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11 January 2017

Dear Vince,

Certification work for Pendle Borough Council for year ended 31 March 2016

We are required to certify certain claims and returns submitted by Pendle Borough 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.

Arrangements for certification are prescribed by Public Sector Audit Appointments Limited ('PSAA', formerly the Audit Commission), which agrees the scope of the work with each relevant government department or agency, and issues auditors with a Certification Instruction (CI) for each specific claim or return.

For Pendle Borough Council, we have certified one claim for the financial year 2015/16 relating to Housing Benefits. Full details are set out in Appendix A. Our work on this claim indicated that the Council has appropriate arrangements to compile and complete claims for audit certification on a timely basis.

We undertook a programme of testing in accordance with instructions agreed between PSAA and the Department for Work and Pensions ('DWP'). The instructions require us to test initial samples for the two main benefit types payable by the Council, Non-Housing Revenue Account Rent Rebate and Rent Allowance. Our initial testing identified one case where the Council had treated a payment to a landlord as though the landlord was a registered provider of social housing when this was not the case. The Authority agreed to adjust the claim form to correct all payments made to this landlord. In accordance with the approach specified by the DWP, we undertook follow-up testing of 40 further cases to confirm whether there were any further instances of the same error within the population of Rent Allowance cases. No further errors were found and this was reported to the DWP as part of our qualification letter which was issued on 22 November 2016 ahead of the national deadline of 30 November 2016.

The indicative grant claim certification fee for 2015/16 for the Council is based on the final 2013/14 certification fee, reflecting the amount of work required by the auditor to certify claims and returns in the year, as adjusted to remove fees relating to claims (such as the national non-domestic rates return and pooling housing capital receipts return) which no longer require certification. The indicative scale fee set by the Audit Commission for the Council for 2015/16 was £7,986. We can confirm that that this is also the final fee in respect of the certification work undertaken this year.

Yours sincerely

For Grant Thornton UK LLP

Appendix A - Details of claims and returns certified for 2015/16

Claim or return	Housing benefits subsidy claim (BEN01)
Draft Value (£)	25,768,182
Final Value (£)	25,767,295
Amended?	Yes
Amendment (£)	- £887
Qualified?	Yes
Certification Fee	£7,986