

EY- ANNUAL GRANT AUDIT LETTER

Committee name	Audit Committee
Officer reporting	Sian Kunert, Finance
Papers with report	EY Annual Certification Report 2017/18
Ward	All

HEADLINES

This report provides a summary of the key findings on the grant work undertaken by EY for the year ended 31 March 2018.

RECOMMENDATION:

That the Committee notes this report.

SUPPORTING INFORMATION

The attached report, addressed to the Audit Committee on Grant Certifications has been completed by the Council's external auditors EY, to communicate the key issues arising from their 2017/18 grant certification work.

EY were responsible for certifying the Housing Benefit Subsidy claim under the contract with the Public Sector Audit Appointments (PSAA). From this work, as a result of a number of errors being revealed both in under and over payment of benefits identified during the audit of the Housing Benefit Subsidy claim, a qualification letter was issued. Given the nature of benefits processing and the high volume of transactions there will always be a certain element of error - the total value of the return is over £143m. However, the benefits subsidy system is such that all errors no matter how small result in qualification.

In addition, EY were responsible for certifying two returns relating to the Teachers' Pension Contributions and Pooling of Capital receipts, outside of the PSAA certification regime. These returns were certified without qualification.

The total fees charged for grant certification work for the financial year 2017/18 was £40,945 (2016/17 £44,725)

For 2018/19, the Council is responsible for appointing its own reporting accountant to undertake the work on claims in accordance with the instructions determined by the relevant grant paying body. EY has been appointed to act as the reporting accountant for the Housing Benefits Subsidy claim.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.