



Annual Report on grants and returns 2015/16

Royal Borough of Windsor & Maidenhead

—

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Contents

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Headlines

Introduction and background

This report summarises the results of work we have carried out on the Council's 2015/16 grant claims and returns.

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 2015/16 is:

- Under the Public Sector Audit Appointments arrangements we certified one claim – the Council's 2015/16 Housing Benefit Subsidy claim. This had a value of £36.5 million.
- Under separate assurance engagements we certified two claims/returns as listed below.
 - Teachers' Pensions Return; and
 - National College of Teaching and Leadership (NCTL) Annual Grant Report and Initial Teacher Training Annual Accounts.

Certification and assurance results (Pages 3-4)

Our certification work on Housing Subsidy Benefit claim included:

- agreeing standard rates, such as for allowances and benefit incomes, to the DWP Circular communicating the value of each rate for the year;
- sample testing of benefit claims to confirm that the entitlement had been correctly calculated and was supported by appropriate evidence;
- undertaking an analytical review of the claim form considering year-on-year variances and key ratios;
- confirming that the subsidy claim had been prepared using the correct benefits system version; and
- completing testing in relation to modified schemes payments, uncashed cheques and verifying the accurate completion of the claim form.

Following the completion of our work, the claim was subject to a qualification letter.

- As identified in our 2014/15 qualification letter, the Authority did not have an approved RBV policy until 24 September 2015. The period from 1 April 2015 to 23 September 2015 was therefore not covered by an approved RBV policy.

Our work on the other grant assurance engagements resulted in unqualified certification reports.

One adjustment was necessary to the Council's Housing Benefit Subsidy claim as a result of our certification work this year.

- Testing of Non-HRA cases identified an error in the benefits cap that had been applied, resulting in an adjustment to the claim form and reduction in subsidy of £2,520.

The overall level of errors identified in 2015/16 across all claims was lower than in previous years.

Recommendations (Pages 7 – 8)

We have not made any recommendations to the Council from our work this year.

There was one recommendation from our previous years' work on grants and returns, relating to following the claim reconciliation methodology recommended by the Housing Benefit software supplier. The Council has addressed the recommendation and no issues were identified in 2015/16.

Fees (Page 5)

Our fee for certifying the Council's 2015/16 Housing Benefit Subsidy grant was £13,439, which is in line with the indicative fee set by PSAA.

Our fees for the other 'assurance' engagements were subject to agreement directly with the Council and were:

- £3,000 for the certification of the Teachers' Pensions Return; and
- £5,000 for the review of the NCTL Annual Grant Report and Initial Teacher Training Annual Accounts.

Summary of reporting outcomes

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

- **Two were unqualified with no amendment; and**
- **One 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 2015/16 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 regime					
— Housing Benefit Subsidy	1				
Other assurance engagements					
— Teachers' Pension Return					
— National College of Teaching and Leadership Annual Grant Report and Initial Teacher Training Annual Accounts					
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Summary of certification work outcomes

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	Housing Benefit Subsidy claim <ul style="list-style-type: none"> — The Authority assesses a proportion of its claims under a Risk Based Verification policy. However, as identified in our 2014/15 qualification letter, the Authority did not have an approved RBV policy until 24 September 2015. The period from 1 April 2015 to 23 September 2015 was therefore not covered by an approved RBV policy. — Sample testing of Non-HRA cases identified that the benefits cap had not been applied correctly. Following testing of the whole population of cases, an actual error of £2,520 was identified and an amendment made to the claim to reduce the figure for expenditure up to the lower of the LHA rate and increase expenditure above the LHA rate. The impact of this was a reduction in the amount of subsidy received of £2,520. This issue has not been identified in previous years. 	- £2,520

Fees

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 2015/16 was £21,439.

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 2015/16 of £13,439. Our actual fee was the same as the indicative fee, and this compares to the 2014/15 fee for this claim of £15,530.

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 2015/16 were in line with those in 2014/15.

Breakdown of fees for grants and returns work

Breakdown of fee by grant/return		
	2015/16 (£)	2014/15 (£)
Housing Benefit Subsidy claim	13,439	15,530
Teachers' Pensions Return	3,000	3,000
NCTL Annual Grant Report	5,000	5,000
Total fee	21,439	23,530



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