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Dear Jenny

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

We are required to certify the Housing Benefit subsidy claim submitted by Cotswold 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 a claim for £20,163,295 of subsidy. Further details of the claim is set out in Appendix A.

While we are satisfied that the Council has appropriate arrangements to compile a complete, accurate and timely return for audit certification, there are issues arising from our certification work which we wish to highlight for your attention.

- our review of the Council's reconciliation of benefit granted to benefit paid from its housing subsidy system identified a discrepancy of £2,909.64.
- our initial testing of 20 benefit cases identified an error in one case where earnings information was recorded incorrectly. This resulted in a £0.04 error in benefit awarded. We extended our testing to cover another 40 benefit claimants and found a further five errors resulting in excess benefit being paid totalling £582. The extrapolated effect of these errors across the claim was £8,568.
- there were no arrangements in place to show that the benefit parameter for polygamous marriages was not required by the Council. Arrangements will be put in place to demonstrate on an annual basis that this parameter has not been required.

The indicative scale fee for 2015/16 for the Council is based on the final 2013/14 certification fees, which reflect 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 £4,950 and our proposed fee is in line with this amount. 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	£20,163,295	N	0	Y	There were no amendments to the claim. Our report was qualified to raise issues on: reconciliations, earnings input errors and unrecorded parameters.

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)	6,600	5,870	4,950	4,950	0	N/A