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Dear James

Certification work for Bromsgrove District Council for year ended 31 March 2021

We have been appointed by the Council 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.

Because of the ongoing impact of Covid-19, for 2020/21 the Department for Work and Pensions (DWP) extended the deadline for completion of this work to 31 January 2022. The DWP then further extended the deadline to 28 February 2022. The Council and DWP agreed a further extension to 31 March 2022. We certified our work, sending the required documentation to DWP, on 22 March 2022.

We have certified the Housing Benefit subsidy claim for the financial year 2020/21 relating to subsidy claimed of £11.7m (2019/20 £12.6 million). Further details are set out in Appendix A.

We identified a number of issues from our certification work which we wish to highlight for your attention.

There were three (six in the previous year) lots of additional testing arising from errors found in the previous year. These related to the incorrect input of earnings and rent and uplift of the State Retirement Pension. Our testing of an additional 120 cases across these three areas identified 13 errors.

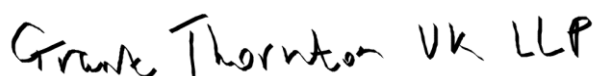
Our initial testing of 26 cases identified eight errors. This necessitated further work in two areas as some of the errors were not covered in the additional testing arising from the prior year errors that we have described above.

The extrapolated financial impact on the claim, which we have reported to the DWP, was relatively insignificant to the total subsidy receivable, with a gross total of £738 across three areas.

We reported our findings to the DWP. The DWP may require the Council to undertake further work or provide assurances on the errors we have identified.

We have agreed a fee of £15,000 for the work.

Yours sincerely



Grant Thornton UK LLP

Appendix A

Findings from certification of housing benefits subsidy claim

Workbook completion

DWP provides workbooks to all audit suppliers to complete in order to ensure consistency and high quality in documentation. Many councils now complete these workbooks using Quality Assessment Officers or Supervisors who have not initially been involved in assessing claims. Auditors then re-perform some of the work which officers have completed. This reduces the cost of the work compared to auditors doing it all, and also gives officers better information on any training needs or quality issues regarding the initial claim assessments.

We are pleased to report that, this year, as in previous years, we agreed with all of the judgements and conclusions made by officers and did not need to extend our testing. Following discussions with DWP Officers enhanced the documentation for any "Fail" cases that were paid monthly in order to calculate the error on a weekly basis. This allowed the subsequent extrapolations to meet DWP requirements.

Amount of testing and errors found

The table below shows the number of cases tested and the number of errors found in recent years.

Year	Cases tested	Errors found	% error rate
2014-15	180	11	6
2015-16	160	12	8
2016-17	209	16	8
2017-18	100	9	9
2018-19	140	21	15
2019-20	267**	17**	6
2020-21	194	21	11

** 40 cases and 4 errors relate to additional work requested by the DWP in relation to 2018/19.

The errors found relate to the incorrect input of earnings, incorrect input of rent, and incorrect uplift of the State Retirement Pension. For 2021/22 we anticipate there will be five lots of additional testing required as a result of errors found in 2020/21.