

AGENDA ITEM:**SUMMARY**

WYCOMBE
DISTRICT COUNCIL

Report For:	Audit Committee
Meeting Date:	31st January 2019
Part:	Part 1 - Open
If Part 2, reason:	N/A

Title of Report:	Certification of grants and claims
Officer Contact: Direct Dial: Email:	Andy Green 01494 421001 Andy.green@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	The Department of Work and Pensions, who pay Local Authorities subsidy to administer Housing Benefit, require external certification of the annual Subsidy claim

Proposed Decision/Recommendation:	That: (i) The Auditors report be noted
Sustainable Community Strategy/Council Priorities - Implications	Risk: None Equalities: None Health & Safety: None
Monitoring Officer/ S.151 Officer Comments	Monitoring Officer: No specific Monitoring Officer comments S.151 Officer: No specific Section 151 Officer comments.
Consultees:	N/A
Options:	N/A
Next Steps:	None
Background Papers:	Held in Finance and Commercial
Abbreviations:	DWP – Department of Works and Pensions LA – Local Authority

Appendices to this report are as follows:

Appendix A – Auditors letter to Audit Committee 2017-18

Appendix B - Certification of claims and returns annual report 2017-18

1. Detailed Report

1.1. The outcome from the 2017/18 subsidy audit continues the improvement trend in recent years, resulting in the good news that the maximum Benefit subsidy has been achieved for 2017/18

1.2. An error threshold is set by DWP which, if exceeded means the amount of subsidy to the Local Authority will be reduced. The threshold is made up of two factors:

- (a) Admin delay which occurs when a LA does not process claims as quickly as DWP would like; and
- (b) Local Authority error is where the Council incorrectly overpays benefit, for example where claimant income data is input incorrectly.

1.3 Audit certification guidelines require auditors to “extrapolate” the value of the errors. The extrapolation process increases the likelihood that the maximum subsidy amount is not achieved and this is what has happened in recent years. For the 2017/18 subsidy year Wycombe’s error levels are below the Government threshold levels even after the extrapolations which means that maximum subsidy has been attained.

1.4. The total value of the Subsidy Claim for 2017/18 was £44,282,827. Minor errors identified in this year’s audit totalled just under £2,000 (0.005% of the total claim).

1.5. The improvement has been achieved by maintaining a flexible workforce via a “mixed economy” environment using our own staff combined with external support that can be increased or reduced according to demand. This approach has enabled resources to grow when needed in response to welfare changes and Government software system enhancements.