

**Certification of claims and returns  
annual report  
2017-18**

27 January 2019

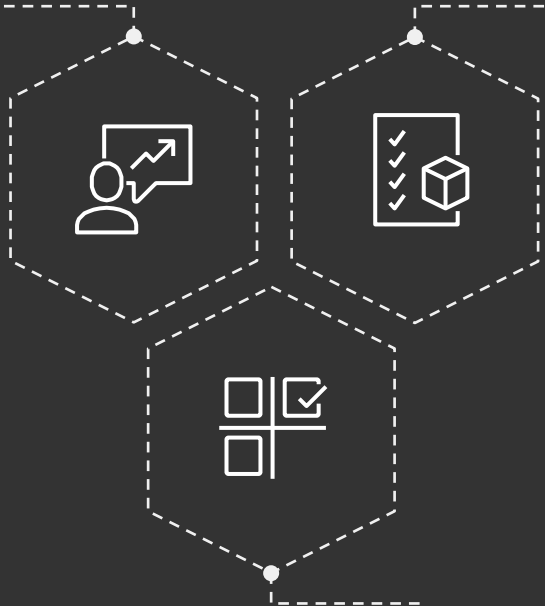
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This report is made solely to the Audit and Standards Committee and management of Chiltern District Council in accordance. Our work has been undertaken so that we might state to the Audit and Standards Committee and management of Chiltern District Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit and Standards Committee, and management of Chiltern District Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



**01**

Housing benefits subsidy claim





## Housing benefits subsidy claim

Scope of work	Results
Value of claim presented for certification	£18,342,201
Amended/Not amended	Amended: no effect on overall subsidy
Qualification letter	Yes
Fee – 2017-18	£9,240
Fee – 2016-17	£12,678

Local Government administers the Government's housing benefits scheme for tenants and can claim subsidies from the Department for Work and Pensions (DWP) towards the cost of benefits paid.

The certification guidance requires reporting accountants to complete more extensive '40+' or extended testing if initial testing identifies errors in the calculation of benefit or compilation of the claim. 40+ testing may also be carried out as a result of errors that have been identified in the certification of previous years' claims. We found errors and carried out extended testing in several areas.

Extended and other testing identified errors which the Council amended. They had a small net impact on the claim. We have reported underpayments, uncertainties and the extrapolated value of other errors in a qualification letter. The DWP then decides whether to ask the Council to carry our further work to quantify the error or to claw back the benefit subsidy paid. These are the main issues we reported:

An amendment was required for non-HRA claims where earned income had been incorrectly calculated.

For rent allowance cases, we performed 40+ extended testing in 2 areas: earnings and expenditure misclassification. We calculated extrapolations which the DWP may decide to claw back from the Authority.

We are pleased to note that the cumulative impact of these extrapolations falls below the lower threshold for local authority error allocated by the DWP. This means that they do not claw back subsidy at the higher level as it may do if the threshold is breached.

The certification work is both specialised and time-consuming, so we would like to thank the Council's benefits staff for their assistance throughout the process.





02

2017-18 certification fees





## 2017-18 certification fees

The PSAA determine a scale fee each year for the certification of the housing benefits subsidy claim. For 2017-18, these scale fees were published by the Public Sector Audit Appointments Ltd (PSAA) and are available on their website ([www.psaa.co.uk](http://www.psaa.co.uk)).

Claim or return	2017-18	2017-18	2016-17
	Actual fee £	Indicative fee £	Actual fee £
Housing benefits subsidy claim	9,240	9,240	12,678

The indicative fee for 2017-18 was based on the actual certification work done in 2015-16. Extra work was required in 2016-17 and there were follow-up queries from DWP. No extra work was required in 2017-18.



**03**

Looking forward



**2018-19 and beyond**

From 2018-19, the Council is responsible for appointing their own reporting accountant to undertake the work on their claims in accordance with the instructions determined by the relevant grant paying body.

As your appointed auditor for the financial statements audit, we are pleased that for 2018-19 (and by annual review thereafter) the Council has appointed us to act as reporting accountants for the housing benefits scheme.

We welcome this opportunity to continue undertaking this work for the Council providing a seamless quality service, drawing on vast array of experienced and knowledgeable public sector professionals in these areas, whilst realising the synergies and efficiencies that are achieved by undertaking both the audit and grant work.



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