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Our ref **SHBC/1314/Grants  
Report**

24 February 2015

Dear Kelvin

### **Certification of claims and returns - annual report 2013/14**

The Audit Commission requires its external auditors to prepare an annual report on the claims and returns it certifies for each client. This letter is our annual report for the certification work we have undertaken for 2013/14.

In 2013/14 we carried out certification work on one claim - the BEN01 (Housing Benefit subsidy claim). The total subsidy of the final claim certified was £16,529,571.

### **Matters arising**

Our certification work identified errors in two cells, as set out below. This required an additional sample of 40 cases for each cell to be tested and the qualification of these cells in our letter to the Department of Work and Pensions.

#### **Cell 011: Rent Rebates (Tenants of Non-HRA Properties)**

- Three cases where benefit awarded had incorrectly been classified as backdated expenditure (though this has no subsidy impact)
- One case whereby the claimant was awarded passported benefit as a result of information received by the authority not being actioned. This led to an overpayment of £542.29
- Testing of an additional 40 cases did not identify any further fails.

**Cell 094: Rent allowances**

- Two cases where benefit awarded had been incorrectly been classified as backdated expenditure (though this has no subsidy impact)
- one case whereby the rent increase had been applied from the incorrect date. This created an overpayment of £350.40.
- Testing of an additional 40 cases did not identify any further fails.

As a result of our work on this claim, we have not made any recommendations to the Council to improve its claims completion process. Errors identified were reviewed and understood by the Council and are not as a result of a systematic process or control failure. There were no recommendations made last year and there are no further matters to report to you regarding our certification work.

**Certification work fees**

The Audit Commission set an indicative fee for our certification work in 2013/14 of £12,323. Our estimated final fee is higher than the indicative fee at £15,214, and this compares to the 2012/13 fee for this claim of £12,770. The increase in 2013/14 is as a result of the additional work required in respect of the further samples of 40 cases for each of the qualified cells in the BEN01.

Should you wish to discuss any aspects of this letter, please don't hesitate to contact me

Yours sincerely



Fleur Nieboer  
Director, KPMG LLP