

**EXETER CITY COUNCIL
AUDIT AND GOVERNANCE COMMITTEE**

Internal Audit Summary of Work Completed 01 July to 30 September 2016

Please note that this is a summary of recommendations only, as to include all recommendations made from each audit report in detail would result in a lengthy document. Members may request a full copy of any report once finalised or alternatively meet with the Audit Manager to discuss specific audits further.

Audit Area	Summary
<p>Housing Benefit Subsidy</p> <p>Assurance rating: Good ★★★★</p>	<p>The DWP pays authorities subsidy equal to their 'qualifying expenditure' on housing benefit (HB). Correctly paid HB qualifies for 100% subsidy, however, to encourage authorities to monitor and control costs, certain areas of benefit expenditure are penalised. These include certain overpayments and certain high eligible rents. Authorities can also fail to receive subsidy if they cannot provide the necessary information and evidence to support their claims.</p> <p>The objectives of the audit were to review a sample of cases assessed by Benefits to provide assurance that:</p> <ul style="list-style-type: none"> • HB regulations were being complied with • DWP supporting evidence requirements were being met • the amount of benefit paid was accurately calculated <p>It was found that the error rate had reduced from last year i.e. entitlement error rate 2015/16 audit = 10%, 2016/17 audit = 7.5%. This is likely to be as a result of the continued checking of assessments by senior assessors and the additional training/advice provided where issues are identified.</p> <p>There was 1 'high' recommendation and three 'medium' recommendations made all of which were agreed by management. The 'high' risk recommendation related to the incorrect input of earnings.</p>
<p>Payments and Collection</p> <p>Assurance rating: Some Improvement required ★★★</p>	<p>The Payments and Collections Team, formerly the One View of Debt team, oversees the collection of the council tax, housing rent, housing benefit overpayments, former tenant arrears and rechargeable repair debts.</p> <p>The objectives of the audit were to then check that debt recovery is being undertaken in a prompt manner and that a cohesive working arrangement is in place and working well between the various debt areas.</p> <p>There was 2 'high' and 4 'medium' recommendations made all of which were agreed by management. The 'high' risk recommendations related to the poor collection rate of historical and 'gone away' council tax debts.</p>
<p>Disabled Facilities Grants</p> <p>Assurance rating: Good ★★★★</p>	<p>If a house owner or someone living in their property is disabled they may qualify for a disabled facilities grant towards the cost of providing adaptations and facilities to enable the disabled person to continue living there.</p> <p>The awarding of these grants by local councils is governed by part one of the Housing Grants, Construction and Regeneration Act 1996. Devon County Council was allocated an overall amount of £3,391,701 from the government for 2015/16. Of this, £379,076 was paid to Exeter City Council to manage on their behalf and to process and award the grant applications.</p>

Devon County Council require a letter of assurance from each local authority at year end to confirm that the grant has been used by each relevant Council as expected. The main objective of the audit was to carry out appropriate compliance testing to ensure controls are in place and operating effectively and thereby enabling the required assurance statement to be provided.

A total of 1 'high' and 2 'medium' recommendations were made, all which were agreed by management. The 'high' risk recommendation related to non-compliance with OJEU and PCR regulations in the procurement of disabled facilities work as a result of which the Council has now signed up to a framework with Teignbridge District Council for the procurement of disabled facilities equipment.

The assurance statement was signed off by the Audit Manager and AD Finance and submitted by the required deadline.