



# Grant Thornton

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Marc Taylor  
Borough Treasurer  
West Lancashire Borough Council  
52 Derby Street,  
Ormskirk,  
Lancashire,  
L39 2DF

**Grant Thornton UK LLP**  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

T +44 (0)161 953 6000

[www.grant-thornton.co.uk](http://www.grant-thornton.co.uk)

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Dear Marc

## **Certification work for West Lancashire Borough Council for year ended 31 March 2016**

We are required to certify the Housing Benefit subsidy claim submitted by West Lancashire 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 the Housing Benefit subsidy claim for the financial year 2015/16 relating to subsidy claimed of around £30 million. Further details are set out in Appendix A.

There were a small number of errors identified during our initial and extended testing. The extrapolated financial impact on the claim, which we have reported to the DWP, was £5,351 overstatement of Cell 61 and understatement of Cell 65.

As a result of the errors identified, the claim was qualified but not amended. We also reported our findings to the DWP. However, the DWP may require the Council to undertake further work or provide other assurances on the errors we have identified.

The indicative fee for 2015/16 for the Council was 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 was £11,195.

Yours sincerely

Grant Thornton UK LLP

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

<b>Claim or return</b>	<b>Value</b>	<b>Amended?</b>	<b>Amendment value</b>	<b>Qualified?</b>	<b>Comments</b>
Housing benefits subsidy claim	£29,538,742	No	N/A	Yes	<p>There were no amendments made to the claim for the errors identified.</p> <p>There were two errors found relating to underpaid benefit as a result of incorrect earnings/tax credit figures being used in the assessment of benefit.</p> <p>There was also an error relating to an overpayment of benefit as a result of using estimated earnings in the assessment of benefit. The extrapolated impact was £5,351 overstatement of Cell 61 and understatement of Cell 65.</p> <p>We reported the findings of our testing to the Department for Work and Pensions.</p>

**Appendix B: Fees for 2015/16 certification work**

<b>Claim or return</b>	<b>2013/14 fee (£)</b>	<b>2015/16 indicative fee (£)</b>	<b>2015/16 actual fee (£)</b>	<b>Variance (£)</b>	<b>Explanation for variances</b>
Housing benefits subsidy claim (BEN01)	£14,926	£11,195	£11,195	0	
<b>Total</b>	<b>£14,926</b>	<b>£11,195</b>	<b>£11,195</b>	<b>0</b>	