



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

21 March 2019

Report of: Councillor Adam Stokes
Cabinet Member for Finance



Certification of Grants and Returns 2017/18

The reports from KMPG summarise the work completed during 2018/19 in relation to the 2017/18 Housing Benefit Subsidy claim and the 2017/18 Pooling of Housing Capital Receipts Return.

Report Author

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Corporate Priority:	Decision type:	Wards:
Administrative	Administrative	All Wards

Reviewed by:	Richard Wyles	5 March 2019
Approved by:	Debbie Muddimer, Strategic Director - Resources	5 March 2019
Signed off by:	Councillor Adam Stokes, Cabinet Member for Finance	6 March 2019

Recommendation to the decision maker

It is recommended that the Governance and Audit Committee accept the reports.

1 The Background to the Report

- 1.1 The purpose of this report is to update the Governance and Audit Committee on the findings by KPMG from the audits of the 2017/18 Housing Benefit Subsidy Claim and the 2017/18 Pooling of Housing Capital Receipts Return.
- 1.2 Appendix A contains the letter received from KPMG in relation to the 2017/18 Housing Benefit Subsidy Claim which is the only claim covered by Public Sector Audit Appointments Ltd.
- 1.3 The audit of the Housing Benefit Subsidy Claim identified a number of errors which resulted in amendments to the claim. The overall impact to the claim was a £359 increase to the subsidy claimed against a total certified value of £28m.
- 1.4 The return has been qualified by KPMG as a small number of errors were identified in the Rent Allowances sample testing which led to the incorrect calculation of earnings. An action plan is being developed to mitigate the subsidy claim being qualified going forwards which will be implemented in 2019/20. This action plan will include increasing the sample rate, more regular training and support for staff and mentoring of newly appointed staff.
- 1.5 The audit of the Pooling of Housing Capital Receipts return identified two errors:
- The right to buy sales figures should have been recorded in pounds and pence – the cell format for the return is determined by the government Delta website which the return is submitted through so the Council was not able to record the sums received in pounds and pence.
 - £1,140 expenditure had been included on the return in the quarter after the invoice was dated – this was due to the invoice being received and processed in the following quarter.

2 Consultation and Feedback Received, Including Overview and Scrutiny

- 2.1 Not applicable.

3 Available Options Considered

- 3.1 No other options are available.

4 Reasons for the Recommendation (s)

- 4.1 To ensure the council follows best audit practice, good governance and the requirements of the external auditors.

5 Financial Implications

- 5.1 Financial implications are included in section 1.

Financial Implications reviewed by: Richard Wyles, Assistant Director - Resources

6 Legal and Governance Implications

- 6.1 The Certification of Grants and Returns statement summarises the results from the work that has been carried out on the Authority's grant claims for the 2017/18 Financial Year. It sets out the work completed under national arrangements and helps to ensure effective governance of the organisation.

Legal Implications reviewed by: Lee Sirdifield, Assistant Chief Executive, Transformation and Change and Monitoring Officer

7 Equality and Safeguarding Implications

7.1 Not applicable.

8 Risk and Mitigation

8.1 Not applicable.

9 Community Safety Implications

9.1 Not applicable.

10 Background Papers

10.1 None.

11 Appendices

11.1 Appendix A – 2017/18 Housing Benefit Subsidy Claim Report

Report Timeline:	Date of Publication on Forward Plan (if required)	Not required
	Previously Considered by:	Not applicable
	Final Decision date	21 March 2019