



Grant Thornton

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Dear Malcolm

Housing Benefit certification work for North Somerset Council for year ended 31 March 2016

We certified the Housing Benefit return, for the financial year 2015/16 relating to expenditure of £64.1 million on 24 November 2016. Further details of the claim certified are set out in Appendix A.

This certification represents a final but important part of the process to confirm the Council's entitlement to funding.

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

Issues arising

When undertaking our testing of non-HRA rent rebates, we identified one case where the Council had underpaid benefit due to an incorrect assessment of eligible rent.

When undertaking our testing of rent allowances, we identified one case where the Council had underpaid benefit due to an incorrect assessment of earned income.

In both of these cases, as there is no eligibility to subsidy for benefit that has not been paid, the underpayment did not affect subsidy and therefore has not been classified as an error for subsidy purposes.

Chartered Accountants

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Fees

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 claims and returns in that year. The indicative scale fee set by Public Sector Audit Appointments for the Council for 2015/16 was £13,962. We are not varying from the indicative fee. 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	£64,129,797	Yes	+£547	No	Increase in rent rebates subsidy of £547.

Appendix B: Fees for 2015/16 certification work

Claim or return	2014/15 fee (£)	2015/16 indicative fee (£)	2015/16 actual fee (£)	Variance (£)	Explanation for variances
Housing benefits subsidy claim (BEN01)	19,580	13,962	13,962	Nil	Not applicable