



# Grant Thornton

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Our ref: JG/HL

Mike Snow  
Chief Finance Officer  
Department of Finance  
Warwick District Council  
Riverside House  
Milverton Hill  
Leamington Spa CV32 5HZ

22 January 2015

Dear Mike

### Certification work for Warwick District Council for year ended 31 March 2014

We are required to certify certain claims and returns submitted by Warwick 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.

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.

We have certified two claims and returns for the financial year 2013/14 relating to expenditure of £34.3 million. Further details of the claims certified are set out in Appendix A.

There are no issues arising from our certification work which we wish to highlight for your attention. We are satisfied that the Council has appropriate arrangements to compile complete, accurate and timely claims/returns for audit certification. The indicative fee for 2013/14 for the Council is based on the 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 have been reduced by 12 per cent, to reflect the removal of council tax benefit from the scheme. The indicative scale fee set by the Audit Commission for the Council for 2013/14 is £10,880. This is set out in more detail in Appendix B.

Appendix B confirms that a fee variation has been sought from the Audit Commission as a result of additional testing that was required on housing benefit cases. This has been agreed with the Head of Finance, however we are currently awaiting final approval from the Audit Commission in terms of the fee variation requested.

Yours sincerely

John Gregory  
For Grant Thornton UK LLP

Grant Thornton UK LLP  
Colmore Plaza  
20 Colmore Circus  
Birmingham B4 6AT  
T +44 (0)121 212 4000  
F +44 (0)121 212 4014  
DX 13174 Birmingham  
www.grant-thornton.co.uk

**Chartered Accountants**

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

Claim or return	Value (£)	Amended?	Amendment (£)	Qualified?	Comments
Pooling of Housing Capital Receipts	3,002,149	Yes	Nil impact on the claim value	No	A new cell had been added to the claim form and the guidance had not been correctly interpreted initially. The appropriate amendment was agreed and made prior to submission.
Housing Benefit Claim	31,269,347	Yes	39	Yes	As in previous years the claim has been both amended and qualified, the errors identified as part of the initial discovery testing resulted in the need for additional testing to be undertaken in 3 areas.

**Appendix B: Fees for 2013/14 certification work**

Claim or return	2012/13 fee (£)	2013/14 indicative fee (£)	2013/14 actual fee (£)	Variance (£)	Explanation for variances
Pooling of Housing Capital Receipts	440	463	463	0	
Housing Benefit Claim	9,690	10,417	12,717	2,300	The indicative fee is based on the 2011/12 certification fee and the level of testing that was required to be undertaken in that year. In 2011/12 no additional testing was required following the discovery testing performed, however for 2013/14 3 areas required additional sampling of 40 benefit cases in each area. As a result an additional fee has been incurred. The value of this additional fee has been agreed with the Head of Finance, however we are awaiting final approval from the Audit Commission who need to approve all requested fee variations.
National non-domestic rates return (NNDR3)	720	N/a	N/a	N/a	No requirement to certify this return in 2013/14
Total	10,850	10,880	13,180	2,300	