returns

- 15 were unqualified with no amendment
- Seven were unqualified with some amendment but these did not impact on the final figures
- One required a qualification to our audit certificate and an amendment to the final figures

Detailed comments are provided overleaf

Detailed below is a summary of the key outcomes from our certification work on the Council's 2008/09 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	●	●		
YF - LCIP Art Gallery			●	●
YF – LCIP Project 901080			●	●
YF – Neville Street			●	●
YF – Sweet Street			●	●
Teachers' Pensions Education Leeds			●	●
Transport - Leeds Inner Ring Road Stage 7			●	●
Housing Subsidy			●	●
Other unqualified (15)				●
Total	1	1	7	22

Summary of certification work outcomes

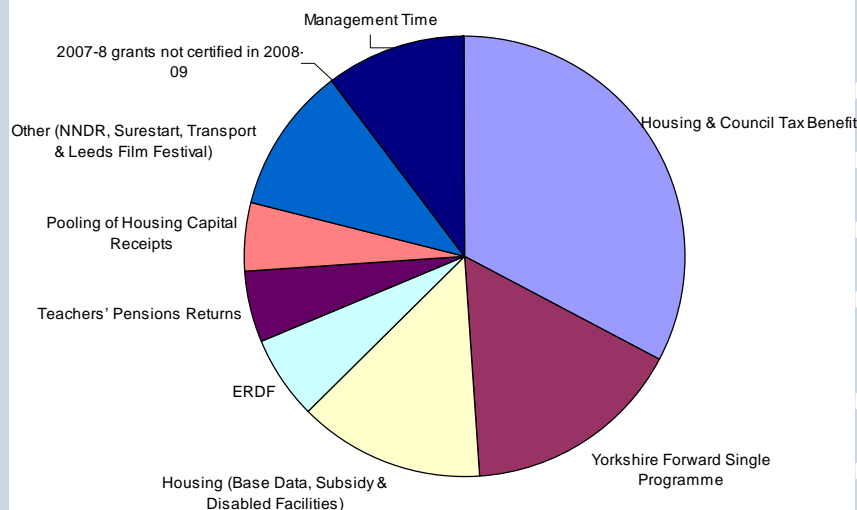
This table summarises the key issues behind each of the adjustments or qualifications that were identified on the previous page

Ref	Summary observations	Amendment
1	<p>Housing & Council Tax Benefit</p> <ul style="list-style-type: none"> The Return was qualified due to minor reconciliation differences between benefit granted and benefit paid for two benefit types and a minor in-year reconciliation difference on Council Tax. A similar qualification was raised last year. Amendments to the Return were partly due to a small number of claim processing errors identified by audit testing and partly due to corrections of in-year reconciliation differences. This again was similar to last year. None of the issues or errors significantly impacted on the accuracy of the housing subsidy claimed. 	+ £98,981

Fees

Our overall fee for the certification of grants and returns has exceeded the original estimate of £100,000.

Breakdown of certification fees 2008/09



Breakdown of fee by grant / return	2008/09 (£)	2007/08 (£)
Housing & Council Tax Benefit	38,340	40,500
Yorkshire Forward Single Programme	18,922	14,345
Housing (Base Data, Subsidy & Disabled Facilities)	16,028	15,605
ERDF	7,353	10,560
Teachers' Pensions Returns	6,170	4,925
Pooling of Housing Capital Receipts	5,903	6,255
Other (NNDR, Surestart, Transport & Leeds Film Festival)	12,627	16,665
2007-8 grants not certified in 2008-09	0	8,285
Management Time	12,000	11,140
Total fee	117,343	128,280

Our initial estimated fees for certifying 2008/09 grants and returns was £100,000. The actual fee charged has exceeded that estimate although is still less than the fee charged in 2007/08. The main reasons for the fee exceeding the original estimate are:

- additional work being required to address errors in the Housing Base Data return; and
- less than expected time savings relating to reduced testing.