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Ashley Wilson Head of Finance (Section 151 Officer) Hinckley and Bosworth Borough Council Hinckley Hub Rugby Road, Hinckley. LE10 OFR.

## 10 September 2018

Ref: Your ref: Direct line: +44 (0) 151 210

Email: jthorpe@uk.ey.com

Dear Ashley

## Housing Benefit Assurance Process (HBAP) 2018/19

Thank you for asking us to provide an indicative quotation to undertake DWP's Housing Benefit Assurance Process at Hinckley and Bosworth Borough Council.

Your indicative fees for housing benefits over the past few years have been as follows:

Year	<b>PSAA Indicative Fee</b>	Scale Fee Variation	Final Fee
2015/16	£14,850	0	£14,850
2016/17	£14,498	£tbc *	£tbc*
2017/18	£14,850	£tbc**	£tbc**

\*There was a Scale Fee Variation of £tbc for the 2016/17 audit as two lots of additional 40+ testing was carried out on:

- (1) Cell 102 (Cases with Tax Credits)
- (2) Cell 103 (Cases with Earnings)

\*\* Fees cannot be fully confirmed for 2017/18 as the 2017/18 HB audit has yet to be completed as we have had to carry out three lots of 40 plus testing:

- (3) Cell 102 (Cases with Tax Credits)
- (4) Cell 103 (Cases with Earnings)
- (5) Cell 103 (Cases with non-dependant deductions)

The indicative fees set by PSAA are based on the level of testing undertaken two years previously (e.g. 2015/16 was based on 2013/14). The fee is then finalised at the completion of the work, taking into account any differences between the assumed and final level of work undertaken.

We are providing a quote based on the following assumptions:

- That the nature of the work specified by DWP's HBAP is significantly unchanged from the current certification programme set by PSAA.
- Working papers and audit trails from the Benefits system will be provided, that fully support the completed claim form MPF720A.

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- Responses to questions arising will be answered promptly, in accordance with agreed timescales.
- The form and supporting records will be of a standard where additional certification procedures or 40+ testing is not required.
- The form presented for certification will be correctly compiled and will be no requirement for post certification correction.

On this basis will charge a fee of £13,613, including out of pocket expenses, for the 2018/19 Housing Benefit Assurance Process.

If any of the assumptions above are not met we will discuss and agree with the Council the impact on the work required and the need for any additional fees.

If you have any questions or wish for further information, then please do not hesitate to contact me or Justine Thorpe.

Yours sincerely

Steve Clark Partner

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