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11th January 2017

Dear Iain

Certification work for Dudley Metropolitan Borough Council for year ended 31 March 2016

We are required to certify the Housing Benefit subsidy claim submitted by Dudley Metropolitan 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 expenditure of £96.5 million. Further details of the claims certified are set out in Appendix A.

There are no issues arising from our certification work which we wish to highlight for your attention. The type and number of errors identified are in line with what we would expect to see at a local authority processing a large number of complex transactions. We are satisfied that the Council has appropriate arrangements to compile complete, accurate and timely claims for audit certification.

The indicative fee for 2015/16 for the Council is 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 is £11,540. However more audit work was required in 2015/16 than in the base year. As a consequence of this we have proposed a revised fee of £15,000. This fee should not be considered final until confirmation from the PSAA. 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	96,531,428	Yes	246	Y	The claim was amended and qualified because of a range of errors found in the calculation and classification of benefit payments on the form. The Council has estimated that these should not have a signification impact on the total amount of subsidy but this will not be confirmed until the Department of Work and Pensions considers the qualifications. There were similar findings in respect of previous claim.

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)	15,387	15,350	11,540	15,000	-350	The indicative fee for 2015/16 was based on the level of work in 2013/14 with a 25% reduction. Additional work, over and above that undertaken in 2013/14, was required for 2015/16.
Total	15,387	15,350	11,540	15,000		