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Dear Andrew

Certification work for Mid Devon District Council for year ended 31 March 2017

We are required to certify the Housing Benefit subsidy claim submitted by Mid Devon 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 HB COUNT issued by the Audit Commission in February 2015.

We have certified the Housing Benefit subsidy claim for the financial year 2016/17 relating to subsidy claimed of £18,067,600. Further details are set out in Appendix A.

We identified a number of issues from our certification work, which we wish to highlight for your attention.

- The software supplier provides a method for the Authority to reconcile benefit granted per the benefit software to benefit paid per the benefit software. The Authority has followed this method and this has identified one case where the system is not correctly treating the claim and has excluded the claim entirely from subsidy. Northgate were unable to provide a fix for the issue. This issue was reported in our qualification letter to the DWP dated 27 November 2017.
- One case where benefit had been underpaid as a result of the Authority omitting the pension deduction from earned income.
- Two cases where benefit has been overpaid as a result of:
 - the Council omitting the tax deduction from the claimant's Occupational Pension income.
 - an incorrect rent charge being applied because of ineligible housing association support charges not being deducted from the rent charged.

As a result of the errors identified, we undertook, with support from the Benefit department, two additional 40+ samples and the claim was qualified. We reported these findings to the DWP in our letter dated 27 November 2017. The DWP may require the Council to undertake further work or provide assurances on the errors we have identified.

The indicative fee for 2016/17 for the Council was based on the final 2014/15 certification fees, reflecting the amount of work required by the auditor to certify the Housing Benefit subsidy claim that year. The estimated, indicative scale fee set by PSAA for the Council for 2016/17 was £6,908.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Daly', written in a cursive style.

Geraldine Daly
for Grant Thornton UK LLP

Appendix A - Details of claims and returns certified for 2016/17

Claim or return	Value	Amended?	Amendment value	Qualified?	Comments
Housing benefits subsidy claim	£18,067,600	No	N/A	Yes	See below

Appendix B: Fees for 2016/17 certification work

Claim or return	2014/15 fee (£)	2015/16 fee (£)	2016/17 indicative fee (£)	2016/17 actual fee (£)	Variance (£)	Explanation for variances
Housing benefits subsidy claim (BEN01)	£9,210	£7,418	£6,908	£TBC	£TBC	TBC