

## AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 21 March 2018
<b>Report Subject</b>	Certification of grants and returns 2016/17
<b>Cabinet Member</b>	Leader of the Council and Cabinet Member for Finance
<b>Report Author</b>	Corporate Finance Manager
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The purpose of the report is to inform Members of the grant claim certification for the year ended 31st March 2017.

The Council's external auditors, the Wales Audit Office (WAO) are required to report annually on the certification of grant claims and returns and the annual report for 2016/17 is appended to this report.

The Finance Management Team and the services concerned have considered the report in detail and have addressed the specific findings contained in the report as required.

There have been improvements in some areas and it is pleasing to note an improvement in the number of grants submitted by the deadline however there are some areas where there is still scope for improvement.

A number of recommendations have been made and action is already in place within services to address these issues.

It is important that the Council further builds on this progress to enhance the systems in place for the 2017/18 audit and works closely with WAO to ensure that the processes in place are adequate.

## RECOMMENDATIONS

1	Members are requested to note the content of the Grant Claim Certification for 2016/17.
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## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE GRANT CERTIFICATION REPORT 2016/17</b>
1.01	The Council's external auditors, the Wales Audit Office (WAO) are required to report annually on the certification of grant claims and returns and the annual report for 2016/17 is appended to this report.
1.02	The Finance Management Team and the services concerned have considered the report in detail and has addressed the specific findings contained in the report as required.
1.03	In relation to the overall grants total of £137m, the net adjustment to claims of £3,120 is a relatively small proportion and did not result in a financial loss to the council as the adjusted claims reflected the actual amounts due to the Council.
1.04	There was one significant adjustment of £250,000 that was made on the Local Transport Fund grant which was due to a timing issue relating to the receipt of additional funding from Welsh Government that had been agreed to be carried forward into 2017/18. This did not impact on the amounts payable to or from Welsh Government over the 2 financial years.
1.05	As with previous years Officers will continue to work alongside WAO to further improve the quality of the claims and address specific issues as they arise. In addition, regular feedback is provided by Wales Audit Office as to the quality of grant claims which has proved particularly useful.
1.06	Recommendations made by WAO have been considered by Officers and actions are already in place to address these in advance of the submission of 2017/18 grant claims. All staff involved in the grant management process will be reminded of their specific responsibilities and the agreed actions monitored closely throughout the year.

## **2.00 RESOURCE IMPLICATIONS**

2.01	As set out in the Audit report.
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## **3.00 CONSULTATIONS REQUIRED / CARRIED OUT**

3.01	The report has been shared with staff with responsibility for dealing with grants.
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<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	As set out in the report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Certification of Grants and Returns 2016-17, Wales Audit Office report

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<b>Contact Officer:</b> Gary Ferguson (Corporate Finance Manager) <b>Telephone:</b> (01352) 702271 <b>E-mail:</b> gary.ferguson@flintshire.gov.uk

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Wales Audit Office:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p><b>Grant:</b> a financial assistance mechanism providing money, property, or both to an eligible entity to carry out an approved project or activity.</p> <p><b>Certification:</b> a statement, signed by an applicant or grantee as a prerequisite for receiving funds, that it (1) meets or will adhere to certain conditions and/or (2) will undertake or not undertake certain actions.</p> <p><b>Grant Completion Checklist:</b> a template produced to determine the evidence and information required to be prepared to support a grant claim submission.</p> <p><b>Financial Year:</b> the period of 12 months commencing on 1 April.</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p><b>Budget:</b> a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>