

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	AUDIT COMMITTEE
Report of:	Corporate Director, Finance & Governance
Date of Decision:	30 January 2018
SUBJECT:	GRANT THORNTON - CERTIFICATION OF CLAIMS
Wards Affected: All	
1. Purpose of Report	
1.1 The Council receives funding from a variety of sources and in some cases for specific purposes. To ensure that the provider of funding receives comfort that funds provided have been used for the purposes intended, some of the funding streams are subject to external audit certification.	
1.2 This report advises members of the external audit report on the Housing Benefit subsidy claim for 2016/17.	
2. Decisions recommended:	
2.1 Members are asked to note the outcome of the external audit certificate in respect of the Housing Benefit subsidy claim for 2016/17.	

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3. Compliance Issues:

- 3.1 Are Decisions consistent with relevant Council Policies, Plans or Strategies:
The external audit and certification of certain claims is a requirement on the Council to ensure receipt of specific funding streams.
- 3.2 Relevant Ward and other Members /Officers etc. consulted on this matter:
The Chair of the Committee has been consulted.
- 3.3 Relevant legal powers, personnel, equalities and other relevant implications:
Section 151 of the Local Government Act requires the Corporate Director, Finance and Governance (as responsible officer) to ensure proper administration of the City Council's financial affairs.
- 3.4 Will decision(s) be carried out within existing finances and resources?
Yes.
- 3.5 Main Risk Management and Equality Impact Assessment Issues (if any):
The issues raised in this report are largely of a technical financial nature.

4. Relevant background/chronology of key events:

- 4.1 The Council's Housing Benefit subsidy claim has to be audited to give assurance that the funds claimed by the Council are appropriate.
- 4.2 At 1 April 2016, the Council had in excess of 111,000 claimants in receipt of Housing Benefit and paid over 33,000 new claims and made over 231,000 changes to claims during the year.
- 4.3 The claim for 2016/17 has been completed and as a result of the work undertaken by the external auditor, a number of errors were identified as detailed in the report attached as Appendix 1.
- 4.4 An extrapolation of the errors identified were considered to be relatively insignificant to the total level of subsidy but required the claim to be amended by £0.1m within a total claim of £550.4m, an accuracy rate of 99.82%. As a result of the amendments the claim received a qualified opinion. For claims of this nature only an accuracy of rate of 100% is sufficient to avoid a qualified audit opinion.
- 4.5 The audit fee for the work undertaken was £22,200, which was in line with the indicative fee.

Signature :

Corporate Director, Finance & Governance:

Dated:

List of Background Documents used to compile this Report:

None

Appendix 1

Grant Thornton - certification letter