

EXTERNAL AUDIT - HOUSING BENEFIT SUBSIDY 2015/16

Audit Committee - 10 January 2017

Report of Chief Finance Officer

Status: For Information

Key Decision: No

Portfolio Holder Cllr. Scholey

Contact Officer Adrian Rowbotham Ext. 7153

Recommendation to Audit Committee: That the report be noted.

Introduction

- 1 Grant Thornton, as the Council's external auditor, is required to certify certain grant claims submitted by 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.
- 2 Only one claim was certified for 2015/16, the Housing Benefit Subsidy Claim, relating to expenditure of £29m.

Audit Outcome

- 3 Housing Benefit Subsidy is a complex claim which was qualified but not amended.
- 4 Errors were identified in the 2015/16 return; however the number continues to be small. This reflects the measures taken over recent years. Although the impact of these errors on the value of the overall claim was relatively minimal, it is important to claimants that their benefit is calculated correctly. The Department for Work and Pensions (DWP) stipulates high standards of accuracy resulting in any claims being incorrect by as little as 1p are classified as errors and additional testing is then required on a larger sample.
- 5 The audit fee for grant claims in 2015/16 is £14,250 (subject to confirmation). This is less than the £16,460 charged in 2014/15, £19,000 charged in 2013/14, £20,638 charged in 2012/13 and £51,662 charged in 2011/12.

6 The following table shows an analysis of where errors were found:

Cell description	Cell Total £	Sample No.	Sample £	Error No.	Error £	Error %	Adj't made £
Rent Allowance - Total expenditure (benefit granted)	6,868,997	60	209,148	4	3	0.001%	69
Rent Allowances - Eligible Overpayments (Current Year)	450,135	60	16,017	2	-698	-4.3%	-19,356
Rent Allowances - Not requiring referral to rent officer	20,534,157	60	231,282	4	-0.25	-0%	0

Key Implications

Financial

The financial implications are included elsewhere in the report.

Legal Implications and Risk Assessment Statement.

There are no legal implications.

The work carried out by the external auditors provides a thorough examination of the grant claim processes of the Council. Any significant issues found are reported to Members.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Appendices None

Background Papers: None

Adrian Rowbotham
Chief Finance Officer