



Certification report 2013/14 for Mid Devon District Council

DRAFT

This version of the report is a draft. Its contents and subject matter remain under review and its contents may change and be expanded as part of the finalisation of the report.

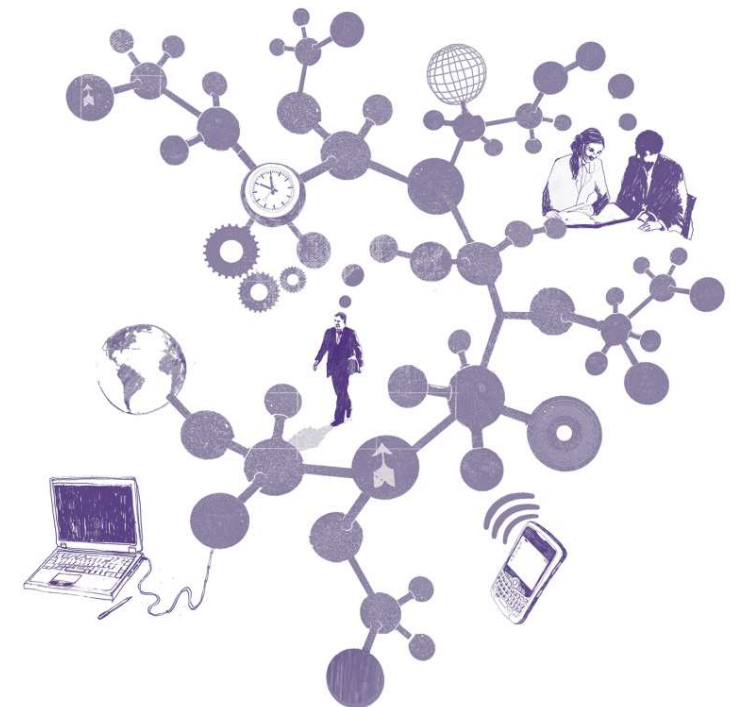
Year ended 31 March 2014

27 January 2015

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Summary of findings

Introduction

We are required to certify certain claims and returns submitted by Mid Devon District Council ('the Council'). This certification typically takes place six to nine months after the claim period and represents a final but important part of the process to confirm the Council's entitlement to funding.

We have certified two claims and returns for the financial year 2013/14 relating to expenditure of £20.7 million.

This report summarises our overall assessment of the Council's management arrangements in respect of the certification process and draws attention to significant matters in relation to individual claims.

Approach and context to certification

Arrangements for certification are prescribed by the Audit Commission, which agrees the scope of the work with each relevant government department or agency, and issues auditors with a Certification Instruction (CI) for each specific claim or return.

Our approach to certification work, the roles and responsibilities of the various parties involved and the scope of the work we perform were set out in our Certification Plan issued to the Council in May 2014.

Key messages

A summary of all claims and returns subject to certification is provided at Appendix A. The key messages from our certification work are summarised in the table below and set out in detail in the next section of the report.

Aspect of certification arrangements	Key Messages	RAG rating
Submission & certification	Claims were all submitted on time.	● Green
Accuracy of claim forms submitted to the auditor (including amendments & qualifications)	There was one minor error in the completion of the Capital receipts return.	● Green
Supporting working papers	Working papers were comprehensive and to a good standard.	● Green

Certification fees

The indicative certification fee set by the Audit Commission for 2013/14 for the Council is based on final 2011/12 certification fees, reflecting the amount of work required by the auditor to certify the claims and returns in that year. Fees for schemes no longer requiring certification (such as the national non-domestic rates return) have been removed. The fees for certification of housing benefit subsidy claims were reduced by 12 per cent, to reflect the removal of council tax benefit from the scheme. This is set out in more detail in Appendix C.

The way forward

We set out recommendations to address the key messages above and other findings arising from our certification work at Appendix B. Implementation of the agreed recommendations will assist the Council in compiling accurate and timely claims for certification. This will reduce the risk of penalties for late submission, potential repayment of grant and additional fees.

Acknowledgements

We would like to take this opportunity to thank the Council officers for their assistance and co-operation during the course of the certification process.

Grant Thornton UK LLP
27 January 2015

Appendices

Appendix A: Details of claims and returns certified for 2013/14

Claim or return	Value	Amended?	Amendment (£)	Qualified?	Comments
Housing benefit subsidy claim	19,187,360	No	0	Yes	The wrong Child tax credit figure has been used in the calculation resulting in an underpayment of £41.38. Additional testing was then undertaken and no further errors were identified.
Capital receipts return	1,546,540	Yes	0	No	The original submission included the amount of capital expenditure in 2013/14, but the form required the amount of expenditure for 2012/13 and 2013/14. The claim was amended.

Appendix B: Fees

Claim or return	2012/13 fee (£)	2013/14 indicative fee (£)	2013/14 actual fee (£)	Variance year on year (£)	Explanation for significant variances
Housing benefits subsidy claim	10,470	8,990	9,890	-580	Additional testing in the year
National non-domestic rates return	900	-	-	-900	Not required in 2013/14
Capital receipts return	80	484	484	+404	2012/13 claim was below the upper limit and limited procedures were required.
Total	11,450	9,474	10,374	-1,076	



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