

Accountable Body

December 2017

Being an accountable body

Background:

Role of Accountable Body

Memorandum of Understanding

Resource implications

Reporting arrangements

Risks

Background:

Central Government are requesting that Herefordshire Council acts as Accountable Body. (DfE £15m DCLG £8m)

**Accountable body only for the Government Grants
Government unable to directly award to NMiTE**

Release of funding relies on NMiTE fulfilling a set of milestones

To follow requirements of S31 agreement:

To ensure only eligible expenditure is authorised by checking agreed milestone evidence.

Ensure funding is released to NMiTE inline with milestone schedule.

To ensure that expenditure is in line with the relevant financial and contract procedure rules.

To ensure that correct change control processes are followed.

To ensure that commitments are not made until funding is secured.

To follow requirements of S31 agreement:

To establish and maintain effective systems for auditing and monitoring expenditure

It is does not cover other funding streams NMiTE will attract

To ensure that a proper audit trail is maintained with appropriate records and copy invoices to support the grant claim.

To escalate concerns to Central Govt

To ensure all supporting records are maintained in line with the appropriate retention schedule.

Memorandum of Understanding:

**agreements between NMiTE, Central Govt and Herefordshire Council
Defines reporting requirements and change control processes.**

**Defines milestones to be passed before funding can be released.
Clarifies the consequence of NMiTE failing to provide information reasonably
requested by Accountable Body or Govt Department.**

Confirms the reporting requirements between the council and Central Govt.

Council Resources:

Council needs to be assured that expenditure is eligible.

Council needs to be assured that NMiTE internal controls are effective and being complied with.

**Processes to be built to provide assurance that all milestones have been met.
Intention is for one reporting pack to be agree.**

**Proposal it use NMiTE external auditors to provide element of assurance.
Additional staffing resources to be funded from top slice of grant.**

Monthly reporting pack to include:

**Income and Expenditure account.
Balance Sheet.
Cash flow.**

**Capital program.
Staffing report.
Above to include actuals, commitments, and forecasts to end of year and grant.**

Milestone progress report .

**Herefordshire Council will be legally accountable to Central Govt.
Obligation to monitor expenditure and attainment of milestones.**

**The Council role is not to run NMiTE
The Council is not required to finance NMiTE
Only specific Govt grants covered by Accountable Body**

**Financial.
Reputational.
Operational.
Compliance.**

Questions?

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