

Report to Audit Committee

Housing Benefit Subsidy Audit 2023/24

Portfolio Holder: Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance, Corporate Services and Sustainability

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22 October 2025

Reason for Decision

This report outlines for Members the outcome of the external audit of the Housing Benefit Subsidy claim for the financial year 2023/24..

Executive Summary

In accordance with the DWP's Housing Benefits Assurance Process, the Council is required to undergo an annual review of its Housing Benefit Subsidy claim. This review was conducted by external auditors, KPMG LLP. Appendix 1 includes a report prepared by the KPMG LLP officer who led the audit process..

Overall, the report is reasonably positive but highlights several issues that have been reviewed in preparation for the 2024/25 audit process

The findings are as follows:

- There were five cases where the claimant's earnings had been miscalculated. This resulted in a mix of underpayments and overpayments, affecting the subsidy claim by an overstatement of £2,990
 - There were five cases where tariff income from capital was assessed incorrectly. Only one case resulted in an overpayment, affecting the subsidy claim by an overstatement of £99
 - A system issue caused some temporary and supported accommodation claims to have overpayments incorrectly created. This was due to the Universal Credit migration and has now been resolved. It affected the subsidy claim by an overstatement of £2,755.
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- Two cases involved prior year overpayments being misclassified as eligible rather than technical overpayments. This affected the subsidy claim by £1,101.
- In two cases, the effective date of change to tariff income in HRA claims was applied incorrectly, resulting in an overpayment of £30..
- Eight cases involved miscalculated childcare costs, resulting in both overpayments and underpayments, and affecting the subsidy claim by £1,419.
- One observation noted a service charge being incorrectly included in a rent calculation. As no benefit was paid, there was no impact on the subsidy claim.

Recommendation

That Members of the Audit Committee note the outcome of the 2023/24 audit of the Housing Benefit Subsidy claim form.
