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Dear Jayne

Certification work for Bromsgrove District Council for year ended 31 March 2016

We are required to certify the Housing Benefit subsidy claim submitted by Bromsgrove 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.

The Local Audit and Accountability Act 2014 gave the Secretary of State power to transfer Audit Commission responsibilities to other bodies. Public Sector Audit Appointments (PSAA) have taken on the transitional responsibilities for HB COUNT issued by the Audit Commission in February 2015.

We have certified the Housing Benefit subsidy claim for the financial year 2015/16 relating to expenditure of £16.6 million. Further details of the claims certified are set out in Appendix A.

There are no significant issues arising from our certification work which we wish to highlight for your attention. The type and number of errors identified are in line with what we would expect to see at a local authority processing a large number of complex transactions. We are satisfied that the Council has appropriate arrangements to compile complete, accurate and timely claims for audit certification.

The indicative fee for 2015/16 for the Council is based on the final 2013/14 certification fees, reflecting the amount of work required by the auditor to certify the Housing Benefit subsidy claim that year. The indicative scale fee set by the Audit Commission for the Council for 2015/16 is £8,760. This is set out in more detail in Appendix B.

Yours sincerely

For Grant Thornton UK LLP

Appendix A - Details of claims and returns certified for 2015/16

Claim or return	Value (£)	Amended?	Amendment (£)	Qualified?	Comments
Housing benefits subsidy claim	16,639,048	No	N/A	Yes	Please see comments below.

We had to undertake additional work to ascertain whether errors found in the 14/15 claim had been repeated in 2015/16. This involved testing 40 cases relating to the classification of errors shown within cell 113. This testing did not identify any errors. We also tested 40 cases within cell 103 to ensure the LHA rate had been correctly input. Three errors were identified from this testing.

As required by the Department for Work & Pensions (DWP), we undertook the detailed testing of cases to identify whether the claimants were entitled to housing benefit and whether they were being paid the correct amount. Our testing identified two errors:

- One case where the incorrect amount of Disability Living Allowance had been input, (this did not affect subsidy paid therefore additional testing was not required).
- One case where there was a misclassification of expenditure within overpayment cells.

As a result of the overpayment error above we carried out testing of another 40 cases. 7 errors were identified.

In total we tested 160 cases, identifying 12 errors (8% failure rate). In 14/15 we tested 180 individual cases and identified 11 errors (6% error rate) These errors are not inconsistent with other councils.

Appendix B: Fees for 2015/16 certification work

Claim or return	2013/14 fee (£)	2014/15 fee (£)	2015/16 indicative fee (£)	2015/16 actual fee (£)	Variance (£)	Explanation for variances
Housing benefits subsidy claim (BEN01)	11,685	10,060	8,760	8,760	0	N/A
Total	11,685	10,060	8,760	8,760		