



**Certification of claims and  
returns annual report  
2017-18**

**Hart District Council**

14 February 2019



**EY**

Building a better  
working world

# Contents



This report is made solely to the Audit Committee and management of Hart District Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit Committee, and management of Hart District Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit Committee, and management of Hart District Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



**01**

# Housing benefits subsidy claim



## Housing benefits subsidy claim

Scope of work	Results
Value of claim presented for certification	£15,486,556
Amended/Not amended	Amended - subsidy increased by £5,586
Qualification letter	No
Fee - 2017-18	£12,804
Fee - 2016-17	£14,702

  

Recommendations from 2016-17	Findings in 2017-18
None	See below

Local Government administers the Government's housing benefits scheme for tenants and can claim subsidies from the Department for Work and Pensions (DWP) towards the cost of benefits paid.

The certification guidance requires reporting accountants to complete more extensive '40+' or extended testing if initial testing identifies errors in the calculation of benefit or compilation of the claim. 40+ testing may also be carried out as a result of errors that have been identified in the certification of previous years claims. We found errors and carried out extended testing in several areas.

Extended and other testing identified errors which the Council amended. They had a small net impact on the claim. We did not issue a qualification letter.

The DWP then decides whether to ask the Council to carry out further work to quantify the error or to claw back the benefit subsidy paid. These are the main issues we reported:

► Rent allowance cases:

- We found 1 error in the initial testing on the classification between modified scheme and normal Rent Allowance benefits and therefore performed 100% check on modified scheme cases. 20 more failures were identified within the total population and resulted in adjustments of £5,574.69 in cell 94. Adjustments have been made in certified claim.
- We performed 100% check on a prior year error in relation to self-employment income. 1 case failed but has no impact on cell 94, adjustments have been made in cell 103 and 113.

► Modified schemes:

As a result of the 1 error identified in Rent Allowance testing (section above) we performed 100% check on all modified scheme cases. Further failures were identified and resulted in adjustments of £5,574.69 in cell 225.

The net impact on the claim was £5,586.



02

## 2017-18 certification fees





## 2017-18 certification fees

The PSAA determine a scale fee each year for the certification of the housing benefits subsidy claim. For 2017-18, these scale fees were published by the Public Sector Audit Appointments Ltd (PSAA's) and are available on their website ([www.psaa.co.uk](http://www.psaa.co.uk)).

<b>Claim or return</b>	<b>2017-18</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>Actual fee £</b>	<b>Indicative fee £</b>	<b>Actual fee £</b>
Housing benefits subsidy claim	12,804	12,804	14,702

We propose no change to the 2017-18 indicative fee.



**03**

## Looking forward



## Looking forward

---

### **2018/19 and beyond**

From 2018/19, the Council is responsible for appointing their own reporting accountant to undertake the work on their claims in accordance with the instructions determined by the relevant grant paying body.

You have appointed us to undertake this work for you in 2018/19 as we are also your statutory auditor. We will provide a comprehensive assurance service, making efficiencies for you and building on the knowledge and relationship we have established with your Housing Benefits service.

## EY | Assurance | Tax | Transactions | Advisory

### About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit [ey.com](http://ey.com).

© 2017 EYGM Limited.  
All Rights Reserved.

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

**[ey.com](http://ey.com)**