

PART 1 - PUBLIC

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**Decision Maker:**      **Audit Sub Committee**

**Date:**                      **16th March 2011**

**Decision Type:**      Non-Urgent                      Non-Executive                      Non-Key

**Title:**                      **External Audit Reports**

**Contact Officer:**      Mark Gibson, Assistant Director Resources (Audit and Technical)  
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**Chief Officer:**              Paul Dale, Director of Resources and Deputy Chief Executive

**Ward:**                      All

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1.    Reason for report

- 1.1   This report informs Members of the external audit findings on their certification of 2009/10 grants.
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**2.    RECOMMENDATION(S)**

**Members are asked to note the reports and comment on them as appropriate**

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: Recurring cost. £53,668 in audit fees
  3. Budget head/performance centre: External Audit
  4. Total current budget for this head: £317,110 excluding Pension and Grant certification fees.
  5. Source of funding: N/A
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### Staff

1. Number of staff (current and additional): PwC team
  2. If from existing staff resources, number of staff hours: n/a
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### Legal

1. Legal Requirement: Statutory requirement. Code of Audit Practice
  2. Call-in: Call-in is not applicable.
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All stakeholders
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: None

### 3. COMMENTARY

The attached report issued by the external Auditor is presented for Member information and comment. A representative from PWC Bromley's External Auditors will be present at the meeting.

#### 3.1 Annual Grant Claim Certification Report

The attached report is the first annual report summarising the results of the external auditor's 2009/10 grant claim certification work. The purpose of the letter is to provide a high level overview of the results of the certification work that has been undertaken at the London Borough of Bromley ("the Council").

The results of certification work are considered when performing other Code of Audit Practice work at the Council, including for our conclusions on the financial statements, use of resources, data quality, and financial management.

All claims brought to the attention of the auditor have been audited. All deadlines for submission of audited claims/returns were met. In total 8 claims and returns totalling £232,358,743 were certified including housing and council tax benefit subsidy claim where the amount involved was £122,653,947 as amended, the National Non Domestic Rate return for £78,862,499 down to the Single Programme (LDA) Child Affordability for £40,073.

The report states that three of the returns were amended but with two having no overall impact on the value of the claim. The housing benefit and council tax benefit had an amendment in value of £719.

Two recommendations were made in the report- an awareness issue for Bromley officers on work to be carried out for grant certification requirements by external audit which arose on the Child Affordability Programme phase 1 and 2. The second recommendation was in relation to council and housing benefit subsidy where following an error identified by external audit it suggested that officers review the current checking processes in place to ensure level of accuracy of claims.

### 4. FINANCIAL IMPLICATIONS

4.1 Claims and returns totalling £232,358,743 were audited. Grant certification fees total £53,668.

<b>Non-Applicable Sections:</b>	Legal and Personnel
Background Documents: (Access via Contact Officer)	None