



**Grant Thornton**

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Dear Paul

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### **Certification work for Cheltenham Borough Council for year ended 31 March 2015**

We are required to certify certain claims and returns submitted by Cheltenham 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 claim for the financial year 2014/15 relating to subsidy of £31.9 million. Further details of the claim certified are set out in Appendix A. We also certify one other claim outside of the PSAA arrangements relating to the Pooling of Housing Capital Receipts return. This claim is not referred to in this letter as it falls outside of the PSAA arrangements.

A small number of issues arose from our certification work which are set out in Appendix A. We are satisfied that these issues were either isolated or relatively minor in nature and that the Council has appropriate arrangements in place to compile a complete, accurate and timely claim for audit certification. We are satisfied that the recommendation raised in the previous year relating to the one room indicator on the Civica system has been addressed.

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, teachers pensions return and pooling housing capital receipts return) have been removed. The final fee for 2014/15 of £12,020 is the same as the indicative scale fee set by the Audit Commission. 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 2014/15**

<b>Claim or return</b>	<b>Value</b>	<b>Amended?</b>	<b>Amendment (£)</b>	<b>Qualified?</b>	<b>Comments</b>
Housing benefits subsidy claim	£31,882,500	No	N/A	Yes	<p>The qualification letter referred to;</p> <p>Standard claim reconciliation methodology not being used (although the Council uses its own reconciliation methodology)</p> <p>Underpayments totalling £33</p> <p>Overpayments totalling £210</p> <p>Misclassification of £199 between overpayment cells</p>

**Appendix B: Fees for 2014/15 certification work**

<b>Claim or return</b>	<b>2013/14 fee (£)</b>	<b>2014/15 indicative fee (£)</b>	<b>2014/15 actual fee (£)</b>	<b>Variance (£)</b>	<b>Explanation for variances</b>
Housing benefits subsidy claim (BEN01)	11,148	12,020	12,020	Nil	
Total	11,148	12,020	12,020	Nil	