



Certification report 2012/13 for Ribble Valley Borough Council

Year ended 31 March 2013

January 2014

Karen Murray

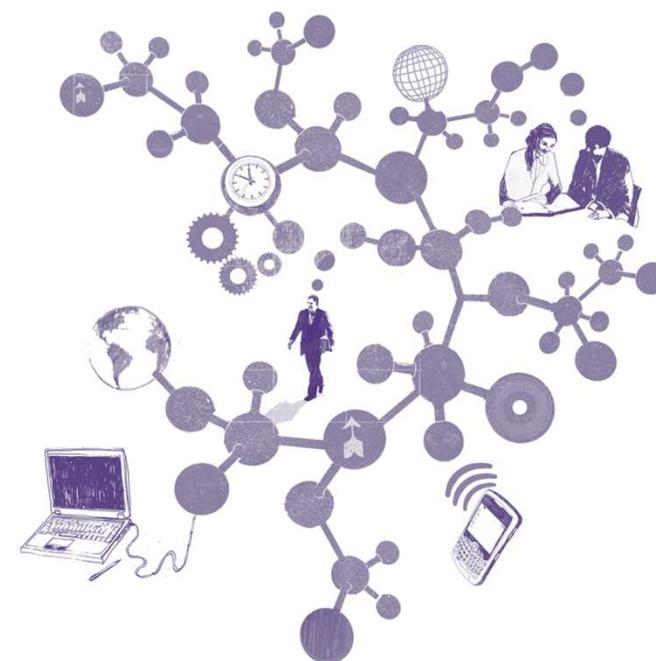
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Contents

Section	Page
1. Executive summary	4
2. Results of our certification work	7
Appendix	
A Details of fees for claims and returns certified in 2012/13	9

Section 1: Executive summary

01. Executive summary

02. Results of our certification work

Arrangements for certification for claims and returns:

- below £125,000 – no certification
- above £125,000 and below £500,000 – agreement to underlying records
- over £500,000 – agreement to underlying records and assessment of control environment. Where full reliance cannot be placed, detailed testing.

Executive summary

Introduction

We are required to certify certain of the claims and returns submitted by Ribble Valley Borough 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 £22.9 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 discussed with the Council's key finance officers at our initial certification planning meeting in April 2013.

Key messages

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 in accordance with central government departmental deadlines.	●
Accuracy of claim forms submitted to the auditor (including amendments & qualifications)	The Housing & Council Tax Benefit Subsidy claim and National Non-Domestic Rates return were certified without amendment.	●
Supporting working papers	Supporting working papers for the claims and returns were good, which enabled certification within the deadline.	●

The way forward

The Council has sound arrangements in place for the preparation and submission of its claims for certification.

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
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 £22.9 million, as follows:

- Housing & Council Tax Benefit subsidy claim.
- National Non-Domestic Rates return (NNDR).

The Council's performance in preparing claims and returns is summarised below:

Performance measure	Target	Achievement in 2012/13		Achievement in 2011/12	
		No.	%	No.	%
Claims submitted on time	100%	2	100	2	100
Claims certified on time	100%	2	100	2	100
Claims certified with amendment	0%	0	0	1	50
Claims certified with qualification	0%	0	0	0	0

This analysis of performance shows that:

- all claims and returns had been submitted for certification by the Council on time in accordance with central government department deadlines
- all claims and returns were certified within the relevant timescale.

We found that the Council had put improved arrangements and working papers in place for the Housing & Council Tax Benefit subsidy claim, following the issues raised at the 2011/12 audit. As a result, no amendments were required to this claim in 2012/13.

Significant findings

Our work has not identified any significant findings in relation to the management arrangements and certification of individual grant claims and returns.

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 was £10,550. The final fee is estimated at £10,982, due to extra testing on the NNDR claim in 2012/13 – the Audit Commission grant regime requires detailed testing to be undertaken on each claim every three years, even if the control environment is sound.

The fee is not yet final because we are awaiting final approval from the Audit Commission, expected in February 2014. If the final fee differs from the estimate set out above we will inform the Audit Committee immediately.

The breakdown of fees by claim is included at Appendix A.

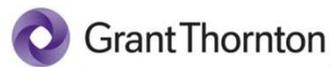
Appendix

Appendix A: Fees

This appendix compares the final 2012/13 fees with the equivalent fees charged in 2011/12 and the indicative fees set by the Audit Commission for 2012/13. The 2012/13 final fee will differ from the 2012/13 indicative fee only where significantly more or less testing is undertaken than expected. For example, where errors on the Housing Benefits claim lead to significant 40+ testing or where Part B detailed testing is required on the NNDR return.

Claim or return	2011/12 fee (£)	2012/13 indicative fee (£)	2012/13 estimated final fee (£)	Variance year on year (£)	Explanation for significant variances
Housing benefits subsidy claim	26,640	10,140	10,140	-16,500	
National non-domestic rates return	1,138	410	* 842	-296	
Total	27,778	10,550	10,982	-16,796	

* Extra "Part B" testing was undertaken on the NNDR claim in 2012/13 – the Audit Commission grant regime requires detailed testing to be undertaken on each claim every three years, even if the control environment is sound. This increased the 2012/13 fee by £432. We are awaiting final approval from the Audit Commission for this fee variation.



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