

# Taunton Deane Borough Council

## Corporate Governance Committee 26th March 2018

### Grant Thornton - Certification Report 2016/17

Report of the Assistant Director – Corporate Services (Richard Sealy)

This matter is the responsibility of the Leader of the Council, Cllr John Williams

#### 1. Executive Summary

This report introduces the Certification Report 2016/17, which has been compiled by our external auditors, Grant Thornton, in relation to the certification of our Housing Benefit Subsidy Claim.

The report, which will be presented by Grant Thornton, summarises their findings from their work in relation to the above claim and return for 2016/17.

#### 2. Background

- 2.1 Each year our external auditors, Grant Thornton, review the Council's arrangements in relation to grant claims and returns.
- 2.2 Their full report together with detailed recommendations and details of the cost of this work are attached to this report.

#### 3. Finance Comments

- 3.1 The claim and return submitted by the Council (and reviewed by our external auditors) total £30.7m. This is clearly a significant financial matter for the authority and we must ensure that proper arrangements are in place to meet the "conditions" of the grants.
- 3.2 The report indicates that, whilst a qualification has been made in respect of the Housing Benefit Scheme Claim, this qualification has had no financial impact.
- 3.3 The report highlights a number of areas where improvements are required together with the agreed management response and target delivery dates.

#### **4. Legal Comments**

4.1 There are no legal implications from this report.

#### **5. Links to Corporate Aims**

5.1 No direct implications.

#### **6. Environmental Implications**

6.1 No direct implications.

#### **7. Community Safety Implications**

7.1 No direct implications.

#### **8. Equalities Impact**

8.1 No direct implications.

#### **9. Risk Management**

9.1 Any risks identified will feed into the corporate risk management process.

#### **10. Partnership Implications**

10.1 The Director – Operations and the Internal Audit Team (SWAP – South West Audit Partnership) have taken the findings of this report into account when identifying the areas of risk to be audited next year.

#### **11. Recommendations**

11.1 Members are requested to note the report.

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18 January 2018

Dear Paul

**Certification work for Taunton Deane Borough Council for year ended 31 March 2017**

We are required to certify the Housing Benefit subsidy claim submitted by Taunton Deane Borough Council ('the Council'). This certification typically takes place six to nine months after the claim period and represents a final but important part of the process to confirm the Council's entitlement to funding.

The Local Audit and Accountability Act 2014 gave the Secretary of State power to transfer Audit Commission responsibilities to other bodies. Public Sector Audit Appointments (PSAA) took on the transitional responsibilities for HB COUNT issued by the Audit Commission in February 2015.

We have certified the Housing Benefit subsidy claim for the financial year 2016/17 relating to subsidy claimed of £30.7 million. Further details are set out in Appendix A.

We identified one issue from our certification work which we wish to highlight for your attention. This is set out in Appendix A.

As a result of the error identified, the claim was amended.

The indicative fee for 2016/17 for the Council was based on the final 2014/15 certification fees, reflecting the amount of work required by the auditor to certify the Housing Benefit subsidy claim that year. The indicative scale fee set by PSAA for the Council for 2016/17 was £7,793. This is set out in more detail in Appendix B.

Yours sincerely

Peter Barber - Director  
For Grant Thornton UK LLP

## Appendix A - Details of claims and returns certified for 2016/17

Claim or return	Value	Amended?	Amendment value	Qualified?	Comments
Housing benefits subsidy claim	£30,664,142	Yes	£290	No	See below

### **Findings from certification of housing benefits subsidy claim**

The claim was amended due to the following issue:

#### **Overpayment classification**

We identified one error where a Non-HRA rent rebate overpayment was incorrectly classified as eligible rather than Local Authority error. Officers were able to review the whole of the population and we agreed the amendment required to the claim as a result. The audit team reviewed and re-performed a sample of the work of the Council

#### **Recommended actions for officers**

We recommend that the Council, as part of its internal quality assurance process, should increase its focus or level of testing in respect of the area where we identified the error in our testing.

**Appendix B: Fees for 2016/17 certification work**

<b>Claim or return</b>	<b>2014/15 fee (£)</b>	<b>2016/17 indicative fee (£)</b>	<b>2016/17 actual fee (£)</b>	<b>Variance (£)</b>	<b>Explanation for variances</b>
Housing benefits subsidy claim (BEN01)	10,390	7,793	7,793	-	N/A
Total	10,390	7,793	7,793		