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Dear Louise

Certification work for Blackburn with Darwen Council for the year ended 31 March 2015

We are required to certify certain claims and returns submitted by Blackburn with Darwen 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) has taken on the transitional responsibilities for HB COUNT issued by the Audit Commission in February 2015.

We have certified one claim and return under PSAA arrangements for the financial year 2014/15 relating to expenditure of £56.4 million. Further details of this claim are set out at Appendix A. In 2013/14 we also certified the Council's Section 31 grant - Local Transport Plan – Major Projects. Certification arrangements for 2014/15 for this grant have not yet been finalised.

The claim has been qualified for several years and was again subject to qualification in 2014/15. Overall, we are satisfied that the arrangements the Council has in place to compile the Housing Benefit claim remain appropriate as the claim is high value and complex. However, the Council should implement further appropriate actions to secure improved performance, for the issues we identified in 2014/15.

The main issues identified include:

- We identified 7 errors out of a total cell population of 75 in respect of Non- HRA Rent Rebate cases as an incorrect eligible rent figure had been used to calculate benefit. We agreed an amendment to the claim to correct the subsidy claimed.
- We identified a small number of cases where we could not agree the entries on the subsidy return in full. The cases were complex and the Council has referred the issues back to Northgate, the system supplier, for assistance. We understand Northgate are now working with the Council to resolve these matters. We reported the issues to DWP but did not amend the claim.

The indicative fee for 2014/15 for the Council is based on the final 2012/13 certification fees, reflecting the amount of work required by the auditor to certify the claims and returns in that year. Fees for schemes no longer requiring certification under the Audit Commission regime (such as the national non-domestic rates return, teachers pensions return and pooling housing capital receipts return) have been removed. The indicative scale fee set by the Audit Commission for the Council for 2014/15 is \pounds 15,413. This is set out in more detail at Appendix B.

Yours sincerely

For Grant Thornton UK LLP

Claim or return	Value	Amended?	Amendment (£)	Qualified?	Comments
Housing benefits subsidy claim	£,56,704,448	Yes	$\pounds 1$ - reduction in subsidy entitlement	Yes	See above.
Section 31 Grant - Local Transport Plan – Major Projects	The Departme scheme in 2014	nt of Transpo 4/15.	rt are yet to decio	le the arrange	ments for the audit of this

Appendix A - Details of claims and returns certified for 2014/15

Claim or return	2012/13 fee (£)	2014/15 indicative fee (£)	2014/15 actual fee (£)	Variance (£)	Explanation for variance
Housing benefits subsidy claim (BEN01)	£25,900	£15,413	£15,413	-	A number of schemes that were certified in 2012/13 no longer require certification such as the national non-domestic rates return, teachers pensions return and pooling housing capital receipts return. Consequently, the fee has been reduced to reflect this.
Total	£,25,900	£,15,413	£,15,413	£0	

Appendix B: Fees for 2014/15 certification work