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Private & confidential

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Our ref WDBC/1718/Fee Letter Add

9 March 2018

Dear Lisa

Annual audit fee 2017/18 (Addendum - Confirmation of certification fees)

Further to our letter dated 29 March 2017, I am writing to confirm the fee that we propose for the certification of the housing benefit grant claim for the 2017/18 financial year at West Devon Borough Council.

Planned audit fee

The planned certification fee for 2017/18 is shown below, along with a comparison to the prior year's fee. All fees are exclusive of VAT.

Audit area	Planned fee 2017/18	Actual fee 2016/17
Certification of housing benefit grant claim	5,630	5,340

The 2017/18 scale fee for the certification of housing benefit grant claims has been determined by Public Sector Audit Appointments Limited ("PSAA").

Our audit planning process for 2017/18, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary. We will naturally keep you informed.

Certification work

The 2017/18 subsidy claim will be the final year for which PSAA will make arrangements for auditors to undertake housing benefit subsidy certification work. After the end of the transitional arrangements and the current audit contracts, PSAA has no legal power or remit in relation to assurance on claims or returns. The DWP is developing its own assurance arrangements from 2018/19 and has issued further guidance directly to local authorities.

There are no longer any other claims or returns that we are required to certify under the PSAA audit contract. Assurance arrangements for other schemes are a matter for the relevant grant-paying body, and may be the subject of separate fees and tri-partite arrangements between the grant-paying body, the audited body, and the auditor. We would be happy to discuss any such certification needs with you.

Assumptions

The fee set by PSAA is based on a number of assumptions. We may need to charge additional fee where:

- Additional testing (above that undertaken in prior years) is required in 2017/18 either because of errors identified in 2016/17, or because of errors identified in the initial testing carried out on the 2017/18 Housing Benefit Subsidy Claim form;
- As a result of our testing, the claim or return is amended or qualified; or
- We do not receive an accurate and complete claim and supporting working papers to our agreed timetable which leads us to carry out additional certification work.

Where any of these factors apply to your certification work, we will discuss the impact on your fee at an early stage.

Yours sincerely



Darren Gilbert
Director, KPMG LLP

cc: Audit Committee