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KPMG Annual Report on grants and returns work 2014/15

Doncaster Metropolitan Borough Council

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<p>Introduction and background</p>	<p>This report summarises the results of work we have carried out on the Council's 2014/15 grant claims and returns.</p> <p>This includes the work we have completed under the Public Sector Audit Appointment certification arrangements, as well as the work we have completed on other grants/returns under separate engagement terms. The work completed in 2014/15 is:</p> <ul style="list-style-type: none"> ■ Under the Public Sector Audit Appointment arrangements we certified one claim – the Council's 2014/15 Housing Benefit Subsidy claim. This had a value of £96.2 million. ■ Under separate assurance engagements we certified 3 claims/returns as listed below: <ul style="list-style-type: none"> – Pooling of Housing Capital Receipts Return. – Employment Based Initial Teacher Training Grant. – Teachers' Pension Authority EOYCa Return. 	
<p>Certification results</p>	<p>Our work on the Council's Housing Benefit Subsidy claim was subject to a qualification letter.</p> <ul style="list-style-type: none"> ■ An error was identified in HRA Rent Rebate testing which led to an overpayment of benefit. No further errors were identified in the additional testing and the error was extrapolated with cell 61 overstated by £3,233 and Cell 65 understated by £3,233. This was not adjusted but reported in the qualification letter. ■ The in year reconciliation cells identified variances between £1 and £3, this is simply reported to the Department for Work and Pensions. ■ An error was identified in cell 131 backdated expenditure, however this has no impact on subsidy. <p>Our work on the other grant assurance engagements resulted in the following reports:</p> <ul style="list-style-type: none"> ■ Employment Based Initial Teacher Training Grant - National College for Teaching and Leadership Annual Grant Report and Income and Expenditure Report. 	<p>Pages 3 – 4</p>
<p>Fees</p>	<p>The indicative fee for our work on the Council's 2014/15 Housing Benefit Subsidy was set by Public Sector Audit Appointments at £33,380. The actual fee for this work was £33,380.</p> <p>Our fees for the other 'assurance' engagements were subject to agreement directly with the Council and were £9,500 in total.</p>	<p>Page 5</p>

Overall, we carried out work on 4 grants and returns:

- 3 were unqualified with no amendment; and
- 1 required a qualification to our audit certificate.

Detailed comments are provided overleaf.

Detailed below is a summary of the reporting outcomes from our work on the Council's 2014/15 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 or assurance report.

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	Significant adjustment	Minor adjustment	Unqualified
Public Sector Audit Appointments arrangements					
■ Housing Benefit Subsidy	1				
Other assurance engagements					
■ Pooling of Housing Capital Receipts Return	2				
■ Employment Based Initial Teacher Training Grant	3				
■ Teachers' Pension Authority EOYCa Return	4				
		1	0	1	3

Our fees for the Housing Benefit Subsidy claim are set by Public Sector Audit Appointments.

Our fees for other assurance engagements on grants/returns are agreed directly with the Council.

The overall fees we charged for carrying out all our work on grants/returns in 2014/15 was £42,880

Breakdown of fees for grants and returns work

Breakdown of fee by grant/return		
	2014/15 (£)	2013/14 (£)
Housing Benefit Subsidy claim	33,380	23,470
Pooling of Housing Capital Receipts	2,750	1,709
Employment Based Initial Teacher Training Grant	3,500	3,500
Teachers' Pension Authority EOYCa Return	3,250	3,250
Total fee	42,880	31,929

Public Sector Audit Appointments certification arrangements

Public Sector Audit Appointments set an indicative fee for our work on the Council's Housing Benefit Subsidy claim in 2014/15 of £33,380. Our actual fee was the same as the indicative fee, and this compares to the 2013/14 fee for this claim of £23,470. These fees are set by the PSAA.

Grants subject to other assurance engagements

The fees for our assurance work on other grants/returns are agreed directly with the Council. Our fees for 2014/15 were £9,500.



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