
EXTERNAL AUDITOR REPORT UPDATES FOR 2012/13

1 INTRODUCTION

- 1.1 Recommendations from the Council's external auditors and other inspectors are monitored by Internal Audit for progress of implementation and their review falls within the discretion of this Committee.

2 ANNUAL GOVERNANCE REPORT 2012/13

- 2.1 This report draws Members' attention to the findings and recommendations arising from the Annual Governance Report 2012/13. This report was presented to this Committee by BDO, the Council's external auditor, on 24 September 2013.
- 2.2 The outstanding recommendation, management responses and progress to date has been included as appendix 1.

3 GRANTS CLAIMS AND RETURNS CERTIFICATION – YEAR ENDING 31 MARCH 2013

- 3.1 This report draws Members' attention to the findings and recommendations arising from the Grants Claim and Returns Certification Report 2012/13. This report was presented to this Committee by BDO on 25 March 2014.
- 3.2 The outstanding recommendations, management responses and progress to date have been included as appendix 2.

4 RECOMMENDATION

- 4.1 It is proposed that the Committee **RESOLVES**

(1) That the monitoring sheet for the BDO recommendations arising from the Annual Governance Report 2012/13 be agreed.

(2) That the monitoring sheet for the BDO recommendations arising from the Grants Claims and Returns Certification Report 2012/13 be agreed.



Yvonne Woodward

Head of Finance

Background Papers:-

None

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If you would like this report in large print, Braille or another language please contact 01702 318111.

BDO RECOMMENDATIONS ARISING FROM ANNUAL GOVERNANCE REPORT 2012/13

APPENDIX1

FINANCIAL STATEMENT RECOMMENDATION				
Conclusions From Work	Recommendations	Management Response	Owner	Timing
<p>Our testing has identified that the Marketplace log used to calculate accruals at the year end is not fully complete or accurate, leading to errors within the financial statements. This log is reliant on departments within the Council providing accurate information</p>	<p>Sample test the information provided by the various departments for inclusion in the Marketplace log prior to calculating the estimate of accruals to be included in the financial statements</p>	<p>Accepted</p> <p>Management Update 26/2/14 – additional controls have been introduced to limit the risk of orders and receipt of goods/services overlapping the two financial years. Orders will not be raised between 14 March and 1 April unless they are business critical.</p> <p>Management Update 7/5/14 - The cut off happened as stated. In addition Accountancy Officers met with Departmental Heads to agree all Marketplace Accruals to be raised, these were signed by the relevant HoS. Audit staff also sampled a set of data to check for errors.</p>	<p>Senior Accountant</p>	<p>May 2014 Implemented</p>

APPENDIX 2

BDO RECOMMENDATIONS ARISING FROM GRANTS CLAIMS AND RETURNS CERTIFICATION REPORT 2012/13

HOUSING AND COUNCIL TAX BENEFITS					
Conclusions From Work	Recommendations	Priority	Management Response	Owner	Timing
Our testing identified an exception report that had not been correctly actioned, resulting in a classification error.	Carry out a check of all hb9880b (Homeless subsidy classification) exception reports run during the year to ensure that the correct classification has been applied.	Medium	The Senior Benefit Officer will carry out a 100% check on all claims reported on the HB9880b exceptions reports to make sure they have all been manually split between subsidy classifications.	Senior Benefits Officer	March 2014 Implemented
Our testing identified one case where benefit had been overpaid due to the incorrect LHA rate being used as the bedroom requirement had not been correctly calculated. This was because a child lived in the home part time but the bedroom requirement goes with the parent receiving the child benefit, which, in this case, was not the claimant.	Remind staff throughout the year (via team meetings and the digital signage screen) to check that the claimant is in receipt of child benefit before including a child in the bedroom requirement.	Medium	The Senior Officer & Assistant Benefit Manager will remind staff through regular team meeting. The Senior Benefit Officer will create new reminders for the digital signage which will be displayed daily.	Senior Benefits Officer / Assistant Manager Benefits	March 2014 Implemented

<p>Our testing identified that second home benefit was not always correctly classified.</p>	<p>Carry out 100% check on second home benefit awarded during 2013/14 to confirm that the expenditure has been correctly classified.</p>	<p>Medium</p>	<p>The Senior Benefit Officer will carry out a 100% check on all .benefit on two home awards to make sure the correct tenure type is allocated.</p>	<p>Senior Benefits Officer</p>	<p>March 2014 Implemented</p>
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