

# Certification report 2013/14 for London Borough of Barnet

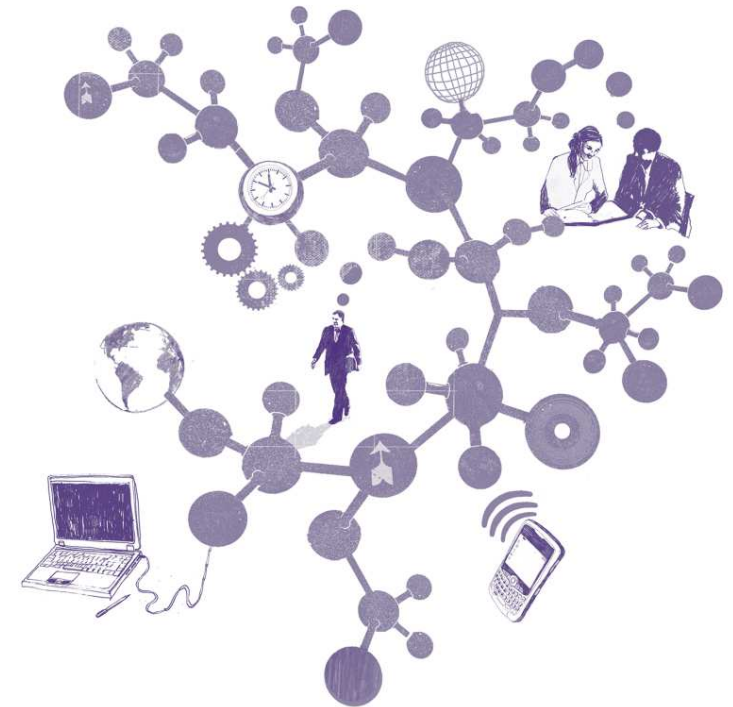
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**Year ended 31 March 2014**

January 2015

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# Summary of findings

## Introduction

We are required to certify certain claims and returns submitted by the London Borough of Barnet (‘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 £262 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 June 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.

Aspect of certification arrangements	Key Messages	RAG rating
<b>Submission &amp; certification</b>	All claims were submitted and certified within the required deadlines.	●
<b>Accuracy of claim forms submitted to the auditor (including amendments &amp; qualifications)</b>	Of the two claims certified, one was issue free, whilst the Housing Benefit Subsidy claim required amendment and qualification.	●
<b>Supporting working papers</b>	Supporting working papers were of a good standard, which helped enable certification within the deadlines.	●

## **Certification fees**

The indicative certification fee set by the Audit Commission for 2013/14 for the London Borough of Barnet 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.

The indicative certification fee for London Borough of Barnet for 2013/14 was £31,597 and this is also the actual fee. More detail is set out 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**  
**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 (BEN01)	£249,282,939	Yes	£5,977	Yes	Initial testing of 20 cases for each benefit type identified three cases with errors, one in relation to each benefit type. This required 3 sets of 40+ testing. From the additional 120 cases tested, no further errors were identified. Based on the nature of the population and the size of the errors found, it was considered unlikely that even significant additional work would result in amendments to the claim form that would have enabled us to conclude that it was fairly stated.
Pooling of Housing Capital Receipts (CFB06)	£12,755,468	No	-	No	Claim certified without issue.

# Appendix B: Action plan

**Priority**

**High** - Significant effect on arrangements

**Medium** – Some effect on arrangements

**Low** - Best practice

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
1	The Council should review its internal quality controls for processing and reviewing Housing Benefit claims in order to help prevent errors in the assessment process.	Medium		

## Appendix C: 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 (BEN01)	32,752	28,822	28,822	(3,930)	12% fee reduction to reflect the removal of Council Tax Benefit from the scheme
Pooling of Housing Capital Receipts (CGB06)	2,775	2,775	2,775	-	n/a – claim unchanged
<b>Total</b>	<b>33,530</b>	<b>31,597</b>	<b>31,597</b>	<b>(3,930)</b>	





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