

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

28 January 2013

Report of the Director of Finance

Part 1- Public

Matters for Information

1 CERTIFICATION WORK REPORT 2011/12 – GRANT THORNTON

A report summarising the findings from the certification by Grant Thornton of the 2011/12 housing benefit and council tax benefit subsidy claim and the national non-domestic rates return. The report is attached at [Annex 1].

1.1 Housing Benefit and Council Tax Benefit Subsidy Claim

1.1.1 For the year 2011/12, the Council's gross expenditure for Housing and Council Tax Benefit totalled £38.8 million. By way of comparison, this level of expenditure represents around 54% 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 2011/12 was £853,576.

1.1.4 The claim is subject to audit carried out by an auditor appointed by the DWP, in our case Grant Thornton on behalf of 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.

On this occasion the audit resulted in some relatively minor adjustments to the claim. The outcome of the adjustments was a total increase in subsidy of £8,104.

1.2 National Non-Domestic Rates Return

1.2.1 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 2011/12 the Council collected 99.6% of the collectable non-domestic rates. This was a total sum of £51.6 million from 3,521 businesses in the Borough.

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

1.3 Legal Implications

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

1.4 Financial and Value for Money Considerations

1.4.1 The fees charged for grant certification work in 2011/12 was £47,123 compared to £37,333 in 2010/11. This increased cost was as a result of the need for additional testing following Single Persons Discounts reported to the Audit Committee.

1.5 Risk Assessment

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

Background papers:

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Nil

Sharon Shelton
Director of Finance