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Interim Chief Financial Officer  
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Our ref jc/yg

12 February 2015

Dear John

#### **Certification of claims and returns – annual report 2013/14**

The Audit Commission requires its external auditors to prepare an annual report on the claims and returns it certifies for each client. This letter is our annual report for the certification work we have undertaken for 2013/14.

In 2013/14 we carried out certification work on the following claims/returns:

<b>Claim/return</b>	<b>Certified value (£)</b>
BEN01 – Housing Benefit subsidy claim	9,450,260
CFB06 – Pooling of Housing Capital Receipts	132,732
<b>Total</b>	<b>9,582,992</b>

#### **Matters arising**

We certified:

- the housing benefits claim following amendment and with a qualification letter
- the capital receipts return without amendment or qualification letter.
- Initial testing of housing benefits cases to support the audit of the Benefits Subsidy claim is initially carried out by the Council and reviewed by the external auditor. At Oadby and Wigston this was undertaken by the Finance and Subsidy Officer and reviewed by us. The testing identified a number of errors relating to individual claims.

We were able to amend the claim for these errors, increasing the total amount due by £167, from £9,450,093 to £9,450,260. In addition we identified a small number of non-HRA cases where benefit had been underpaid. We reported these cases to the Department of Works and Pensions (DWP) for information only as they would have no effect on the total amount due.

We did not raise any recommendations in our 2012/13 Certification Annual Report and have no specific recommendations to make within this report.

#### **Certification work fees**

The Audit Commission set an indicative fee for our certification work in 2013/14 of £9,152. This reflected a reduction in work required on the Housing Benefit subsidy claim due to the changes to Council Tax benefits. Our actual fee of £9,730 includes £578 for the work we completed on the Pooling of Housing Capital Receipts return which was not included in the indicative fee. The additional fee has been agreed with you, and approved by the Audit Commission. Our actual fee compares to the 2012/13 fee for these claims of £13,359, as set out in the table below.

Claim	2013/14 Indicative fee (£)	2013/14 Final fee (£)	2012/13 Final fee (£)
BEN01 – Housing Benefit subsidy claim	9,152	9,152	13,020
CFB06 – Pooling of Housing Capital Receipts	-	578	339
<b>Total</b>	<b>9,152</b>	<b>9,730</b>	<b>13,359</b>

Yours sincerely



John Cornett  
 Director

CC Paul Loveday

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Neil Bellamy who is the engagement leader to the Authority (telephone 0116 256 6082, e-mail [neil.bellamy@kpmg.co.uk](mailto:neil.bellamy@kpmg.co.uk) who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees (telephone 0161 236 4000, e-mail [trevor.rees@kpmg.co.uk](mailto:trevor.rees@kpmg.co.uk)) who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you are still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Unit Manager, Audit Commission, 3rd Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF or by email to [complaints@audit-commission.gsi.gov.uk](mailto:complaints@audit-commission.gsi.gov.uk). Their telephone number is 0303 444 8330.