



Certification report 2012/13 for South Hams District Council

Year ended 31 March 2013

16 January 2014

Barrie Morris

Engagement Lead

T 0117 305 7708

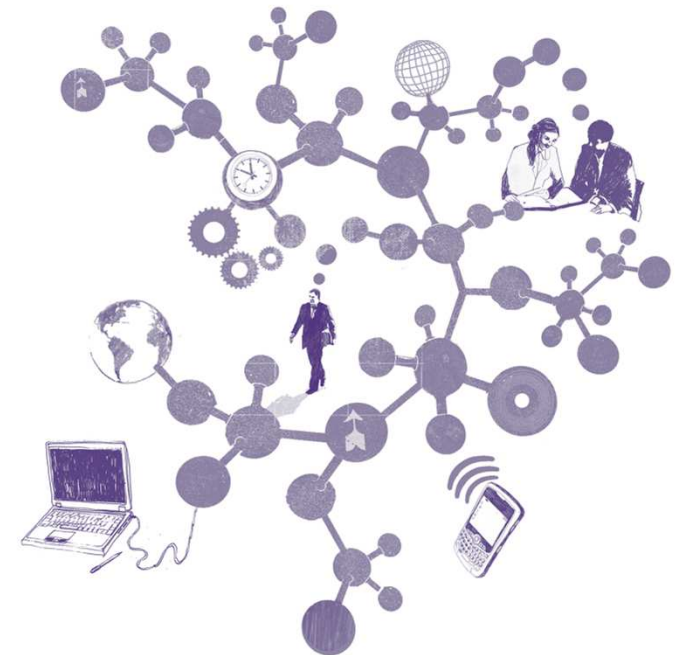
E barrie.morris@uk.gt.com

Steve Johnson

Audit Manager

M 07880 456134

E Steve.P.Johnson@uk.gt.com



Contents

Section	Page
1. Executive summary	3
2. Results of our certification work	5
Appendices	
A Details of claims and returns certified for 2012/13	9

Section 1: Executive summary

01. Executive summary

02. Results of our certification work

Executive summary

Introduction

We are required to certify certain of the claims and returns submitted by South Hams 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 2012/13 relating to expenditure of £55.2 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 Audit Plan issued to the Council in March 2013.

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	All claims were submitted and certified on time.	 Green
Accuracy of claim forms submitted to the auditor (including amendments & qualifications)	The Housing Benefit and Council tax Benefit Subsidy claim required amending and qualification.	 Amber
Supporting working papers	Working papers and evidence provided were good, which enabled certification within the deadlines.	 Green

The way forward

We have made no recommendations that require consideration by the Audit Committee.

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
16 January 2014

Section 2: Results of our certification work

01. Executive summary

02. Results of our certification work

Results of our certification work

Key messages

We have certified two claims and returns for the financial year 2012/13 relating to expenditure of £55.2 million.

Both claims were submitted by the Council and Certified by Grant Thornton within the set deadlines. Neither claim required amendment or qualification.

Details of the certification of all claims and returns are included at Appendix A.

Significant findings

An error occurred as a result of a parameter change resulting in the incorrect treatment of Council tax Benefit as a Social security benefit. As a result the Council needs to amend its uprating indicator, to update the analysis of the benefit and to run a mass recalculation of the affected claims to recalculate the benefit. It is not expected that benefit paid, and therefore subsidy claimed, will change.

The Council should ensure that all parameter amendments are applied correctly and that there is a robust assurance process for ensuring that updates are applied appropriately.

We identified one error in benefit entitlement which led to additional testing. No further errors were identified. We were required to send a qualification report to DWP.

Certification fees

The Audit Commission set an indicative scale fee for grant claim certification based on 2010/11 certification fees for each audited body. The indicative scale fee for the Council for 2012/13 is £12,300, which is the amount Grant Thornton have charged for the year.

Performance measure	Target	Achievement in 2012/13		Achievement in 2011/12		Direction of travel
		No.	%	No.	%	
Claims submitted on time	100%	2	100%	2	100%	
Claims certified on time	100%	2	100%	2	100%	
Claims certified without amendment	100%	1	50%	1	50%	
Claims certified without qualification	100%	1	50%	1	50%	

Appendices

Appendix A: Details of claims and returns certified for 2012/13

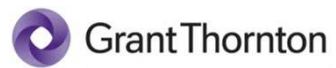
Claim or return	Value (£)	Amended	Amendment (£)	Qualified	Comments
Housing and Council Tax Benefit	28,571,228	Yes	378	Yes	An error occurred as a result of a parameter change resulting in the incorrect treatment of Council tax Benefit as a Social security benefit. We identified one error in benefit entitlement which led to additional testing. No further errors were identified. We were required to send a qualification report to DWP.
National non-domestic rates return	26,623,149	No	n/a	No	None

Appendix B: Fees

Claim or return	2011/12 fee (£) *	2012/13 indicative fee (£)	2012/13 actual fee (£) **	Variance year on year (£)	Explanation for significant variances
Housing benefits subsidy claim	11,278	10,300	10,300	-978	
National non-domestic rates return	617	2,000	2,000	1,383	Based on full testing carried out in 2010/11
Reporting	567			-567	Reporting time has ben incorporated within fee charged for each claim.
Total	12,462	12,300	12,300	-162	

* 2011/12 actual fee less 40% fee reduction to make it comparable to the 2012/13 fee.

** 2012/13 indicative fee is based on the 2010/11 fee reduced by 40%



© 2013 Grant Thornton UK LLP. All rights reserved.

'Grant Thornton' means Grant Thornton UK LLP, a limited liability partnership.

Grant Thornton is a member firm of Grant Thornton International Ltd (Grant Thornton International). References to 'Grant Thornton' are to the brand under which the Grant Thornton member firms operate and refer to one or more member firms, as the context requires. Grant Thornton International and the member firms are not a worldwide partnership. Services are delivered independently by member firms, which are not responsible for the services or activities of one another. Grant Thornton International does not provide services to clients.

grant-thornton.co.uk