



16th February 2022

Dear Sir/Madam,

Housing Benefit (Subsidy) Assurance Process 2020-21 Module 6 DWP Reporting Framework Instruction (Applicable to England only) Reporting accountants' report for the Housing Benefit Subsidy claim form MPF720A, year ended 31 March 2021

To: Housing Benefit Unit, Housing Delivery Division, DWP Business Finance & Housing Delivery Directorate, Room B120D, Warbreck House, Blackpool, Lancashire FY2 0UZ. lawelfare.lapaymentsandsubsidy@dwp.gov.uk

And: The Section 151 Officer of Southend on Sea Borough Council Section 151 Officer

This report is produced in accordance with the terms of our engagement letter with the Southend on Sea Borough Council dated 11th September 2020 and the standardised engagement terms in Appendix 2 of HBAP Module 1 2020/21 issued by the Department for Work and Pensions (DWP) for the purpose of reporting to the Section 151 Officer of Southend on Sea Borough Council and the DWP.

Our report is prepared solely for the confidential use of the Local Authority and the DWP and solely for the purpose of facilitating the claim for Housing Benefit Subsidy on form MPF720A dated 27th April 2021.

This report should not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by the standardised engagement terms), without our prior written consent. Without assuming or accepting any responsibility or liability in respect of this report to any party other than the local authority and the DWP, we acknowledge that the local authority and/or the DWP may be required to disclose this report to parties demonstrating a statutory right to see it.

This report is designed to meet the agreed requirements of Local Authority and the DWP as described in the DWP HBAP reporting framework instruction 2020-21

This report should not therefore be regarded as suitable to be used or relied by any other party for any purpose or in any context. Any party other than the Local Authority and the DWP which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so entirely at its own risk. To the fullest extent permitted by law, we accept no responsibility or liability in respect of our work or this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by the reliance of anyone other than the addressees on our work or this report.

Respective responsibilities of the Local Authority and the reporting accountant

We conducted our engagement in accordance with HBAP Modules 1 and 6 2020/21 issued by the DWP, which highlight the terms under which DWP has agreed to engage with reporting accountants.

The Section 151 Officer of the Local Authority has responsibilities under the Income-related Benefits (Subsidy to Authorities) Order 1998. The section 151 Officer is also responsible for ensuring that the Local Authority maintains accounting records which disclose with reasonable accuracy, at any time, the financial position of the Local Authority. It is also the Section 151 Officer's responsibility to extract relevant financial information from the Local Authority's accounting records, obtain relevant information held by any officer of the Local Authority and complete the attached form MPF720A in accordance with the relevant framework set out by the DWP.

Our approach

For the purpose of the HBAP engagement we have been provided with a copy of form MPF720A 2020/21 received from the section 151 officers verifiable email address and dated 27th April 2021 by the Section 151 Officer. The Section 151 Officer remains solely responsible for the completion of the MPF720A.

Our engagement was carried out in accordance with the DWP reporting framework instruction which has been prepared in accordance with the *International Standard on Related (ISRS) 4400, Engagement to perform agreed-upon-procedures regarding financial information*. The purpose of the engagement is to perform the specific test requirements determined by the DWP on the defined sample basis as set out in HBAP Modules of the HBAP reporting framework instruction on the Local Authority's form MPF720A dated 27th April 2021, and to report the results of those procedures to the Local Authority and the DWP.

The results of these are reported on in appendices A, B, C and D.

Inherent limitations

The procedures specified in DWP's HBAP Reporting framework instruction does not constitute an examination made in accordance with generally accepted auditing standards, the objective of which would be the expression of assurance on the contents of the local authority's claim for Housing Benefit subsidy on form MPF720A. Accordingly, we do not express such assurance. Had we performed additional procedures or had we performed an audit or review of the local authority's claim for Housing Benefit subsidy on form MPF720A in accordance with generally accepted auditing or review standards, other matters might have come to our attention that would have been reported to you. This report relates only to the Local Authority's form MPF720A and does not extend to any financial statements of the Local Authority, taken as a whole.

Summary of HBAP report

Summary of Initial Testing

In accordance with HBAP modules an initial sample of cases was completed for all general expenditure cells.

Cell 011 Non HRA Rent Rebate

No Claims were found to be in error.

Cell 055 HRA rent rebates

No Claims were found to be in error.

Cell 094 Rent Allowance

No claims were found to be in error.

Cell 225 Modified schemes - evidence to support War disablement Pension

We have identified 1 claim where the claimant was not in receipt of War Disablement Pension. As it was not possible to correctly establish the error for amendment, testing of the remaining 11 cases has been completed to ensure the claimants were in receipt of War Disablement Pension.

Completion of Modules

Completion of Module 2

We have tested the parameters which the authority has updated on its system against the uprating checklist and no issues were identified.

Completion of Module 5

We have completed the questionnaire for the appropriate software supplier and no issues were identified.

Summary of testing arising from Cumulative Assurance Knowledge and Experience

In line with the requirements of HBAP Modules we have undertaken CAKE testing based upon the preceding HBAP report. Where appropriate the Authority has completed testing of the sub populations for.

In 2019/20, there was a CAKE error on 'standard income' on 2 Cells Rent Rebates and Rent Allowances. Standard income consists of all other income except earned income and self-employed income. We have obtained clarification from Local Authority that the errors identified in Rent Rebates and Rent Allowances were private occupational pension, employment support allowances and state retirement pension.

We have sought advice from the DWP on how to address the CAKE errors relating to standard income. Since the issues were similar across both Cells and in agreement with the DWP and the Local Authority, we have applied 40+ testing across the 2 Cells (50/50 split) in testing private occupational pensions, employment support allowance and state retirement pension.

CAKE testing included:

- 1) Rent Rebates Cell 055 – Incorrect calculation of private occupational pensions
- 2) Rent Rebates Cell 055 – Incorrect calculation of employment support allowance (ESA)
- 3) Rent Rebates Cell 055 – Incorrect calculation of state retirement pension
- 4) Rent Rebates Cell 055 – Incorrect calculation of earned income
- 5) Rent allowances Cell 094 – Incorrect calculation of private occupational pensions
- 6) Rent allowances Cell 094 – Incorrect calculation of employment support allowance (ESA)
- 7) Rent allowances Cell 094 – Incorrect calculation of state retirement pension
- 8) Rent allowances Cell 094 – Incorrect calculation of earned income
- 9) Rent allowances Cell 094 – Incorrect Non-dependent deduction applied
- 10) Rent allowances Cell 102 – Incorrect rent liability
- 11) Rent allowances Cell 113 – LA error overpayment misclassification

We have re-performed a sample of the Authority's testing and confirm the tests we have carried out concur with the Local Authority's results. These results are outlined in the appropriate appendix.

The following CAKE tests have returned no errors and are considered as closed:

- 1) Rent Rebates Cell 055 – Incorrect calculation of private occupational pensions
- 2) Rent Rebates Cell 055 – Incorrect calculation of employment support allowance (ESA)
- 3) Rent Rebates Cell 055 – Incorrect calculation of state retirement pension
- 4) Rent allowances Cell 094 – Incorrect calculation of employment support allowance (ESA)

Summary paragraph/ending of letter

For the form MPF720A dated 27 April 2021 for the year ended 31 March 2021 we have completed the specific test requirements detailed in the DWP reporting framework instruction HBAP and have identified the following results set out in Appendix A, B, C and D).

Firm of accountants Grant Thornton

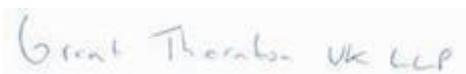
Office Finsbury Square

Contact details (person, phone and email):

Paul Dossett

+44 (0)207 7728 3180, Paul.Dossett@uk.gt.com

Signature:



Date: 16th February 2022

Appendix A Exceptions/errors found

Error Type 3 – benefit overpaid or insufficient supporting information

Cell 055 Non HRA Rent rebate – Incorrect earned income calculation

Cell Total: £14,899,820

Cell Total: £478,239 – sub population

Cell Population: 3,417 cases

Cell Population: 137 cases – sub population

In 2018/19 and 2019/20 it was identified that the Local Authority has incorrectly calculated earned income. During our initial testing of 1 case (value £999) with earned income, no errors were identified.

However, given the nature of the population and the errors found in the previous claim, an additional sample of 40 cases where an assessment in the subsidy period was based upon earned income was tested. This additional testing identified;

- 4 cases (value £16,105) which had resulted in an overpayment of housing benefit to a total of £129 due to miscalculating the claimant's earned income. This has resulted in Cell 061 overstated and Cell 065 understated by the corresponding amount. There is no impact on the headline Cell 055. The errors ranged from £0.18 to £99.04.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims with earned income) | Sample error: | Sample value: | Percentage error rate (to two decimal places) | Cell adjustment: |
|-----------------------------------|-------------------------------------|-----------------------------------------------------------------|---------------|-----------------|-----------------------------------------------|------------------|
| | | [CT] | [SE] | [SV] | [SE/SV] | [SE/SV X CT] |
| Initial sample – 1 case | Incorrect earned income Calculation | £479,238 | £0 | £999 | | |
| CAKE sample – 40 cases | Incorrect earned income Calculation | £479,238 | £129 | £129,461 | | |
| Combined sample – 41 cases | Combined – incorrect earned income | £479,238 | £129 | £130,460 | 0.10% | 479 |

| | | | | | | |
|----------------------------------|------------------------------------------|----------|------|----------|-------|--------|
| | calculation – Cell 055 | | | | | |
| Corresponding adjustment: | Combined sample – Cell 61 is overstated | £479,238 | £129 | £130,460 | 0.10% | (£479) |
| Corresponding adjustment: | Total amendment – Cell 65 is understated | | | | | £479 |

Error Type 3 – benefit overpaid or insufficient supporting information

Cell 094 Overpaid benefit – Incorrect Earned Income calculation

Cell 094: Rent allowances total expenditure

Cell Total: £ 44,387,348

Cell Total: £7,756,967 – sub population

Cell Population: 6,673 cases

Cell Population: 1,203 cases – sub population

Headline Cell: £ 44,387,348

In 2018/19 and 2019/20 it was identified that the Local Authority has incorrectly calculated earned income. During our initial testing, 4 cases (value £25,030) were in receipt of earned income and no errors were identified.

However, given the nature of the population and the errors found in the previous claim, an additional sample of 40 cases where an assessment in the subsidy period was based upon earned income was tested. This additional testing identified:

- 2 cases (value £16,562) which had resulted in an overpayment of housing benefit to a total of £206 due to miscalculating the claimant's earned income. This has resulted in Cell 103 overstated, and Cell 113 understated by the corresponding amount. There is no impact on the headline Cell 094. The errors ranged from £0.26 to £205.50.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims with earned income) | Sample error: | Sample value: | Percentage error rate (to two decimal places) | Cell adjustment: |
|-----------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------|-----------------|-----------------------------------------------|------------------|
| | | [CT] | [SE] | [SV] | [SE/SV] | [SE/SV X CT] |
| Initial sample – 4 cases | Incorrect earned income Calculation | £7,756,967 | £0 | £25,030 | | |
| CAKE sample – 40 cases | Incorrect earned income Calculation | £7,756,967 | £206 | £264,310 | | |
| Combined sample – 44 cases | Combined – incorrect earnings calculation – Cell 055 | £7,756,967 | £206 | £289,340 | 0.07% | £5,430 |
| Corresponding adjustment: | Combined sample – Cell 103 is overstated | £7,756,967 | £206 | £289,340 | 0.07% | (£5,430) |
| Corresponding adjustment: | Total amendment – Cell 113 is understated | | | | | £5,430 |

Cell 094 Overpaid benefit – Incorrect Private Occupational Pension

Cell 094: Rent allowances total expenditure

Cell Total: £ 44,387,348.45

Cell Total: £ 2,731,916 – sub population

Cell Population: 6,673 cases

Cell Population: 522 cases – sub population

Headline Cell: £ 44,387,348.45

In 2018/19 and 2019/20 it was identified that the Local Authority has incorrectly calculated private occupational pension. In our initial testing, there were 2 cases (value £9,751) that were in receipt of private occupational pension and no errors were identified.

However, given the nature of the population and the errors found in the previous claim, an additional sample of 20 cases where an assessment in the subsidy period was based upon private occupational pension was tested. This additional testing identified:

- 1 case (value £7,659) which resulted in an overpayment of housing benefit to a total of £163 in 2020/21 due to incorrect calculation of private occupational pension. This has resulted in Cell 103 overstated by £163 and Cell 113 understated by the corresponding amount. There is no impact on the headline Cell 094.
- 1 case (value £2,772) which had resulted in an underpayment of housing benefit. As there is no eligibility to subsidy for benefit which has not been paid, the underpayment identified does not affect and has not, therefore, been classified as errors for subsidy extrapolation purposes.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims with POP) | Sample error: | Sample value: | Percentage error rate (to two decimal places) | Cell adjustment: |
|-----------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------|---------------|-----------------|-----------------------------------------------|------------------|
| | | [CT] | [SE] | [SV] | [SE/SV] | [SE/SV X CT] |
| Initial sample – 2 cases | Incorrect private occupational pension Calculation | £2,731,916 | £0 | £9,751 | | |
| CAKE sample – 40 cases | Incorrect private occupational pension Calculation | £2,731,916 | £163 | £111,205 | | |
| Combined sample – 42 cases | Combined – incorrect private occupational pension calculation – Cell 055 | £2,731,916 | £163 | £120,956 | 0.13% | £3,551 |
| Corresponding adjustment: | Combined sample – Cell 103 is overstated | £2,731,916 | £163 | £120,956 | 0.13% | (£3,551) |
| Corresponding adjustment: | Total amendment – Cell 113 is understated | | | | | £3,551 |

Cell 094 Overpaid benefit – Incorrect State Retirement Pension calculation**Cell 094: Rent allowances total expenditure****Cell Total: £ 44,387,348.45****Cell Total: £ 3,484,550 – sub population****Cell Population: 6,673 cases****Cell Population: 667 cases – sub population****Headline Cell: £ 44,387,348.45**

In 2018/19 and 2019/20 it was identified that the Local Authority has incorrectly calculated state retirement pension. In our initial testing, there were 2 cases (value £9,751) that were in receipt of state retirement pension and no errors were identified.

However, given the nature of the population and the errors found in the previous claim, an additional sample of 20 cases where an assessment in the subsidy period was based upon state retirement pension was tested. This additional testing identified:

- 1 case (value £4,584) whereby the Local Authority has incorrectly calculated the state retirement pension and it has resulted in benefit overpayment of £4. This has resulted in Cell 103 understated and Cell 113 overstated by the corresponding amount. There is no impact on the headline Cell 094.
- 2 case (value £6,686) which had resulted in an underpayment of housing benefit. As there is no eligibility to subsidy for benefit which has not been paid, the underpayment identified does not affect and has not, therefore, been classified as errors for subsidy extrapolation purposes.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims with SRP) | Sample error: | Sample value: | Percentage error rate (to two decimal places) | Cell adjustment: |
|---------------------------------|------------------------------------------------|-------------------------------------------------------|---------------|---------------|-----------------------------------------------|------------------|
| | | [CT] | [SE] | [SV] | [SE/SV] | [SE/SV X CT] |
| Initial sample – 2 cases | Incorrect state retirement pension Calculation | £3,484,550 | £0 | £9,751 | | |
| CAKE sample – 40 cases | Incorrect state retirement | £3,484,550 | £4 | £101,109 | | |

| | | | | | | |
|-----------------------------------|----------------------------------------------------------------------|-------------------|-----------|-----------------|---------------|-------------|
| | pension Calculation | | | | | |
| Combined sample – 42 cases | Combined – incorrect state retirement pension calculation – Cell 055 | £3,484,550 | £4 | £110,860 | 0.004% | £139 |
| Corresponding adjustment: | Combined sample – Cell 103 is overstated | £3,484,550 | £163 | £110,860 | 0.004% | (£139) |
| Corresponding adjustment: | Total amendment – Cell 113 is understated | | | | | £139 |

Cell 094 Overpaid benefit – Incorrectly applied Non-dependent deduction

Cell 094: Rent allowances total expenditure

Cell Total: £ 44,387,348.45

Cell Total: £ 3,058,898 – sub population

Cell Population: 6,673 cases

Cell Population: cases 492 – sub population

Headline Cell: £ 44,387,348.45

In 2018/19 and 2019/20 it was identified that the Local Authority has incorrectly applied the non-dependent deduction and it has resulted in an overpayment of benefit. During our initial testing, 1 case (value £11,884) the non-dependent deduction has been correctly applied, therefore no errors were identified.

However, given the nature of the population and the errors found in the previous claim, an additional sample of 40 cases where an assessment in the subsidy period was based upon non-dependent deduction calculation was tested. This additional testing identified:

- 1 case (value £8,047) whereby the Council has incorrectly applied the non-dependent deduction. As a result, Cell 103 has been overstated by £340 and Cell 113 understated by the corresponding amount. There is no impact on the headline Cell 094.
- 1 case (value £5,233) which had resulted in an underpayment of housing benefit. As there is no eligibility to subsidy for benefit which has not been paid, the underpayment identified does not affect and has not, therefore, been classified as errors for subsidy extrapolation purposes.

- 1 case (value £8,573) which had resulted in a nil impact of housing benefit. As there is no eligibility to subsidy for benefit which has not been paid, the nil impact identified does not affect and has not, therefore, been classified as errors for subsidy extrapolation purposes.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims with NDD) | Sample error: | Sample value: | Percentage error rate (to two decimal places) | Cell adjustment: |
|-----------------------------------|---------------------------------------------------------------------|-------------------------------------------------------|---------------|-----------------|-----------------------------------------------|------------------|
| | | [CT] | [SE] | [SV] | [SE/SV] | [SE/SV X CT] |
| Initial sample – 1 case | Incorrect non-dependent deduction calculation | £3,058,898 | £0 | £11,884 | | |
| CAKE sample – 40 cases | Incorrect non-dependent deduction calculation | £3,058,898 | £340 | £221,570 | | |
| Combined sample – 41 cases | Combined – incorrect non-dependent deduction calculation – Cell 055 | £3,058,898 | £340 | £233,454 | 0.15% | £4,588 |
| Corresponding adjustment: | Combined sample – Cell 103 is overstated | £3,058,898 | £340 | £233,454 | 0.15% | (£4,588) |
| Corresponding adjustment: | Total amendment – Cell 113 is understated | | | | | £4,588 |

Error Type 4 - expenditure misclassification. Where benefit expenditure has been misclassified

Cell 113 Expenditure misclassification – Incorrect classification of LA error and administrative delay eligible overpayments

Cell Total: £43,875

Cell population 253 Cases

Headline Cell: £44,387,348.45

In 2018/19 and 2019/20 claim it was identified that Cell 113 LA error and administrative delay overpayments included overpayments that has been incorrectly classified. Our initial testing had no cases within Cell 113.

Given the nature of the population and the errors in previous years, an additional 40 cases where an assessment in the subsidy period was based upon LA error in Cell 113. This additional testing identified:

- 2 cases (value £164) have been incorrectly included in Cell 113 LA error and administration delay overpayments and should have been in Cell 114 eligible overpayments. As a result, Cell 113 has been overstated by £90 and Cell 114 has been understated by the corresponding amount. There is no impact on the headline Cell 094.

This is the third year this error has been identified in the HBAP Report.

The following table is based on these findings.

| Sample | Movement / brief note of error: | Original cell total: sub population (claims in cell 113) | Sample error: | Sample value: | Percentage error rate (to two decimal places): | Cell adjustment: | Revised Cell total if cell adjustment applied: |
|--------------------------------|-------------------------------------|----------------------------------------------------------|---------------|---------------|------------------------------------------------|------------------|------------------------------------------------|
| | | [CT] | [SE] | SV] | [SE/SV] | [SE/SV times CT] | (RA) |
| Initial sample – 0 case | Incorrect classification - LA error | £43,875 | £0 | £0 | | | |

| | | | | | | | |
|---------------------------------------------|----------------------------------------------|----------------|------------|---------------|--------------|-------------|--|
| Additional testing sample – 40 cases | Incorrect classification - LA error | £43,875 | £90 | £5,522 | | | |
| Combined sample - 40 cases | Combined - incorrect classification LA error | £43,875 | £90 | £5,522 | 1.63% | £715 | |
| Corresponding adjustment: | Combined sample - Cell 114 is understated | £43,875 | £90 | £5,522 | 1.63% | £715 | |
| Total corresponding adjustment | Total amendment - Cell 113 overstated | | | | | (£715) | |

Appendix B Observations

Error type N/A and Errors that do not affect Subsidy claim

Cell 102: Rent Allowances – Expenditure under the Rent Officer Arrangements

Cell Total: £13,486,407

Cell population 2,127 Cases

Headline Cell: £44,387,348.45

In 2018/19 and 2019/20 it was identified that the Local Authority had incorrectly input the rent liability and it has resulted in benefit overpayment. In our initial testing, no errors were identified.

Given the nature of the population and the errors in previous years, an additional 40 cases where an assessment in the subsidy period was based upon the rent liability being correctly included in the assessment. This additional testing identified:

- 2 cases (value £13,742) which had resulted in a nil impact of housing benefit. As there is no eligibility to subsidy for benefit which has not been paid, the nil impact identified does not affect and has not, therefore, been classified as errors for subsidy extrapolation purposes.

This is the third year this error has been identified in the HBAP Report.

Error Type 4 - expenditure misclassification. Where benefit expenditure has been misclassified

Modified Scheme

Cell 225 – Modified Schemes

Cell Total: £41,059

Cell population: 15 cases

In our initial testing of 4 cases (value £9,977) we have identified 1 case whereby the claimant was not in receipt of war disablement pension. As a result, Cell 225 has been overstated by £2,558 and Cell 214 overstated by the corresponding amount. This error was subsequently identified by the Local Authority in 2021/22 and amended accordingly.

The Local Authority have tested the remaining 11 cases to ensure the claimant were in receipt of War Disablement Pension. No errors were identified.

We have re-performed a sample of the cases and concur with the Local Authority's findings.

Since the error identified has been corrected in 2021/22 claim form, no amendments proposed to 2020/21 claim.

Rent Allowances: Manual Adjustments to Monthly Claim

In our initial testing on Rent Allowances, we have identified 1 case (value £11,884) where the claimant is paid on a monthly basis. Since documentation on the workbooks does not accommodate claimants who are paid monthly instead of on a 4-weekly basis, this has resulted in the calculation sheet unable to balance appropriately. Therefore, we have been instructed by the DWP to manually amend the calculation sheet to balance the case. We have separately performed testing on a separate document to confirm that the monthly payments agreed to the subsidy paid. No errors were found in the testing. Therefore, no further work proposed.

System reconciliation of benefit granted to benefit paid

The Authority's benefit administration (Northgate) performs a reconciliation of benefit granted to benefit paid. The discrepancies identified through this reconciliation process are reported in SUB057 and SUB061 reconciliation reports. The reconciliation performed for the 2020/21 subsidy year identified the following unresolved discrepancies.

SUB057

| Payment Type | Claim Type | Total Posted | Total Recon | Total Subsidy | Discrepancy |
|--------------|------------|----------------------|---------------------|----------------------|--------------------|
| | | £ | £ | £ | £ |
| CREDS | LANHRA | 20,095.97 | 978.39 | 19,117.58 | 0.00 |
| CREDS | PTEN | 44,112,226.21 | - 304,303.42 | 44,414,242.44 | - 2,287.19 |
| RENTS | LANHRA | 742,209.66 | - 21,928.55 | 764,125.62 | - 12.59 |
| RENTS | LAHRA | 14,877,799.82 | - 57,156.15 | 14,913,984.86 | - 20,971.11 |
| | | 59,752,331.66 | - 382,409.73 | 59,369,921.93 | - 23,270.89 |

The amounts in the 'Subsidy' column of the SUB057 schedule above, has been reconciled to the claim form as follows;

Cell 011 £783,243 = CREDS LANHRA £19,118 + RENTS LANHRA £764,125

Cell 055 £14,899,820 + Cell 225b £14,165 = RENTS LAHRA £14,913,985

Cell 94 £44,387,348 + Cell 225c £26,894 = PTEN £44,414,242

SUB061

| | Reconcile total | Paid Total | Discrepancy |
|------------------|-----------------|---------------|-------------|
| | £ | £ | £ |
| Rebates | 15,620,009.48 | 15,620,708.74 | 699.26 |
| Creditors | 44,132,322.18 | 44,132,268.49 | - 53.69 |

Appendix C: Amendments to the claim form MPF720A**Manual Adjustments to claim forms**

Our audit was performed on the original claim form which did not include manual adjustments performed by the Local Authority. The manual adjustments have been made in the revised subsidy claim form. It has been our experience that adjustments

of this nature are performed yearly by the Local Authority in order to process subsidy amounts due to claims involving entitlement to housing benefit on two homes and claims with underlying entitlement. These amounts cannot be processed through the Northgate benefits system and therefore are entered manually.

As our audit procedures are limited to those defined to us by the DWP in our instructions, and these do not include procedures that are applicable to such adjustments, we have instead inquired into and obtained an understanding of these adjustments and can report that nothing has come to our attention that would suggest they are improper. In the 2020/21 subsidy year, these adjustments amount to a net £27,015 increase in subsidy on the final claim form.

Appendix D Additional issues

There were no additional issues.

