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Certification of grants and returns 2011/12

Lancaster City Council

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	Page
■ Headlines	2
■ Summary of certification work outcomes	3
■ Fees	5

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Introduction and background	<p>This report summarises the results of work on the certification of the Council's 2011/12 grant claims and returns.</p> <ul style="list-style-type: none"> ■ For 2011/12 we certified: <ul style="list-style-type: none"> – Four returns with a total value of £93.8million. 	
Certification results	<p>We issued unqualified certificates for all four returns.</p> <ul style="list-style-type: none"> ■ In 2010/11 we qualified one return. 	Pages 3 – 4
Audit adjustments	<p>Adjustments were necessary to one of the Council's returns as a result of our certification work this year.</p> <ul style="list-style-type: none"> ■ Adjustments with a total value of £14,951 were made to the Housing and Council Tax Benefits Subsidy claim. ■ In 2010/11 adjustments were required to two grant returns. 	Pages 3 – 4
The Council's arrangements	<p>The Council has good arrangements in place for preparing its grants and returns and supporting our certification work. Adjustments that have been made are generally as a result of errors in the underlying data as opposed to issues with the Council's arrangements for preparing grant claims and returns.</p>	Page 5
Fees	<p>Our overall fee for the certification of grants and returns in 2011/12 is £29,880.</p> <ul style="list-style-type: none"> ■ The fee represents a reduction of £7,405 compared to 2010/11 which is as a result of a reduction in the number of grants and returns requiring certification in 2011/12. In addition, fewer errors were identified and no claims required qualification in 2011/12. 	Page 6

Overall, we certified 4 returns:

- 3 were unqualified with no amendment; and
- 1 was unqualified but required some 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 2011/12 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.

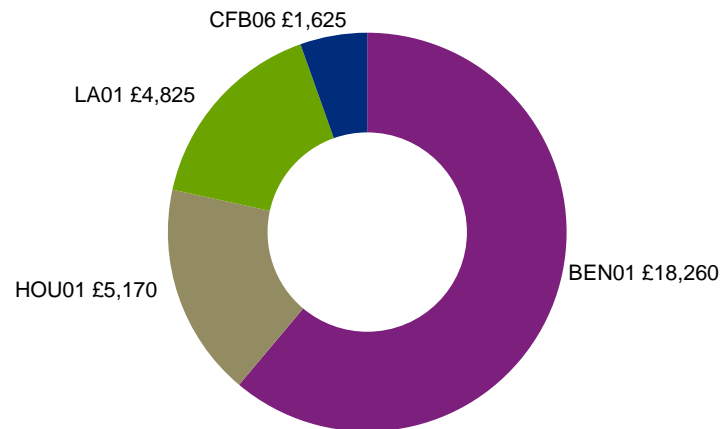
	Comments overleaf	Qualified certificate	Significant adjustment	Minor adjustment	Unqualified certificate
Housing and Council Tax Benefit	1				
National Non Domestic Rates					
Housing Subsidy					
Pooling of Housing Capital Receipts					

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 and Council Tax Benefit</p> <ul style="list-style-type: none"> ■ Adjustments with a total value of £14,951 were made to the Housing and Council Tax Benefits Subsidy claim. Three separate errors were identified as follows: ■ An adjustment for £14,978 was required as an incorrect amount relating to war pensions was transferred in completing the claim resulting in the HRA rent rebate being omitted; ■ An adjustment for £34 was made to remove an un-cashed cheque from the prior year;and ■ A further adjustment for £7 was made to rent rebates, this was an isolated case in relation to miscalculation of benefit. 	£14,951

Our overall fee for the certification of grants in 2011/12 is £29,880.

Breakdown of certification fees 2011/12



Breakdown of fee by grant/return

	2011/12 (£)	2010/11 (£)
Housing and Council Tax Benefit (BEN01)	18,260	19,507
Housing Subsidy (HOU01)	5,170	4,690
National Non Domestic Rates (LA01)	4,825	5,238
Pooling of Housing Capital Receipts	1,625	1,687
Housing Subsidy Base Data (HOU02)	-	4,795
Disabled Facilities Grant (HOU21)	-	1,368
Total fee	29,880	37,285

Our initial estimated fees for certifying 2011/12 grants and returns was £40,000. The actual fee charged was lower than that estimate. The main reasons for the reductions to our fees were:

- Fewer schemes required certification in 2011/12 than what we had initially anticipated; and
- We identified fewer errors and complexities during our testing.



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