

**KPMG LLP**  
**Infrastructure, Government & Healthcare**  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

Tel +44 (0) 113 231 3663

United Kingdom

**Private & confidential**

**Mrs Judith Badger**

Strategic Director Finance & Customer  
Services  
Rotherham Metropolitan Borough Council  
Riverside House, Main Street  
Rotherham  
S60 1AE

Our ref RMBC/Grant01

Contact Matthew Moore

Date 7 January 2019

Dear Judith

**Rotherham Metropolitan Borough Council - Certification of claims and returns  
- annual report 2017/18**

Public Sector Audit Appointments requires its external auditors to prepare an annual report on the claims and returns certified for each audited body. This letter is our annual report for the certification work we have undertaken for 2017/18.

In 2017/18 we carried out certification work on only one claim or return, the Housing Benefit Subsidy claim. The certified value of the claim was £82.27 million, and we completed our work and certified the claim on 26 November 2018.

**Matters arising**

Our certification work on Housing Subsidy Benefit claim included:

- agreeing standard rates, such as for allowances and benefit incomes, to the DWP Circular communicating the value of each rate for the year;
- sample testing of benefit claims to confirm that the entitlement had been correctly calculated and was supported by appropriate evidence;
- undertaking an analytical review of the claim form considering year-on-year variances and key ratios;
- confirming that the subsidy claim had been prepared using the correct benefits system version; and

- completing testing in relation to modified schemes payments, uncashed cheques and verifying the accurate completion of the claim form.

Our work identified a small number of errors which are detailed below:

- A Non-HRA Rent Rebate case in which the expenditure classification had been analysed incorrectly. Additional testing did not identify any further errors and the final claim was amended to correct the error;
- A Non-HRA Rent Rebate case in which an incorrect self-employed earnings disregard had led to an underpaid benefit. Additional testing did not identify any further errors and the final claim was amended to correct the error;
- A Non HRA Rent Rebate case in which ESA was incorrectly awarded for part of the claim, this did not impact on overall benefit granted as the claimant was still entitled to full housing benefit. Additional testing did not identify any further errors and this issue was reported in the Qualification Letter for information; and
- Overall the final certified claim was reduced by £2,979.

We have made no recommendations to the Authority to improve its claims completion process. There were no recommendations made last year and there are no further matters to report to you regarding our certification work.

### **Certification work fees**

Public Sector Audit Appointments set an indicative fee for our certification work in 2017/18 of £15,826. Our actual fee was the same as the indicative fee, and this compares to the 2016/17 fee for this claim of £15,497.

Yours sincerely



Tim Cutler  
Engagement Lead.



**KPMG LLP**

*Rotherham Metropolitan Borough Council - Certification of claims and returns - annual report*

*2017/18*

*Date 7 January 2019*

This report is addressed to the Council and has been prepared for the sole use of the Council. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. We draw your attention to the Statement of Responsibilities of auditors and audited bodies, which is available on Public Sector Audit Appointment's website ([www.psaa.co.uk](http://www.psaa.co.uk)).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Tim Cutler, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers, by email to [andrew.sayers@kpmg.co.uk](mailto:andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk), by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.