



Three Rivers
District Council
Certification of
claims and returns
annual report
2017-18

December 2018



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December 2018

Three Rivers and District Council
Three Rivers House,
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Dear Audit Committee Members

Certification of claims and returns annual report 2017-18 Three Rivers District Council

We are pleased to report on our certification and other assurance work. This report summarises the results of our work on Three Rivers District Council's 2017-18 housing benefits claim.

Local authorities claim large sums of public money in grants and subsidies from central government and other grant-paying bodies and must complete returns providing financial information to government departments. In some cases these grant-paying bodies and government departments require appropriately qualified reporting accountants to certify the claims and returns submitted to them.

From 1 April 2015, the duty to make arrangements for the certification of relevant claims and returns and to prescribe scales of fees for this work was delegated to the Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Communities and Local Government.

For 2017-18, these arrangements required only the certification of the housing benefits subsidy claim. In certifying this we followed a methodology determined by the Department for Work and Pensions. This report is intended solely for the information and use of the Audit Committee and management, and is not intended to be and should not be used by anyone other than these specified parties.

We checked and certified the housing benefits subsidy claim with a total value of £23,357,316. We met the submission deadline.

The Council has made progress in implementing the recommendations from last year and has improved arrangements. Details are included in section 1.

Fees for our certification work are summarised in section 2. The housing benefits subsidy claim fees for 2017-18 were published by the Public Sector Audit Appointments Ltd (PSAA) and are available on the PSAA's website (www.psa.co.uk).

We welcome the opportunity to discuss the contents of this report with you at the [date] Audit Committee.

Andrew Brittain
Associate Partner
Ernst & Young LLP

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This report is made solely to the Audit Committee and management of Three Rivers District Council. Our work has been undertaken so that we might state to the Audit Committee and management of Three Rivers District Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit Committee and management of Three Rivers District Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01

Housing benefits subsidy claim



Housing benefits subsidy claim

Scope of work	Results
Value of claim presented for certification	£23,357,316
Amended/Not amended	Amended - no impact on subsidy
Qualification letter	No
Fee - 2017-18	£13,244
Fee - 2016-17	£18,622

Recommendations from 2016-17	Findings in 2017-18
<ol style="list-style-type: none">1. Work to an agreed timetable to ensure all work is completed by the 30 November deadline.2. Ensure workbooks are fully completed.	<ol style="list-style-type: none">1. Although some workbooks and query responses were delivered later than agreed or anticipated, we saw an improvement in this area, enabling us to certify the subsidy claim form on 29 November 2018.2. The Authority agreed to perform standard verification testing on the initial testing performed. When the workbooks were initially sent to us, this had not been carried out, however, the Authority rectified this within an agreed timescale.

Local Government administers the Government's housing benefits scheme for tenants and can claim subsidies from the Department for Work and Pensions (DWP) towards the cost of benefits paid.

The certification guidance requires reporting accountants to complete more extensive '40+' or extended testing if initial testing identifies errors in the calculation of benefit or compilation of the claim. 40+ testing may also be carried out as a result of errors that have been identified in the certification of previous years claims. This year we did not find any errors in initial testing and therefore we were not required to carry out additional testing. Our testing based on errors found in previous years did not identify any errors.

We were therefore able to certify the claim without qualification.



02

2017-18 certification fees





2017-18 certification fees

The PSAA determine a scale fee each year for the certification of the housing benefits subsidy claim. For 2017-18, these scale fees were published by the Public Sector Audit Appointments Ltd (PSAA's) and are available on their website (www.psa.co.uk).

Claim or return	2017-18	2017-18	2016-17
	Actual fee £	Indicative fee £	Actual fee £
Housing benefits subsidy claim	13,244	13,244	18,622

We are not proposing any variation to the indicative fee.



03

Looking forward



Looking forward

2018/19 and beyond

From 2018/19, the Council is responsible for appointing their own reporting accountant to undertake the work on their claims in accordance with the instructions determined by the relevant grant paying body.

As your appointed auditor for the financial statements audit, we are pleased that for the year ended 31 March 2019 the Council has appointed us to act as reporting accountants in relation to the Housing Benefits Certification scheme.

We welcome this opportunity to continue undertaking this work for the Council providing a seamless quality service, drawing on vast array of experienced and knowledgeable public sector professionals in these areas, whilst realising the synergies and efficiencies that are achieved by undertaking both the audit and grant work.

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