



Grant Thornton

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Dear Clare

Certification work for Stevenage Borough Council for year ended 31 March 2015

We are required to certify certain claims and returns submitted by Stevenage 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) has taken on the transitional responsibilities for the Housing Benefit Subsidy claim issued by the Audit Commission in February 2015. The certification of other claims and returns is subject to separate engagement with the Council.

We have certified one claim for the financial year 2014/15 relating to expenditure of £36.1 million, which was the Housing Benefit Subsidy claim. This was qualified due to minor errors and a number of amendments were also made which reduced the year-end balance owed to the Department of Work and Pensions by £4k. Further details are set out in Appendix A.

The indicative fee, of £12,180, for the 2014/15 Housing Benefit Subsidy claim is based on the final 2012/13 certification fees, reflecting the amount of work required by the auditor to certify the claim in that year. Due to the additional work resulting from the errors identified on the Housing Benefit Subsidy claim, we are proposing an addition of £4,962 to the indicative scale fee (Appendix B).

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	<p>£36,059,665 claim</p> <p>£36,401,576 interim payment by DWP</p> <hr/> <p>⇒ £350,911 owed to DWP</p>	Yes	£3,808 reduction in balance payable to DWP	Yes	<p>Qualification related to:</p> <ul style="list-style-type: none"> • £2k imbalance on system reconciliation • £3k of errors in rent calculations resulting in overpayments. <p>The amendment was the overall result of correcting the classification of various amounts entered on the claim.</p>

Appendix B: Fees for 2014/15 certification work

Claim or return	2013/14 fee (£)	2014/15 indicative fee (£)	2014/15 actual fee (£)	Variance (£)	Explanation for variances
Housing Benefits Subsidy	£10,610	£12,180	£17,142	£4,962*	Reflects additional work due to errors being identified during testing of the 2014/15 claim.

* Subject to approval by Public Sector Audit Appointments