

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

Maldon District Council

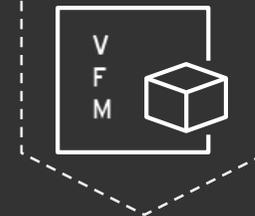
December 2018

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In April 2015 Public Sector Audit Appointments Ltd (PSAA) issued "Statement of responsibilities of auditors and audited bodies". It is available from the via the PSAA website ([www.PSAA.co.uk](http://www.PSAA.co.uk)). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas. The "Terms of Appointment (updated February 2017)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature. This report is made solely to the Audit Committee and management of Maldon 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 Maldon 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 Maldon 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	£14,175,648
Amended/Not amended	Amended - subsidy increased by £8
Qualification letter	Yes

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, as noted above.

We have reported underpayments, uncertainties and the extrapolated value of other errors in a qualification letter. The DWP then decides whether to ask the Council to carry our further work to quantify the error or to claw back the benefit subsidy paid. A summary of the main issues we reported in our qualification letter is included in this report:

### **Rent Allowance:**

Initial testing identified one case where tariff income was double counted, which resulted in an underpayment of benefit of £0.46. This error will always lead to either an underpayment of benefit or have no impact on benefit and therefore no additional testing was required. As there is no eligibility to subsidy for benefit which has not been paid the error does not affect subsidy and has not been classified as an error for subsidy purposes.

### **Eligible Overpayments:**

Initial testing did not identify any errors in classification of overpayments. However due to errors reported in the pervious year qualification letter, extended 40+ testing was undertaken. This identified one case where joint liability was not assessed in relation to rent liability, but had been correctly assessed for the joint council tax element. Consequently, the overpayment of £11.97 was incorrectly classified as claimant error rather than local authority error. The Council undertook a 100% review of this sub-population of cases with joint liability and no further errors were identified. The claim was therefore amended for the £11.97 error identified.



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>
	<b>£</b>	<b>£</b>	<b>£</b>
Housing benefits subsidy claim	£13,200	£13,200	£13,283

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