

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

27 January 2014

Report of the Director of Finance & Transformation

Part 1- Public

Matters for Information

1 GRANT CERTIFICATION WORK 2012/13

This report summarises the findings from the certification by Grant Thornton of the 2012/13 housing and council tax benefit subsidy claim and the national non-domestic rates return. The report of the external auditors is attached at [Annex 1].

1.1 Housing and Council Tax Benefit Subsidy Claim

1.1.1 For the year 2012/13, the Council's gross expenditure for Housing and Council Tax Benefit totalled £41.1 million. By way of comparison, this level of expenditure represents around 55% 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 2012/13 was £451,846.

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 reported to the DWP in a letter from the auditor. The term 'qualification' is used for any issues reported in the letter.

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 Department for Communities and Local Government. The rates are levied on almost all business premises, occupied or empty. In 2012/13 the Council collected 99.7% of the collectable non-domestic rates. This was a total sum of £52.2 million from 3,530 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 indicative fee for certification work for 2012/13 was £22,000. The actual fee for 2012/13 was £27,180 due to additional work required, in the main, on the housing and council tax benefit subsidy claim and is not expected to be repeated in 2013/14.

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
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