

<b>Committee:</b> Audit & Scrutiny Committee	<b>Date:</b> 28 September 2021
<b>Subject:</b> Certification of Housing Benefit Subsidy Claim 2019/20	<b>Wards Affected:</b> All
<b>Report of:</b> Jacqueline Van Mellaerts, Corporate Director (Finance & Resources)	<b>Public</b>
<b>Report Author:</b> Name: Alistair Greer, Principal Accountant Telephone: 01277 312500 E-mail: alistair.greer@brentwood.gov.uk	<b>For Information</b>

### Summary

This report presents the External Auditor's annual report in respect of the Certification of the Housing Benefit Subsidy Claim for the financial year 2019/20.

### Main Report

#### **Introduction and Background**

1. The Council, being responsible for managing housing benefits, is able to claim subsidy toward the costs of these benefits from the Department of Work & Pensions (DWP). The claim is subject to certification.
2. The Council has engaged BDO LLP to undertake the certification of its housing benefit subsidy claim for the financial year ending 31 March 2020.
3. The deadline for the submission of the certified claim for 2019/20 would normally have been 30 November 2020. Due to the ongoing impact of the COVID-19 pandemic, the Council has obtained a deadline extension to 31 May 2021. BDO completed their work and certified the claim on 27 May 2021.

#### **Issue, Options and Analysis of Options**

4. The total value of the housing benefit subsidy claim for 2019/20 was £10,410,541.
5. The work carried out by BDO includes verifying that the Council is using the correct version of its benefits software and that this software has been updated with the correct parameters.
6. It also involves agreeing the entries in the claim to the underlying records and testing a sample of cases from each benefit type to confirm that benefit has been awarded in accordance with the relevant legislation and is shown in the correct cell on the claim form.

7. BDO did not make any amendments to the claim form following their work. They did identify some minor errors in the assessment of claims which, if extrapolated by DWP across the entire claim, could result in a reduction in subsidy of £8,428. Any such reduction is at the discretion of DWP, as they do provide an allowance within the subsidy system to recover local authority errors. DWP will make a final determination regarding the amount of subsidy to be paid later in the year.
8. The report produced by BDO following the conclusion of their work is attached as Appendix A. Pages 3-4 sets out an executive summary, with details provided on the following pages.

### **Consultation**

9. None

### **References to Corporate Plan**

10. Good financial management underpins all priorities within the Corporate Strategy.

### **Implications**

#### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources)**  
**Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk**

11. Administration costs and Housing Benefit Payments as well as subsidy income are all forecasted within the Medium term financial strategy. Audit fees are included within the executive summary which were £14,850.

#### **Legal Implications**

**Name & Title: Amanda Julian, Corporate Director (Law & Governance) and Monitoring Officer**  
**Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk**

12. There are no direct legal implications from this report.

#### **Economic Implications**

**Name/Title: Phil Drane, Corporate Director (Planning and Economy)**  
**Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk**

13. There are no direct economic implications. Ensuring housing benefit claims are audited confirms that the Council and local residents receive value for money and that performance of the service is accurate.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

**Background Papers**

None

**Appendices to this report**

Appendix A: BDO Grants & Returns Report