

Type: System

SUBJECT: Housing Benefits

Date: May 2009

Introduction

The Academy system is now used to administer the Authority's Housing Benefits for the District of South Derbyshire. The benefits module was implemented in January 2008 and 2008/09 represents the first full year of its use. At the end of March 2009 some 1,997 Council tenants were in receipt of rent rebate; over 6,000 claimants (tenants and owner-occupiers) received assistance towards their council tax.

During the financial year ended 31st March 2009 rent rebates in the sum of £5.4 million were credited to the Housing Revenue Account; the Council Tax fund was credited with a further £4.2 million.

Cheques in the sum of £6.5 million were issued to private tenants / landlords in respect of rent allowance for 1,827 private tenants; an overall outlay for the year in excess of £16.1 million.

Scope and Coverage

The audit review was undertaken using the systems-based auditing approach, identifying the system and controls, evaluating and testing in relation to the system objectives.

The system notes for this new system have been updated although there is some further work to be completed later in the year. Findings, conclusions and recommendations have been discussed with management prior to being included in a formal report or memorandum.

The following areas were examined, verification of claims, assessment, authorisation of payment, cross-checks between financial systems, arrangements for re-assessment, recovery of over payments, and security of the computer system.

Recommendations

High/Significant risk recommendations - none

A number of recommendations were made, all of which were of low or medium risk.

Governance Statement Assessment

Separation of duties involving administrators on the new system was assessed highlighting some weaknesses. Management is implementing some revisions to roles and responsibilities which should resolve these control issues. During the changeover from the old Reality system to the new Benefits module on Academy there was an operational backlog but it is pleasing to report this has been addressed.