

Tim Willis
Deputy Chief Executive and Section 151 Officer
Thanet District Council
Cecil Street
Margate
Kent
CT9 1XZ

10 January 2019

Dear Tim

Certification work for Thanet District Council for the year ended 31 March 2018

We are required to certify the Housing Benefit Subsidy Claim submitted by Thanet District 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) took on the transitional responsibilities for HBCOUNT issued by the Audit Commission in February 2015.

We have certified the Housing Benefit Subsidy Claim for the financial year 2017/18 relating to the subsidy claimed of £57.4 million. Further details are set out in Appendix A.

We identified several issues from our certification work which we wish to highlight for your attention. Additional testing was completed in several areas, all of which relate to issues reported in previous years. Full details of these areas and the issues identified can be seen in Appendix A. The extrapolated financial impact on the claim from the errors found, as reported to the DWP, was £1,378. As a result of the errors identified, the claim was amended and qualified. The DWP may require the Council to undertake further work or provide assurances on the errors we have identified.

As in the previous year, we would like to highlight the efforts made by the Council in 2017/18 to complete the required 40+ testing, particularly given the level of work required. The work performed by the Council was of a good standard and required minimal amendments, which helped ensure we were able to complete this work in advance of the deadline.

The indicative fee for 2017/18 for the Council was based on the final 2015/16 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 PSAA for the Council for 2017/18 was £31,836. 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 2017/18

Claim or return	Value	Amended?	Amendment value	Qualified?	Comments
Housing Benefits Subsidy Claim	£57,418,921	Yes	£1,103	Yes	Qualification letter reported errors found in several areas, more details on which can be seen below.

Findings from Certification of Housing Benefits Subsidy Claim

Claimant Earnings

We identified several errors where assessors had incorrectly calculated the claimants' earnings from the evidence provided in respect of claims for both HRA Rent Rebates and Rent Allowance cases. In respect of HRA Rent Rebates, whilst no issues were identified from our initial testing, as errors were also found in the prior year this was brought forward to our work in 2017-18. During our additional testing we identified two cases where benefit had been overpaid, leading to an extrapolated error of £1,265. A further three errors identified that benefit had been underpaid, but errors of this type are not classified as errors for subsidy purposes.

In respect of Rent Allowances, again whilst no issues were identified from our initial testing, as errors were found in the prior year this was brought forward to our work in 2017-18. This additional work identified one claim where benefit had been overpaid, leading to an extrapolated error of £113. Two further errors identified in this area either had no impact on the benefit paid, or identified that benefit had been underpaid, neither of which is classified as an error for subsidy purposes.

Application of Non-Dependant Deductions

In previous years we have identified issues in the application of non-dependant deductions included on HRA Rent Rebates benefit claims. Whilst no issues were identified from our initial testing in 2017-18, our additional testing identified one case where the Council was unable to determine whether the correct non-dependant deduction had been applied based on the evidence they held at the date of our work. As a result, we have reported this issue to the DWP and it will be up to the Department whether any additional work or testing is needed in this area.

Recommended actions for officers

We recommend that the Council, as part of its internal quality assurance process, should increase its focus or level of testing in respect of the areas where we identified errors from our testing. Under the HBCOUNT methodology, all of these areas will require additional testing in 2018-19 to determine whether the actions undertaken by officers have been successful in resolving the issues identified.

Appendix B: Fees for 2017/18 Certification Work

Claim or return	2015/16 fee (£)	2017/18 indicative fee (£)	2017/18 actual fee (£)	Variance (£)	Explanation for variances
Housing Benefits Subsidy Claim (BEN01)	£31,836	£31,836	£31,836	N/A	N/A
Total	£31,836	£31,836	£31,836	N/A	