Certification of the Use of Funds: Adult Safeguarded Learning Funding for 2006/07

March 2007

Of interest to local authority (LA) chief education officers, LA chief finance officers, LA officers responsible for Adult Safeguarded Learning, heads of finance and Adult Safeguarded Learning contract managers in local and regional LSCs, Audit Commission and LAs' external auditors
Further information
For further information, please contact the appropriate Learning and Skills Council office. Contact details for each office can be found on the LSC’s website (www.lsc.gov.uk).

Learning and Skills Council
National Office
Cheylesmore House
Quinton Road
Coventry CV1 2WT

T 0845 019 4170
F 024 7682 3675

www.lsc.gov.uk

This document supersedes Certification of the Use of Funds: Funding of Adult and Community Learning in Local Authorities for 2005/06, issued in March 2006.

This guidance is for local authorities (LAs) preparing use of funds statements for Learning and Skills Council (LSC) Adult Safeguarded Learning Funding for 2006/07. Only LAs receiving LSC Adult Safeguarded Learning funds for 2006/07 need prepare a statement.

For action

A response to Annex A is required by 31 December 2007. A pre-certified version of Part 1 of Annex A should also be sent to the Learning and Skills Council by 30 September 2007.
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Annex A: Use of Funds Statements for Learning and Skills Council-funded Adult Safeguarded Learning Provision –

Annex A Part 1: Use of Funds Statement for Learning and Skills Council-funded Adult Safeguarded Learning Provision


Annex A Part 3: Certificate of the Auditor appointed by the Audit Commission

Annex B: Names and Office Addresses of LSC Regional Audit Managers
This document provides guidance to local authorities (LAs) on the preparation of an auditor-certified statement showing their spending of Learning and Skills Council (LSC) allocations of funding for Adult Safeguarded Learning, formerly Adult and Community Learning (ACL), for the allocation years ending 31 March 2007 for capital funding and 31 July 2007 for revenue funding. Please note that for Challenge Fund (Major Capital Bids) this programme is referred to as Personal and Community Development Learning (PCDL) for projects agreed to take place between 2006 and 2008. The statements are at Part 1 and Part 2 of Annex A. Part 1 is for completion in response to this document; Part 2 is for completion under the LSC's PCDL Challenge Fund (Major Capital Bids) funding letter.

As an initial stage in the programme of reforming this area of adult provision, the term 'Adult Safeguarded Learning' has been developed for 2006/07. For the purposes of this document, Adult Safeguarded Learning includes Safeguarded PCDL funding, Neighbourhood Learning in Deprived Communities, Family Literacy, Language and Numeracy, Wider Family Learning and First Steps provision. Similarly, references to Capital Funding mean PCDL Challenge Fund (Major Capital Bids) funding letter.

The LA's officer responsible for Adult Safeguarded Learning and its chief finance officer must sign the statements at Part 1 and Part 2 of Annex A. The LA should then arrange for Part 1 of the statement to be sent, as a pre-audit version, to the LSC's regional audit manager, for the region in which the LA is located, by **30 September 2007**. The LA should also arrange for Part 1 and Part 2 (if applicable) of the statement to be forwarded by **30 September 2007** to its external auditor for certification at Part 3. The pre-audit version should be either a signed original or a copy with original signatures. The auditor should send the certified statement covering Part 1 and Part 2 to the LSC's relevant regional audit manager by **31 December 2007**.

This document is of interest to LA chief education officers, LA chief finance officers, LA officers responsible for adult learning, heads of finance and Adult Safeguarded Learning contract managers in local and regional LSCs, and LAs' external auditors.

The document does not apply to other organisations, including further education colleges receiving direct LSC funding for adult learning provision or those providers under contract to LAs, including colleges. Different arrangements apply to these organisations.
Responses to This Document

Local authorities should complete the relevant statements, as shown in Annex A, and submit these to their appointed auditor with another original or a copy with original signatures to their LSC regional audit manager by 30 September 2007.

Local authority external auditors should send certified statements to the relevant LSC regional audit manager by 31 December 2007. The auditor certificate at Part 3 of Annex A covers the tables at Part 1 and Part 2.

Further Information

For further information, please contact:

Kala Patel
East Midlands Region Provider Financial Management Team
Learning and Skills Council
17a Meridian East
Meridian Business Park
Leicester LE19 1UU

Tel: 07990 636113
Email: kalavati.patel@lsc.gov.uk

or

Andrew Brown
National Provider Financial Management Team
Learning and Skills Council
St Lawrence House
29–31 Broad Street
Bristol BS99 7YJ

Tel: 01173 726439
Email: andrew.brown2@lsc.gov.uk

External auditors with enquiries regarding the certification instruction should contact the Audit Commission directly.

Email: acts@audit-commission.gov.uk
1 Introduction

1 The Chief Executive of the Learning and Skills Council (LSC), as the accounting officer, has a duty to account to Parliament each year on the proper spending of the public funds that it provides to learning providers. Local authorities (LAs) act as learning providers for many areas of LSC funding of provision. To discharge this duty as the LSC’s accounting officer, the Chief Executive places requirements on LAs under their funding agreements with the LSC to comply with the LSC’s audit requirements given in this document and in other LSC funding requirements and guidance.

2 Local authorities are required to provide assurance to the LSC that Adult Safeguarded Learning funds were used for the purposes provided. Authorities are to provide this by securing independent auditor certification of a spending statement.

3 The certified statements form a significant part of the LSC’s evidence showing how providers have used LSC funds. The National Audit Office (NAO) will consider this evidence as part of its audit of, and reporting on, the LSC’s financial statements. The LSC will also perform a limited programme of its own reviews of Adult Safeguarded Learning provision in early 2007.

4 The LSC last set out its requirements on auditors’ certification of local authorities’ spending of LSC Adult and Community Learning (ACL) funds allocated for 2005/06 in March 2006. This document makes changes to the requirements for 2006/07 in respect of the scope of LSC funds covered by the document.

5 The following organisations are not covered by this document:

- former external institutions that are commercial or voluntary sector learning providers
- colleges incorporated under the Further and Higher Education Act 1992
- other LSC-funded providers of further education that are not colleges, such as learndirect provision now funded by the University for Industry (UfI) or those other commercial or voluntary sector providers of adult learning provision funded directly by the LSC.
2 Statement on Spending of Learning and Skills Council Funds

Introduction

6 This section of the document sets out the Learning and Skills Council’s (LSC’s) requirements for local authorities (LAs) to complete a statement of their spending of LSC funding for Adult Safeguarded Learning provision.

7 The LSC has allocated the following Adult Safeguarded Learning funds for the year to 31 July 2007. The LA’s spending of these funds should be disclosed in the statement provided in Part 1 of Annex A:

- revenue – Personal and Community Development Learning (PCDL)
- revenue – Family Literacy, Language and Numeracy
- revenue – Wider Family Learning
- revenue – Neighbourhood Learning in Deprived Communities
- revenue – First Steps
- capital – Neighbourhood Learning in Deprived Communities.

8 The LSC has allocated the following funds for the year to 31 March 2007. The LA’s spending of these funds should be disclosed in a statement which is replicated in Part 2 of Annex A:

- capital – PCDL Challenge Fund (Major Capital Bids) funding.

9 The responsible officer of the LA and, where necessary, the authority’s external auditor are required to confirm that the use of these funds is properly recorded in the statements provided in Annex A. Nil returns are not required, so where an LA has not received LSC Adult Safeguarded Learning, the forms need not be completed.

Completion of Spending of Funds Statements

10 Annex A comprises parts 1 to 3. Part 1 has two sections, A and B. Part 1, Section A is a table which is to be completed to show LSC allocations and the LA’s use of Adult Safeguarded Learning for the academic year 1 August 2006 to 31 July 2007. The columns on this table record:

- column 2: where applicable, balances of unspent funds brought forward as at 1 August 2006
- column 3: LSC allocations during the year to 31 July 2007
- column 4: where applicable, any recovery of funds agreed with the LSC for past under-performance
- column 5: total funds available to the LA for the year to 31 July 2007
- column 6: the LA’s spending against LSC allocations during the year to 31 July 2007
- column 7: where applicable, the balance of LSC funding as at 31 July 2007.

11 The LSC will require the balance of funding not spent at 31 July 2007 to be recovered unless, following discussions between the LA and the LSC, agreement can be reached to carry it forward. In such circumstances, the LSC may impose specific restrictions on the purposes for which this funding can be used.
12 Part 1, Section B is a certificate of assurance which is to be signed by the officers responsible for the allocations disclosed in Section A.

13 Part 2 of Annex A replicates a use of funds statement previously issued to LAs with their PCDL capital allocations for the financial year to 31 March 2007. LAs in receipt of these allocations are required by 31 May 2007 to complete this use of funds statement and send it to:

LSC National Property Team
Learning and Skills Council
Cheylesmore House
Quinton Road
Coventry CV1 2WT

The statement is to be signed by the LA officer responsible for Adult Safeguarded Learning provision, and by the chief finance officer. Two additional copies of this statement, signed by these responsible officers, must be retained by the LA for submission to the authority’s auditor and to the relevant LSC regional audit manager by 30 September 2007.

14 Part 3 is the certificate of the LA’s external auditor, appointed by the Audit Commission. The certificate covers the use of funds statement provided at Part 1 of Annex A and, where appropriate, capital statements as shown in Part 2 of Annex A. Statements passed to the auditor should be either signed originals or copies bearing an original signature.

Responsible Officers

15 The LA’s officer responsible for Adult Safeguarded Learning provision and its chief finance officer (designated officer under section 151 of the Local Government Act 1972) are required to sign the declaration at Part 1 and Part 2 of Annex A. Where the chief finance officer of the LA has delegated authority under section 151 to another officer to sign the declaration, this must be stated in Part 1, Section B of Annex A. LAs must provide evidence of any delegation of section 151 authority to their external auditors.

Submission Timetable

16 LA chief finance officers should, by 30 September 2007, send the completed Part 1, Sections A and B of Annex A to the authority’s appointed auditor with a signed copy to the relevant LSC regional audit manager. The names and office addresses of each regional audit manager are shown at Annex B.

17 LAs receiving PCDL Challenge Fund Capital Project Support capital funding should also send signed copies of the capital statement to their appointed auditor and to the relevant LSC regional audit manager by the same date.

18 LAs should also send the auditor’s certificate, provided as Part 3 of Annex A, to their external auditor with the completed forms. The LSC reserves the right to stop funding payments where there is a failure to follow this submission timetable.

Auditor Certification Arrangements

19 The LSC has consulted the Audit Commission on the guidance contained in this document. Later in 2007, the Audit Commission will make a certification instruction (EDU02) available for the use of its appointed auditors to provide guidance on the certification of Adult Safeguarded Learning funding paid to the authority.

20 LAs need to agree a timetable with their external auditors to ensure that the auditor-certified statement reaches the LSC by 31 December 2007. Any LA unable to meet this deadline is asked to inform their regional audit manager in writing, setting out the reasons for delay, by 31 December 2007, and to provide a date on which the statement will be available. The LSC reserves the right to stop funding payments where there is a failure to follow this submission timetable.

21 The LA’s appointed auditor will certify the Adult Safeguarded Learning funding statements in accordance with the Audit Commission’s certification instruction EDU02, completing the certificate at Part 3 of Annex A. The completed auditor’s certificate (Part 3), accompanied by the Part 1 and Part 2 statements that it covers, must be submitted to the relevant LSC regional audit manager by no later than 31 December 2007.

22 The Audit Commission makes certification arrangements for claims and returns that are proportionate to the amount of grant involved. When considering Adult Safeguarded Learning use of funds statements, auditors will apply the specified de minimis and threshold limits to the total grant funding on each statement rather than to individual funding streams. Full details are contained in the Audit Commission’s Statement of Responsibilities in relation to claims and returns, which can be found on the Audit Commission’s website (www.audit-commission.gov.uk).
Auditor Qualification of Statements

23 LAs are reminded that the LSC has a statutory duty to account to Parliament each year on the proper use and control of public funds. In the absence of auditor-certified statements, the LSC cannot assure Parliament that its funds were applied properly.

24 Where an auditor's certificate covering the statement is qualified, the LSC may, following consultation with the LA:

- seek to secure other provision for the learners
- require satisfactory assurances and action by the LA – such an agreement will also be supported by restrictions on the funding provided, and will be copied to the Audit Commission
- recover funds due in respect of a failure to deliver satisfactorily the agreed development plan as set out in the LSC's Conditions of Funding (Grant) Schedule for Adult Safeguarded Learning.

Learning and Skills Council Direct Assurance Work

25 During early 2007, the LSC will perform a limited programme of its own assurance work in respect of the LSC's 2006-07 funding of Adult Safeguarded Learning provision. The work will be performed by the LSC's provider financial management teams at a sample of LAs. This work continues to be needed as the auditor-certified statement, under the deadlines set out in this document, will not be submitted to the LSC in time for the preparation of the LSC’s annual financial statements.

Mark Haysom, Chief Executive, LSC
Annex A:

Use of Funds Statements for Learning and Skills Council-funded Adult Safeguarded Learning Provision

1 Local authorities (LAs) should complete Part 1, Section A of this statement where the LA has been allocated Learning and Skills Council (LSC) Adult Safeguarded Learning funding for the year ending 31 July 2007. The LA officer responsible for Adult Safeguarded Learning and its chief finance officer should sign the authority’s certificate at Part 1, Section B in respect of entries made at Part 1, Section A of the statement.

2 LAs allocated LSC Personal and Community Development Learning (PCDL) capital funding for the year ending 31 March 2007 will complete the use of funds statement, replicated at Part 2 of this Annex, under the LSC’s PCDL Challenge Fund Capital Project Support funding letter and submit this to the LSC by 31 May 2007. The statement at Part 2 is therefore for information only and need not be completed again. Instead, LAs should provide either a signed original version, or a copy with original signatures, of the capital statement already submitted to the LSC capital team.

3 LAs should send by 30 September 2007 a pre-certified version of Part 1 and (where appropriate) Part 2 to their external auditor and also send signed copies to the relevant LSC regional audit manager.

4 The LA’s appointed auditor should complete the auditor’s certificate at Part 3 of the statement covering Part 1 and (where appropriate) Part 2 and send all three parts to the relevant LSC regional audit manager at the address given in Annex B, to arrive no later than 31 December 2007.
For enquiries about completing this Annex please contact:

Kala Patel  
East Midlands Region Provider Financial Management Team  
Learning and Skills Council  
17a Meridian East  
Meridian Business Park  
Leicester LE19 1UU  

Tel: 07990 636113  
Email: kalavati.patel@lsc.gov.uk  

or

Andrew Brown  
National Office Provider Financial Management Team  
Learning and Skills Council  
St Lawrence House  
29–31 Broad Street  
Bristol BS99 7YJ  

Tel: 01173 726439  
Email: andrew.brown2@lsc.gov.uk
Annex A Part 1: Use of Funds Statement for Learning and Skills Council-funded Adult Safeguarded Learning Provision

Local authority name (please print):

Name of contact officer for queries (please print):

Job title (please print):

Telephone number: Fax number:

The following parts of this form have been completed (please delete items marked * if not relevant):

Part 1: Use of Funds Statement for LSC-funded Adult Safeguarded Learning Provision Allocated for the Academic Year Ending 31 July 2007:

• Section A: Spending of Learning and Skills Council Adult Safeguarded Learning Funds allocated for the academic year to 31 July 2007
• Section B: Certificates by responsible officers for Part 1, Section A

Part 2: Use of Funds Statement for Learning and Skills Council Capital Personal and Community Development Learning Challenge Fund (Major Capital Bids) Funding Allocated for the Financial Year Ending 31 March 2007*

Part 3: Certificate of the Auditor Appointed by the Audit Commission.*

Please complete this Annex clearly in black ink.
Section A: Spending of Learning and Skills Council Adult Safeguarded Learning funds allocated for the academic year to 31 July 2007

* where applicable

Local authority name (please print):

<table>
<thead>
<tr>
<th>Line number</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
<th>Column 7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grant</td>
<td>Balance brought forward as at 1 Aug 2006</td>
<td>LSC’s 2006/07 allocation for the year to 31 Jul 2007</td>
<td>Repayments agreed with the LSC for under-performance in the years to 31 Jul 2006</td>
<td>Total funds available for the year to 31 Jul 2007</td>
<td>Expenditure funded by the LSC in the year to 31 Jul 2007</td>
<td>Balance carried forward at 31 Jul 2007</td>
</tr>
<tr>
<td>1</td>
<td>Safeguarded Personal and Community Development Learning</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>2</td>
<td>Family Literacy, Language and Numeracy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Wider Family Learning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Neighbourhood Learning in Deprived Communities (NLDC) recurrent funding*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>First Steps</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Total revenue grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>NLDC capital grant*</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
Section B: Certificates by responsible officers for Part 1, Section A

Officers responsible for Adult Safeguarded Learning and chief finance officers of LAs in receipt of relevant LSC funds, as disclosed in Part 1, Section A above, should complete this certificate.

Local authority name (please print):

I certify, to the best of my knowledge and belief, that:

- the information in Part 1, Section A of the statement is correct and has been accurately extracted from the local authority’s records
- the Learning and Skills Council’s funds have been spent solely for the purposes intended by the Learning and Skills Council and in accordance with the Learning and Skills Council’s terms and conditions of funding
- the local authority has exercised proper control over those funds that it has received from the LSC as set out in the local authority’s funding agreement with the LSC.

Responsible officer

Signature:

Name (please print):

Date:

Job title:

Chief finance officer

Signature:

Name (please print):

Date:

Job title:

Where the chief finance officer has delegated authority for their signature, the evidence for this delegation should be stated here.
Guidance on completing Annex A Part 1, Section A

Eligibility of expenditure

1 The table at Section A is for Learning and Skills Council (LSC) Adult Safeguarded Learning revenue and capital allocations for the academic year ending 31 July 2007. The following notes concern the eligibility of expenditure against these allocations.

Safeguarded Personal and Community Development Learning

2 The funding allocation is made in accordance with the requirements set out in the LSC’s publication, Policy Requirements for Planning: Planning and Funding for the Safeguard – Personal and Community Development Learning (PCDL), Family Programmes and Neighbourhood Learning in Deprived Communities (issued January 2006), and in the Conditions of Funding (grant) agreement which is signed by the local authority and the LSC.

Family Literacy, Language and Numeracy and Family Learning Grant

3 Guidance on eligible expenditure is set out in the LSC’s publications, Policy Requirements for Planning: Planning and Funding for the Safeguard – Personal and Community Development Learning (PCDL), Family Programmes and Neighbourhood Learning in Deprived Communities (issued January 2006) and Family Programmes 2006/07 (issued April 2006).

Neighbourhood Learning in Deprived Communities

4 The background and funding criteria for both revenue and capital Neighbourhood Learning in Deprived Communities (NLDC) projects is set out in the LSC’s publication, Neighbourhood Learning in Deprived Communities: Guidance for Local Learning and Skills Councils and Providers (issued May 2006).

First Steps

5 The funding allocation is made in accordance with the requirements set out in the LSC’s publication, Policy Requirements for Planning: Planning and Funding for the Safeguard – Personal and Community Development Learning (PCDL), Family Programmes and Neighbourhood Learning in Deprived Communities (issued January 2006), and in the Conditions of Funding (grant) agreement.

LSC recovery of funds

6 For all Adult Safeguarded Learning revenue funding, the balance of any unspent grant may be repayable to the LSC as set out in the LSC’s funding agreement with the local authority (LA). The method of any recovery will be agreed by negotiation and may entail a reduction in the LSC’s allocation to the LA during a funding year or a repayment in cash.

7 In all circumstances, the LSC will seek a recovery of funds where there is evidence from audit or other review that LSC funds declared as having been applied to LSC purposes have not been so applied.
### Column descriptions in Part 1, Section A

<table>
<thead>
<tr>
<th>Column 1</th>
<th>The individual LSC grant lines for Adult Safeguarded Learning provision.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Column 2</td>
<td>The balance of unspent funds, if any, brought forward from the LA’s previous return to the LSC for that activity as at 1 August 2006. This column is not applicable for line 7, ‘NLDC capital grant’.</td>
</tr>
<tr>
<td>Column 3</td>
<td>The LSC’s gross allocation due for the year ending 31 July 2007. The allocation represents funds payable to the LA for the year and should include any amounts in respect of the 2006/07 academic year due from the LSC but not yet received by the LA.</td>
</tr>
<tr>
<td>Column 4</td>
<td>The value of repayments, if any, agreed with the LSC for under-performance in the 2003/04, 2004/05 and 2005/06 allocation years.</td>
</tr>
<tr>
<td>Column 5</td>
<td>The sum of columns 2 and 3 less column 4, representing the total LSC funds available to the LA for Adult Safeguarded Learning provision for the year to 31 July 2007.</td>
</tr>
<tr>
<td>Column 6</td>
<td>The LA’s accrued expenditure on Adult Safeguarded Learning activity funded by the LSC in the year to 31 July 2007. The expenditure shown should only include expenditure funded by the LSC. Expenditure funded from tuition fees and other income generated by LAs’ adult learning activity should not be shown in this column.</td>
</tr>
<tr>
<td>Column 7</td>
<td>The balance of funds available to the LA for the financial year to 31 July 2007 that have not been spent by that date, if any (that is, column 5 less column 6). Only zero or positive balances (that is, under-spending by the local authority) should be entered. This column is not applicable for line 7, ‘NLDC capital grant’.</td>
</tr>
</tbody>
</table>

1 This applies only to LAs that have approved PCDL Challenge Fund (Major Capital Bids) funding.

2 This Part 2 of this Annex is a replica statement of the use of LSC PCDL Challenge Fund (Major Capital Bids) funds for the period 1 April 2006 to 31 March 2007.

3 Under the LSC’s PCDL Challenge Fund (Major Capital Bids) funding letter, the LSC requested that local authorities return Part 2 to their local LSC and to the LSC National Property Team by 31 May 2007. Local authorities do not need to complete Part 2 again in response to this document. Instead, they should provide to their external auditors, by 30 September 2007, either signed originals or copies with original signatures of Part 2 that they have already completed and submitted to the LSC. The statement should be signed by the officer designated with responsibility for PCDL, and countersigned by the local authority’s chief finance officer.

4 The LA’s appointed auditor should send certified statements to the relevant LSC regional audit manager at the address given in Annex B, to arrive no later than 31 December 2007.
PCDL provision 1 April 2006 to 31 March 2007

Local authority name *(please print)*:

________________________________________________________________________________________

Name of contact officer for queries *(please print)*:

________________________________________________________________________________________

Job title *(please print)*:

________________________________________________________________________________________

Telephone:

________________________________________________________________________________________

Total project cost (as per the LSC funding letter):

________________________________________________________________________________________

Total LSC grant support (as per the LSC funding letter):

________________________________________________________________________________________

Estimated project spend (as per the LSC funding letter):

________________________________________________________________________________________

1 Local authority’s total agreed Challenge Fund capital works allocation from LSC from 1 April 2006 to 31 March 2007

2 Total cash payable to local authority from LSC from 1 April 2006 to 31 March 2007 based on the PCDL capital grant support expenditure

3 Local authority’s total actual expenditure on Challenge Fund capital works in 2006-07
Certificate of chief finance officer and responsible officer

Local authority name (*please print*):

---

I certify, to the best of my knowledge and belief, that:

- the information in this statement is correct and has been accurately extracted from the local authority’s records
- the Learning and Skills Council’s funds have been solely used to meet the costs of delivering the agreed Challenge Fund capital works bid
- the local authority has exercised proper control over those funds that it has received from the Learning and Skills Council as set out in the local authority’s funding letter with the Learning and Skills Council.

**Chief finance officer**

Signature: __________________________

Name (*please print*): __________________________

Job title: __________________________

Date: __________________________

**Responsible officer**

Signature: __________________________

Name (*please print*): __________________________

Job title: __________________________

Date: __________________________

Auditor certification requirement for Personal and Community Development Learning

This use of funds statement shall be certified by the local authority’s external auditors as part of the audit of Adult Safeguarded Learning Funding programme funds within the guidance published by the Learning and Skills Council.

Auditor certification will take place later in 2007 following the publication of the guidance above.
Guidance on completing Annex A Part 2

1 This information is only requested from the LAs that have received approval to PCDL Challenge Fund (Major Capital Bids) funding. The funding letter set out the terms and conditions of the approved grant support.

2 LAs are responsible for the submission of auditor-certified returns to the LSC under Part 2, only in respect of LSC funding paid to the LA or its operations. This includes external institutions that the LA maintains. Where the ‘main provider’ is not part of the LA, for example a further education (FE) college, this funding is outside the scope of this Annex.

3 Part 2 requires LAs to write down the project costs, total LSC grant support and estimated project spend as given in their funding letter with the LSC.

4 Part 2 also requires LAs to complete three boxes as described below.

   • Box 1 is for the total agreed allocation from the LSC. This should be as notified by the LSC in its funding letter.
   • Box 2 is for the cash received by the LA in respect of the year to 31 March 2007.
   • Box 3 is for the LA’s actual capital expenditure funded by the LSC in the year to 31 March 2007.

5 Projects eligible for LSC Challenge Fund (Major Capital Bids) funding could include proposals that would address:

   • health-and-safety-related building repairs
   • innovation or re-modelling of the curriculum
   • growth to enable the provision of increased learner places
   • widening participation
   • improved facilities for learner support
   • work to reduce running costs and increase the effective use of buildings
   • developing effective and efficient dual use of premises for adult learning and other educational purposes.
Certificate of the auditor appointed by the Audit Commission

The Statement of Responsibilities of grant-paying bodies, authorities, the Audit Commission and appointed auditors in relation to claims and returns, issued by the Audit Commission, sets out the respective responsibilities of these parties, and the limitations of our responsibilities as appointed auditors.

I/We have examined the entries in Parts 1 and 2 of this form (which replaces or amends the originals submitted to me/us by the authority dated _____________)* and the related accounts and records of the authority in accordance with Certification Instruction A01 and I/we have:

For claims and returns above de minimis and up to the threshold#

• carried out Part A tests in Certification Instruction number EDU02 and obtained such evidence and explanations as I/we consider necessary.

(Except for the matters raised in the attached qualification letter dated ______________)*

I/we have concluded that the claim or return is in accordance with the underlying records.

For claims and returns over the threshold#

• assessed the control environment for the preparation of this claim or return in accordance with Certification Instruction A01 and, on the basis of my/our assessment, carried out Part A/Parts A and B* tests in Certification Instruction number EDU02 and obtained such evidence and explanations as I/we consider necessary.

(Except for the matters raised in the attached qualification letter dated ______________)*

I/we have concluded that the claim or return is:
– fairly stated; and
– in accordance with the relevant terms and conditions.

Signature: ________________________________________ Name (block capitals): _____________________________ on behalf of the Audit Commission

Date: ____________________________________________

*Delete as necessary
# Delete non-applicable certificate
Annex B:

Names and Office Addresses of Regional Audit Managers

Andrew Neill
East Midlands Region
17a Meridian East
Meridian Business Park
Leicester LE19 1UU

Steve Passmore
London Regional Office
Centre Point
103 New Oxford Street
London WC1A 1DR

Jacqui Gratton
North West Region
9th Floor
Amdale House
Amdale Centre
Manchester M4 3AQ

Stephen Bailey
South West Region
St Lawrence House
29–31 Broad Street
Bristol BS99 7YJ

Brian Lister
Yorkshire and the Humber Region
Mercury House
4 Manchester Road
Bradford BD5 0QL

Graham Bull
East of England Region
Felaw Maltings
42 Felaw Street
Ipswich IP2 8SJ

David Lythe
North East Region
Moongate House
5th Avenue Business Park
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Daniel Canham
South East Region
Prince’s House
53 Queen’s Road
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East Sussex BN1 3XB

Jo Shaw
West Midlands Region
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(Although the address of the South East regional office is correct at the time of publication of this document, there are plans to move the location of this office. Local authorities and their auditors in this region are advised to seek confirmation of the address before sending correspondence.)