

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

23 January 2012

### Report of the Director of Finance

#### Part 1- Public

#### Matters for Information

#### **1 CERTIFICATION OF CLAIMS AND RETURNS – ANNUAL REPORT**

**A report summarising the findings from the certification by the Audit Commission of the 2010/11 housing benefit and council tax benefit subsidy claim, the disabled facilities grant claim and national non-domestic rates return. The Audit Commission's report is attached at [Annex 1].**

#### **1.1 Housing Benefit and Council Tax Benefit Subsidy Claim**

- 1.1.1 For the year 2010/11, the Council's gross expenditure for Housing and Council Tax Benefit totalled £37.5 million. By way of comparison, this level of expenditure represents around 48% of gross expenditure of the Council as a whole.
- 1.1.2 The majority of this expenditure is met by monthly instalments paid to the Council by the Department for Work and Pensions (DWP), based on initial and mid year estimates provided by the Council.
- 1.1.3 A final claim is submitted to the DWP at the end of the financial year including a balancing sum. This sum is the difference between the amount the Council has received through the year based on estimates and the subsidy due based on actual expenditure. The balance owed by the Council to the DWP in 2010/11 was £1,110,224.
- 1.1.4 The claim is subject to audit carried out by an auditor appointed by the DWP, in our case from the Audit Commission. Any weaknesses or errors identified during the inspection are raised to the DWP in a letter from the auditor or the balancing sum is adjusted to take account of any financial alterations that may be required. The term 'qualification' is used for any issues reported in the letter.
- 1.1.5 On this occasion the audit resulted in some relatively minor adjustments to the claim. The outcome of the adjustments was a total reduction in subsidy of £5,252 and qualifications were raised on some minor points where subsidy had been under claimed by £283. The claim cannot be adjusted to take account of under claimed amounts. The DWP have confirmed that the final claim is acceptable and that there are no issues requiring further action.

## **1.2 Disabled Facilities Grant Claim**

1.2.1 In 2010/11 the Council helped 78 households by way of disabled facilities grants. The total value of the grants paid was £592,244. In 2010/11 the Department for Communities and Local Government (DCLG) contributed £414,000 towards the cost of the scheme.

1.2.2 I am pleased to report the claim was certified without amendment or qualification.

## **1.3 National Non-Domestic Rates Return**

1.3.1 The Council has a duty to collect non-domestic (business) rates on behalf of the (DCLG). The rates are levied on almost all business premises, occupied or empty. In 2010/11 the Council collected 99.6% of the collectable non-domestic rates. This was a total sum of £47,900,131 from 3,494 businesses in the Borough.

1.3.2 I am pleased to report the claim was certified without amendment or qualification.

## **1.4 Legal Implications**

1.4.1 These are mandatory services administered at a level compliant with the legislation and satisfying these inspections.

## **1.5 Financial and Value for Money Considerations**

1.5.1 The fees charged for grant certification work in 2010/11 was £37,333 compared to £34,119 in 2009/10.

## **1.6 Risk Assessment**

1.6.1 The report highlights the recommendations arising from the certification work and the subsequent actions agreed with officers.

Background papers:

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Nil

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