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Dear John

Chichester District Council – 2012/13 Housing and Council Tax Subsidy Benefit certification fee

We issued our formal 'Certification of grants and returns annual report' on the 23 January 2014, to report the outcome from our audit work on your grant claims. Within this report, we set out the final audit fees in respect of those claims, subject to any variations to be agreed by the Audit Commission.

The Audit Commission has now formally approved an audit scale fee variation of £2,991 in relation to the Housing and Council Tax Subsidy Benefit claim.

As a result, we need to confirm the reported scale fees with our certification of grants and returns annual report, to report accurately the final fee position. Rather than re-issue the report, which has been through the committee cycle, we summarise the impact of this change below.

Claim or return	2011-12	2012-13	2012-13
	Actual fee £	Indicative fee £	Actual fee (revised and final) £
Housing and council tax benefits subsidy claim	9,890	8,380***	11,371**
National non-domestic rates return	147	920***	920***
Planning, supervision and review	370*		
Total	10,407	9,300***	12,291

Notes:

* For 2012/13 the cost of time charged for planning, supervision and review has been allocated directly to individual claims and returns.

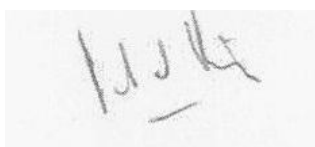
** The actual scale fee variation agreed by the Audit Commission was £2,991. This compares to the proposed scale fee variation of £3,000 set out in our certification of grants and returns annual report.

*** We initially reported indicative fees of £8,300 and £1,000 respectively for the Housing and council tax benefits subsidy claim and the NNDR return in our certification of grants and returns annual report (total indicative fee £9,300). The correct split is £8,380 and £920 respectively. We completed our work on the NNDR return within the indicative fee of £920.

I would be grateful if you could arrange for this letter to be included as part of the next Corporate Governance and Audit Committee agenda, for completeness for Members.

We will make the necessary arrangements to invoice the additional £2,991 audit fee to you.

Yours sincerely

A rectangular area containing a handwritten signature in dark ink. The signature appears to be 'P. King' with a horizontal line underneath the name.

Paul King
Director
Ernst & Young LLP
United Kingdom