

Southend-on-Sea Borough Council

Agenda
Item No.

Report of the Strategic Director (Finance and Resources)

to

Audit Committee

on

29th April 2020

Report prepared by: Deloitte Reporting Accountant

**Deloitte: Housing Benefit Subsidy Claim assurance report for the Year ended 31
March 2019**

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To present the reporting accountant's Housing Benefit Subsidy Claim assurance report for 2018/19 to the Audit Committee.

2. Recommendation

- 2.1 The Audit Committee accepts the Grant Claim and Return Certification Report for 2018/19.**

3. Background

- 3.1 The arrangements for providing assurance to the Department of Work and Pensions (DWP) in respect of the Council's claim for subsidy towards expenditure on housing benefit have changes and are no longer overseen by Public Sector Audit Appointments Limited (PSAA). As a result the DWP have produced standardised assurance procedures and the Council is required to appoint its own reporting accountants to undertake that work.
- 3.2 Southend have appointed Deloitte to undertake that work and the report attached at Appendix 1 details the outcome of that work.
- 3.3 Due to the nature and volume of the work the Council undertakes administering the DWP's Housing Benefit arrangements it is inevitable that errors will be made, and the detailed nature of the assurance procedures performed by the reporting accountants will identify some of these errors, as is reflected in the results of the work. However the DWP's arrangements recognise this and includes a threshold of value of local authority errors that has an impact on the amount of subsidy that the Council receives. The Committee should note that the value of local authority errors reported in the return is below the DWP's threshold and therefore there has been no additional impact on the amount of subsidy received by the Council.
- 3.4 Following receipt of Deloitte's report the DWP have confirmed that there will be no change to the subsidy claimed for 2018/19, and that the position is now finalised.

4. Corporate Implications

4.1 Contribution to the Southend 2050 Road Map

Audit work provides assurance and identifies opportunities for improvements that contribute to the delivery of all Southend 2050 outcomes.

4.2 Financial Implications

Deloitte were appointed by the Council to undertake the DWP's assurance procedures following a competitive process, and the agreed cost for the work required is £21,000.

4.3 Legal Implications

The Council is required to provide independent assurance from a reporting accountant to the DWP utilising their assurance procedures, to support the Council's claim for subsidy from the DWP. By considering this report, the Committee can satisfy itself that this requirement is being discharged.

4.4 People Implications

None.

4.5 Property Implications

None.

4.5 Consultation

None.

4.6 Equalities and Diversity Implications

None.

4.7 Risk Assessment

The Council receives significant funding streams that require reporting accountants to provide assurance that the funding has been used in accordance with the funders' expectations. This funding would be at risk if the reporting accountants were not able to provide that assurance.

4.8 Value for Money

None.

4.9 Community Safety Implications

None.

6.11 Environmental Impact

None.

5. Background Papers

- National Audit Offices' Code of Audit Practice 2015
- DWP Housing Benefit (Subsidy) Assurance Process 2018/19

6. Appendix 1:

Deloitte's Housing Benefit Subsidy Claim assurance report for the Year ended 31 March 2019