

Housing Benefit Subsidy certification work plan for Dover District Council

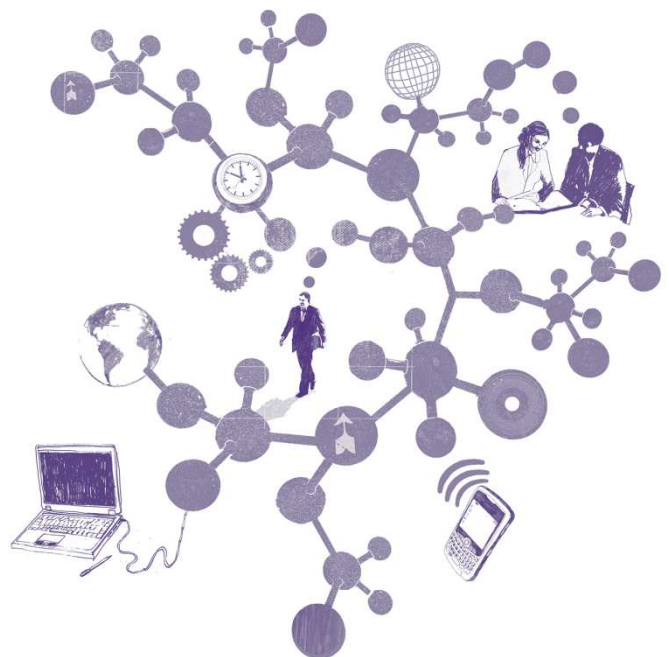
Year ended 31 March 2015

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Emily Hill
Engagement Lead
T 020 7728 3259
E emily.hill@uk.gt.com

Lisa Robertson
Engagement Manager
T 020 7729 3341
E Lisa.E.Robertson@uk.gt.com

Neil Robertson
In-charge Auditor
T 020 7383 5100
E neil.a.robertson@uk.gt.com



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Our approach to Housing Benefit Subsidy certification work

Introduction

As the Council's appointed external auditor, we undertake grant certification work acting as an agent of the Audit Commission. The only claim which requires certification at Dover District Council for 2014/15 is the Housing Benefit Subsidy claim.

The Department for Work and Pensions (DWP) requires external certification of the Housing Benefit Subsidy claim each year. The Audit Commission agrees certification arrangements with the DWP and issues a certification instruction. The arrangements include the deadline for submission of each claim by authorities (30 April 2015) and the deadline for certification by auditors (30 November 2015).

Role of all parties

The table below summarises the respective roles and responsibilities of the parties involved in the certification process.

Party	Role & responsibility
DWP	Sets conditions of subsidy and deadline for submission for pre-certified and certified claims
Audit Commission	Issues certification instruction (BEN01) for auditor work
Council	Submits claim for certification to the Appointed Auditor within DWP submission deadlines
Appointed Auditor	Certifies claim in accordance with Audit Commission certification instruction and within certification deadline

The Council's role is set out in more detail below.

- East Kent Services is responsible for ensuring that supporting accounting records are sufficient to document the transactions for which claims are made. These records should be maintained in accordance with proper practices and kept up to date, including records of income and expenditure in relation to the Housing Benefit Subsidy claim
- The Council should ascertain the requirements of schemes at an early stage to allow those responsible for incurring eligible expenditure to assess whether it falls within the scheme rules and to advise those responsible for compiling claims and returns to confirm any entitlement.
- The Council should ensure all deadlines for interim and final claims are met to avoid sanctions and penalties from the DWP.
- The DWP requires the Council's certificate to be given by an appropriate senior officer. This is typically the s.151 officer or an officer authorised by written delegated powers.
- The Council should monitor arrangements with any third parties involved in the certification process.

Claims history

The claims and returns subject to auditor certification in 2013/14 were:

- housing benefits scheme
- pooling of housing capital receipts return.

Due to changes instituted centrally by the Audit Commission, there will be no certification under the Audit Commission regime of the pooling of housing capital receipts return for 2014/15.

Our certificate

Following our work on each claim or return, we issue our certificate. The wording of this states that the claim is fairly stated and in accordance with the relevant terms and conditions. Our certificate also states that the claim has been certified:

- without qualification
- without qualification but with agreed amendments incorporated by the Council or
- with a qualification letter (with or without agreed amendments incorporated by the Council).

Where a claim is qualified because the Council has not complied with the strict requirements set out in the DWP's terms and conditions, there is a risk that the DWP will retain funding claimed by the Council or claw back funding which has already been provided or has not been returned.

In addition, where the claim requires amendment or is qualified, this increases the time taken to undertake this work, which may impact on the certification fee.

Certification work fees

The Audit Commission sets an indicative fee for grant claim certification based on the 2012/13 actual certification fees for each council. The indicative fee for the Council is £22,040. The fee is based on the following assumptions:

- there will be no change in the scope of our work due to the control environment in place during the year
- the Council provides adequate working papers to support each entry in the claim
- the Council's staff are available to deal with our queries in a timely manner and provide such explanations and supporting evidence necessary to support entries.

Where there is any significant variation from these assumptions, we will discuss a variation to the indicative scale fee with the Council and Public Sector Audit Appointments Ltd, the body that is to assume contract management responsibilities in respect of existing Audit Commission assurance appointments from 1 April 2015.

Administration

When the claim is completed, a the signed claim should be sent to Lisa Robertson at the following address:

**Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP**

- A copy of the original claim should be retained by the Council.

Managing the certification process – our role

- We intend to certify the Housing Benefit Subsidy claim in accordance with the deadlines set by the Audit Commission. If we receive the claim after the Council's submission deadline, we will endeavour to certify it within the Audit Commission deadline but, where this is not possible, within three months from receipt.
- A copy of the certified claim will be sent to the relevant named contact when the certification process is complete, along with a copy of the qualification letter, where applicable.
- Copies of the certification instruction can be provided on request.
- We expect to complete the certification work by 30 November 2015 and will issue a grant certification report highlighting any issues that need to be brought to the Council's attention.



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