

ITEM 5

Mr Mike Nuttall
Chief Executive
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14th January 2016

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Dear Mike

Certification work for South Ribble Borough Council for year ended 31 March 2015

We are required to certify certain claims and returns submitted by South Ribble Borough 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 one claim for the financial year 2014/15 relating to expenditure of £24.7 million.

As you are aware, the benefits team provided excellent support to our work, this year, in completion of the initial, and additional 40+ testing workbooks. Their work highlighted a number of areas where errors had arisen during the year, but none resulted in an amendment to the claim.

Our qualification letter to the Department of Work and Pensions (DWP), in relation to the extrapolated impact of the errors identified, that resulted in overpayment of benefits, indicated a total potential impact of £17,004, which when compared to the total subsidy claimed of £24,656,590 represents 0.07% of the return (see Appendix A). The DWP guidance requires us to report this within a qualification letter. We do not expect the DWP to amend the return for this amount.

In all other respects we are satisfied that the Council has appropriate arrangements to compile complete, accurate and timely claims/returns for audit certification. The indicative fee for 2014/15 for the Council is based on the final 2012/13 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 under the Audit Commission regime (such as the national non-domestic rates return, and pooling housing capital receipts return) have been removed. The indicative scale fee set by the Audit Commission for the Council for 2014/15 is £9,290.

Yours sincerely

For Grant Thornton UK LLP

Appendix A - Details of claims and returns certified for 2014/15

Claim or return	Value (£)	Amended?	Amendment (£)	Qualified?	Comments
Housing benefits subsidy claim (BEN01)	24,656,590	No	n/a	Yes	Under DWP reporting requirement we are required to notify the DWP of the errors identified. The potential impact of these on the return is £17,004 (0.07%).