

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Audit Committee
2.	Date:	13th April 2011
3.	Title:	KPMG Grants Report 2009/10
4.	Directorate:	Financial Services

5. Summary

The report advises Members of the matters arising from the external audit of the Council's 2009/10 Government Grant Claims and Returns.

6. Recommendations

That Audit Committee notes:

- 1. the external auditor's report (appended to this report)**
- 2. the management actions put in place to continuously improve performance when preparing and submitting the Council's 2010/11 Government Claims and Returns**

7. Proposals and Details

In agreement with our external auditor, KPMG agreed to provide feedback observations on the effectiveness of the Council's arrangements for the preparation and submission of its Government Grant Claims and Returns. Their report is appended to this report.

This report summarises KPMG's findings for the preparation and submission of the Council's 2009/10 Government Claims and Returns.

The main findings were:

- The Council's administration arrangements for the preparation and submission of claims and returns was generally satisfactory, although there is an opportunity to still improve how Financial Services work together with Directorate Service Teams (who are responsible for the notification and preparation of claims for audit) so as to ensure all grants requiring audit certification are made available to KPMG in accordance with the agreed protocol and in accordance with deadlines.
- 44 claims and returns were audited this year. No claims/returns were subject to a qualification letter to the relevant funding body although financial adjustments were made to three of the claims submitted. Page 4 of KPMG's report refers to the details of the three amendments made to the claims prepared by the Council's Environment and Development Services Directorate

In reporting these findings, we recognise the opportunity to further embed the Council's arrangements so as to ensure all claims requiring audit certification are identified and notified promptly to KPMG. The ongoing Financial Services Review is looking at the future management of external funding activities across the Council and in doing so has been cognisant of the audit findings.

8. Finance

The total cost of audit certification in 2009/10 was £99,666 which was approximately £10,000 higher than estimate due primarily to the additional Derelict Land Grant claims requiring audit certification.

9. Risks and Uncertainties

There are no outstanding risks and uncertainties as all 2009/10 government grant claims and returns have been submitted and audited.

10. Policy and Performance Agenda Implications

The proposed management action (set out in Section 7 of this report) for continuously improving the way the Council prepares and submits government claims and returns should continue to contribute to improving the accuracy and quality of these and ensure the consistent submission within agreed deadlines.

11. Background Papers and Consultation

External Auditor's Final Grants Report 2009/10

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