



## BDBC Internal Audit Report on the Audit of **Housing Benefit Recovery of Overpayments**

Audit work undertaken October – December 2020

Report issued: February 2021

### 1. Audit Opinion

Internal Audit is able to offer Full Assurance (1) that there are adequate controls in place to ensure the integrity and operation of systems concerning the recovery of housing benefit overpayments.

(1) Full Assurance

*There is a comprehensive system of internal controls in place designed to achieve the system/function/process objectives. These controls are operating effectively and are being consistently applied.*

(2) Substantial Assurance

Key controls designed to achieve the system/function/process objectives are in place. There are opportunities to enhance/strengthen those controls.

(3) Reasonable Assurance

Basic controls designed to achieve the system/function/process objectives are in place. Improvements are required if key controls are to be established.

(4) Limited Assurance

Minimal controls designed to achieve the system/function/process objectives are in place. Significant improvements are required if key controls are to be established.

### 2. Audit Opinion History

Year	2017/18	2018/19	2019/20	2020/21
Level of Assurance	Substantial	Substantial	Full	Full

### 3. Key Findings.

**Control Objective 1:** Appropriate governance arrangements are in place in relation to Housing Benefits Overpayments Recovery.

- The council has a relevant and up to date corporate debt management policy in place that includes the process for recovering outstanding housing benefit debt. Furthermore, a relevant debt recovery timetable is in place for staff to follow.
- Satisfactory risk management assessments are detailed within Exchequer Services Risk Registers, including recovering outstanding housing benefit debt.
- Key performance indicators are established for monitoring housing benefit recovery and reported to SMB bi-annually to SLT.
- Controls are in place that help to ensure the housing benefit overpayment process is compliant with GDPR legislation.
- The council continues to have regular and satisfactory backups in place for Civica and has an established business continuity plan for core council software programmes including for the revenue and benefits system Civica.
- There had been no significant issues in staff accessing Civica remotely during the pandemic.
- However, as reported in the 2019/2020 Business Continuity Audit, plans do need to be reviewed and updated to ensure they remain effective. This is of course even more crucial following the Covid-19 pandemic. This issue is covered by recommendations within that audit so none will be made here.

**Control Objective 2:** The debt recovery process for housing benefits is working effectively.

- Debt recovery processes for housing benefits overpayments were suspended between March and August 2020 due to the Covid-19 pandemic but have otherwise continued to work effectively throughout 2020.
- Processes continue to ensure effective recovery of outstanding housing benefit debt, including referral to recovery agencies as appropriate.
- Current processes continue to ensure that housing benefit overpayments are accurately calculated, recorded on the Civica system and communicated to claimants in a timely manner.
- Processes also ensure that write offs are appropriately authorised and entered accurately onto the Civica system

#### 4. Management Response

##### Head of Financial Services (2<sup>nd</sup> February 2021)

This is a welcome outcome which is important to our overall HB management and also to ensure that our annual claim stands up to scrutiny and is certified by the external auditors. Sensitivity balanced with proper administration of public funds is so critical so I am very pleased that the diligence of the teams is delivering appropriate adherence to controls.

##### Exchequer Services Manager (29 January 2021)

I am delighted with the findings and detail of this audit and very pleasing to see that the outcome is full assurance. Internal Audit carried out this audit with little distraction to the team at a very busy time but the dialogue during and at the conclusion of the report was very good.

#### 5. Summary of Recommendations

No recommendations were made during this audit.

#### 6. Timetable

Scope of audit agreed:	Fieldwork commenced:	Fieldwork completed:	Draft report issued:	Management responses received:	Final Report Issued:
16/10/2020	16/10/2020	15/12/2020	18/12/2020	02/02/2021	03/02/2021