

# Certification report 2013/14 for Croydon Council

---

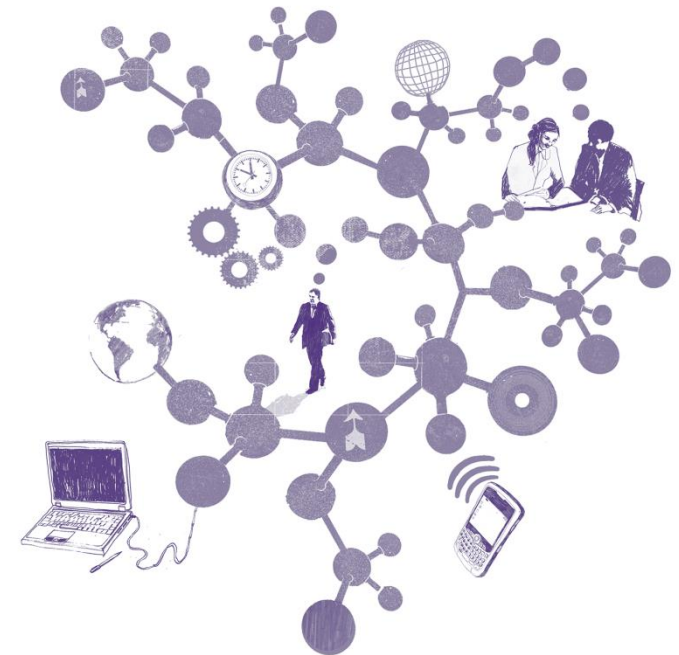
**Year ended 31 March 2014**

December 2014

**Paul Grady**  
Engagement Lead  
T 0207 728 2301  
E [paul.d.grady@uk.gt.com](mailto:paul.d.grady@uk.gt.com)

**Chris Long**  
Assistant Manager  
T 0207 728 3295  
E [chris.long@uk.gt.com](mailto:chris.long@uk.gt.com)

**Rufaro Dewu**  
Executive  
T 0207 728 3240  
E [rufaro.k.dewu@uk.gt.com](mailto:rufaro.k.dewu@uk.gt.com)



---

# Contents

<b>Section</b>	<b>Page</b>
1. Summary of findings	3
 <b>Appendices</b>	
A Details of claims and returns certified for 2013/14	5
B Fees	6

# Summary of findings

## Introduction

We are required to certify certain claims and returns submitted by you annually. 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 your entitlement to funding.

We have certified two claims and returns for the financial year 2013/14 relating to expenditure of £262 million.

This report summarises our overall assessment of your 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.

## 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.

Aspect of certification arrangements	Key Messages	RAG rating
<b>Submission &amp; certification</b>	Both grants were submitted to us before deadline and certified before the revised certification deadlines.	●
<b>Accuracy of claim forms submitted to the auditor (including amendments &amp; qualifications)</b>	The Housing Benefits claim was qualified, with a smaller number of errors than the previous year. The pooling of capital receipts return had been compiled correctly, but required amendment due to an error with the grantor's electronic submission system	●
<b>Supporting working papers</b>	Working papers were of consistent quality with appropriate cross referencing and information that enabled much of the initial basic testing requirements to be conducted without the need to consult with the grant contact.	●

## **Certification fees**

Your indicative certification fee set by the Audit Commission for 2013/14 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 B.

Your indicative certification fee for 2013/14 was £33,712. The fee is not confirmed as final by the Audit Commission until the end of the certification audit process. However, we expect the final fee to be the same as the scale fee.

## **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**  
**December 2014**

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

Claim or return	Value	Amended?	Amendment (£)	Qualified?	Comments
Housing benefit subsidy claim	257,592,114	No	-	Yes	<p>The housing benefits subsidy claim was qualified based on errors found within initial testing and from prior year knowledge. This included errors in relation to;</p> <ul style="list-style-type: none"> <li>- Child tax credits</li> <li>- Students starting work</li> <li>- Classification of non-HRA rent rebate expenditure on the subsidy claim form</li> <li>- Classification of overpayments on the subsidy claim form</li> </ul> <p>We undertook additional testing in these areas and details of our extrapolated errors are included in the Qualification Letter. This did not have any impact on subsidy claimed.</p>
Pooling of housing capital receipts return	4,453,037	Yes (see comments)	-	No	<p>The pooling of housing capital receipts return was compiled correctly, but required amendment of detailed cells due to an error with the grantor's electronic submission system. This did not affect the overall value claimed. This error was on the part of the grantor and Council officers had completed the return correctly.</p>

## 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	38,100	33,192	33,192	(4,908)	Reflects the adjustment to remove testing of council tax benefit following its abolition
Pooling of housing capital receipts return	1,130	520	520	(610)	Lower fee reflects reduction in the scale fee for 2013/14
<b>Total</b>	39,100	33,712	33,712	(5,388)	



© 2014 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](http://grant-thornton.co.uk)**