



# Report to Audit and Governance Committee

**Date:** 27<sup>th</sup> September 2023

**Title:** 2021/22 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 2021/22.
- 1.2 For this financial year, the Housing Benefit Records remained on three separate legacy systems. In November 2021 Aylesbury and Wycombe were merged. Therefore, testing has been performed equally across all systems and Cumulative Audit Knowledge and Experience (CAKE) was carried out for 10 areas in total.
- 1.3 The outcome of all the testing has resulted in no amendments to the headline cells. However, there were some small amendments required within the subpopulation cells and roll forward of 6 areas of CAKE testing into 2022/23 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 (163,676 during 2021/22) means the vast majority of local authorities will have some errors identified through their annual subsidy claim audit. Additionally, the Council had 3 different systems operating during this year which would as expected have its own risks and challenges.
- 1.7 The initial testing was performed across the three legacy 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 10 areas of which 4 of these areas have now been closed and 6 rolled forward for CAKE testing in 22/23.
- 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.
- 1.9 As part of continuous improvements the following additional measures are being introduced for 2022/23 and future subsidy claims: -
- Additional training and sample checking for each area where an error was found in the 2021/22 claim continues for 2022/23. A key area where the largest number of errors were identified continues to relate 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 and this will carry on in 2023/24. Errors relating to the treatment of earnings was also identified and formal training will take place on 22 September 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, in particular, 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 was introduced last year and will continue in 2023/24. Targeted quality checking is in place to monitor the accuracy in areas where errors were identified in the 2021/22 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 22 September 2023, further targeted quality checking will be introduced 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.
- 1.10 The auditors are currently working on the 2022/23 grant, and it is expected to complete this by the end of September 2023.

## **Other options considered**

1.11 Not applicable

## **Legal and financial implications**

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

1.13 The overall fee for certification of the Council's claim was £45k.

## **Corporate implications**

1.14 Not applicable

## **Consultation and communication**

1.15 Not applicable

## **Next steps and review**

1.16 Not applicable

## **Background papers**

1.17 Not applicable

