

Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **15 March 2013**

By: **Chief Executive**

Title of report: **Report on grant claim certification for the year ended 31 March 2012**

Purpose of report: **To report to the Committee the external auditor's findings from grant certification work for the financial year 2011/12 in line with the requirements of the Audit Commission**

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**RECOMMENDATION: The Committee is recommended to note the report.**

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## **1. Financial Appraisal**

1.1 PKF certified 3 grants totalling £26.9m during the year at a cost of £13,526 to the Council. In addition, the Audit Commission's requirement for the production of the attached summary report for 2011/12 has brought an additional cost of £750.

## **2. Supporting Information**

2.1 The Audit Commission requires all local authority external auditors to provide a summary report on grant claims that they have audited during the year, to those charged with governance, by 31 March. The report from the County Council's external auditors PKF covers grants relating to the financial year 2011/12, which have been audited during 2012/13.

2.2 Members will note that the external auditor is positive about the Council's processes for grant certification and makes no recommendations for improvement.

BECKY SHAW  
Chief Executive

Contact Officer: Ola Owolabi, 01273 482017

Local Member: All

Background Documents

None



# Grant claims and returns certification

YEAR ENDED 31 MARCH 2012

East Sussex County Council

FEBRUARY 2013



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**Statement of Responsibilities of grant paying bodies, authorities, the Audit Commission and appointed auditors in relation to claims and returns**

The [Statement of Responsibilities of grant paying bodies, authorities, the Audit Commission and appointed auditors](#) contains an explanation of the respective responsibilities of auditors and of the audited body. Appointed auditors act as agents of the Audit Commission when undertaking certification work. Reports and letters prepared by appointed auditors are addressed to the grant paying body, members or officers. They are prepared in accordance with the certification arrangements specified by the Audit Commission. This report is for the sole use of the audited body and no responsibility is taken by appointed auditors to any Member or officer in their individual capacity or to any third party.

# Grant claims and returns certification

## INTRODUCTION

This report summarises the main issues arising from the certification of grant claims and returns for the financial year ended 31 March 2012. We undertake certification work as an agent of the Audit Commission, in accordance with the Certification Instructions (CI) issued by them after consultation with the relevant grant paying body. Our work is undertaken in accordance with the Statement of Responsibilities issued by the Audit Commission.

After completion of the tests contained within the CI the grant claim or return can be certified with or without amendment or, where the correct figure cannot be determined, may be qualified as a result of the testing completed.

## CERTIFICATION RETURNS

We have certified three returns on behalf of the Council.

Claim or return	Value (£)	Qualified?	Amended?	Impact (£)
School-centred initial teacher training (East Sussex Primary)	592,545	No	No	-
School-centred initial teacher training (Hastings and Rother)	168,506	No	No	-
Teachers' Pension	26,161,925	No	Yes	0

## KEY FINDINGS

All three of the grant claims and returns were found to be accurate and prepared in accordance with the terms and conditions of the grant awarded, although presentational amendments were made to the Teachers' Pensions return before submission of the audited return to the Department for Education. The amendment had no effect on the overall value of the return.

All deadlines set by government departments for submitting final claims and returns were achieved.

## FEES

Fees for the audit of the three returns for 2011/12, excluding the grants report, were £13,526, which is an increase of £2,990 over the audit of the equivalent returns in 2010/11. Overall fees are £2,968 lower than the previous year as the Sure Start grant did not require audit in 2011/12.

Claim	Actual fee year ended 31 March 2012 (£)	Actual fee year ended 31 March 2011 (£)
School-centred initial teacher training (East Sussex Primary)	5,013	3,333
School-centred initial teacher training (Hastings and Rother)	2,805	2,833
Teachers' Pension	5,708	4,370
Sure Start	-	5,708
Grants report	750	1,000
<b>TOTAL</b>	<b>14,276</b>	<b>17,244</b>

Our fee for the East Sussex Primary GTP Employment Based Initial Teacher Training return increased against prior year as the value of the return increased above £500,000 for the first time, which meant that we were required to carry out a higher level of testing under the Audit Commission's certification instructions compared to the prior year.

Our fee for the Teachers' pensions return was higher than the prior year due to the presentational misstatements that were identified and a higher level of audit queries this year.

## CONCLUSIONS

The Council's arrangements for preparing grant claims and other returns to Government departments are generally operating effectively.

## ACKNOWLEDGEMENT

We recognise the value of your co-operation and support and would like to take this opportunity to express our appreciation for the assistance and co-operation provided during the course of the audit.