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22 February 2017

Dear Richard

Certification work for the London Borough of Croydon for year ended 31 March 2016

We are required to certify the Housing Benefit subsidy claim submitted by the London Borough of Croydon. 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 your 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 your Housing Benefit subsidy claim for the financial year 2015/16. This comprised subsidy claimed of £258.4 million. Further details are set out in Appendix A.

The indicative fee for 2015/16 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 2015/16 was £24,894 and we have not proposed any adjustments to the scale fee. This is set out in more detail in Appendix B.

Yours sincerely

Grant Thornton UK LLP

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

Claim or return	Value	Amended?	Amendment value	Qualified?	Comments
Housing benefits subsidy claim	£258,421,441	No	Nil	Yes	<p>The certification work identified three outstanding errors in the claim that could not be quantified even following additional testing. The claim was qualified on this basis. The errors identified were in respect of data input issues relating to claimant partners, earned income and overpayment classification. The claim was also qualified due to minor issues with in-year reconciliation cells not balancing (all less than £1,000 difference).</p> <p>The overall level of issues identified is broadly consistent with previous years. An exceptional issue was identified in 2014/15 related to manual adjustments, which has been addressed in 2015/16.</p>

Appendix B: Fees for 2015/16 certification work

Claim or return	2013/14 fee (£)	2015/16 indicative fee (£)	2015/16 actual fee (£)	Variance (£)	Explanation for variances
Housing benefits subsidy claim (BEN01)	33,192	24,894	24,894	0	The fee has been reduced by 25% from 2013/14. No fee variation was required from the indicative fee as error rates and work required were broadly in line with 2013/14 certification.
Total	33,192	24,894	24,894	0	