



Report to Audit and Governance Committee

Date: 5th July 2023

Reference number: N/A

Title: 2020/21 Housing Benefit Grant Claim Certification

Relevant councillor(s): N/A

Author and/or contact officer: David Skinner (S151)

Ward(s) affected: Not applicable

Recommendations: Members are requested to note the report.

Reason for decision: Not applicable

Executive summary

- 1.1 There is an annual external review of the grants that the Council claims through a grant certification process. This report provides a review of the Housing Benefit Subsidy claim for 2020/21.
- 1.2 As this is the first year of the merged Buckinghamshire Council, the Housing Benefit Records remained on four separate legacy systems. Therefore, testing has been performed equally across all four systems and Cumulative Audit Knowledge and Experience (CAKE) was carried out for 13 areas in total.
- 1.3 The outcome of all the testing has resulted into a small adjustment of £1k to Housing Benefit subsidy claim and roll forward of 10 areas of CAKE testing into 2021/22 audit.

Grant Thornton Annual Review

- 1.4 The Council is responsible for compiling grant claims and returns in accordance with the requirements and timescales set by Department for Work and Pensions (DWP).
- 1.5 Grant Thornton, as the Council's external auditor, annually review the grants the Council claims through a grant certification process.
- 1.6 The nature and complexity of the Housing Benefit scheme linked to the volume of claims (83,473 changes during 2020/21) means the vast majority of local authorities

will have some errors identified through their annual subsidy claim audit. Additionally, the Council had 4 different systems operating during this year which would as expected have its own risks and challenges.

1.7 The initial testing was performed equally across all four systems in line with the DWP guidance for merged authorities. In addition to initial testing, Cumulative Audit Knowledge and Experience (CAKE) was carried out on 13 areas of which 4 areas related to errors identified during the course of initial testing for 20/21 and 9 areas were roll forward from prior year errors. Three of these areas have now been closed and 10 rolled forward for CAKE testing in 21/22.

1.8 The Council has made significant improvements by consolidating the system and the benefits of this will come to fruition from financial year 2023/24. As part of continuous improvements following additional measures are being introduced for the 2021/22 and future subsidy claims: -

- Additional training and sample checking for each area where an error was found in the 2020/21 claim. A key area where the largest number of errors were identified related to Temporary Accommodation claims. Training has taken place and detailed procedure notes have been rolled out to staff to minimise the risk of future errors. Errors relating to the treatment of earnings was also identified and formal training is due to take place on 26 June 2023. This will be followed up by the roll out of guidance notes to all staff. Staff have also received training and procedures in specific areas which may pose future risk supported and exempt accommodation claims.
- A rolling review of work practices and in-year checking procedures to help identify and correct errors to ensure even greater accuracy of future subsidy claims. Targeted quality checking is in place to monitor the accuracy in areas where errors were identified in the 20/21 audit. 100% checking has been in place over a 2-month period (April to May 2023) for temporary accommodation claims. This is to ensure that errors are identified and corrected immediately. This will be reviewed periodically, and increased checking re-introduced to ensure continued accuracy. Following the earnings training on 26 June 2023, further targeted quality checking will be introduced in July 2023 for claims which include earned income. In addition, quality checking is also continuing across all claim types in order to identify other potential errors which may impact on future subsidy claims.

1.9 The auditors are currently working on 2021/22 grant, and it is expected to complete this by end of July. This will be followed by work on 2022/23 grant which is due to complete by the end of October 2023.

Other options considered

1.10 Not applicable

Legal and financial implications

1.11 It is important that grant claim requirements are complied with as they affect funding sources and funding assumptions for the Council.

1.12 The overall fee for certification of the Council's claim was £67.5k.

Corporate implications

1.13 Not applicable

Consultation and communication

1.14 Not applicable

Next steps and review

1.15 Not applicable

Background papers

1.16 Not applicable

