

Report to Audit Committee

29 June 2022

By the Interim Director of Resources

INFORMATION REPORT



Not Exempt

Internal Audit reviews of Revenues and Benefits 2021/22

Executive Summary

This report tells Councillors the outcome of the internal audit reports of Revenues and Benefits completed by Milton Keynes' internal audit as part of the agreement in which Milton Keynes Council provides Horsham District Council's Revenues and Benefits service. All three audits, completed at the end of 2021/22, achieved good assurance for compliance. The Benefits audit showed satisfactory assurance for the control environment and the two Revenues audits good assurance for the control environment.

Recommendations

The Committee is recommended to:

- Note the report and consider any further action required in response to the issues raised.

Reasons for Recommendations

- i) To comply with the requirements set out in the Public Sector Internal Audit Standards 2013 (amended April 2017).
- ii) The Audit Committee is responsible for reviewing the effectiveness of the Council's systems of internal control.

Background Papers: None

Wards affected: All

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Background Information

1 Introduction and background

- 1.1 Milton Keynes, through the local authority partnership, now provides Horsham District Council's Revenues and Benefits service. This service includes the internal audit of these services.
- 1.2 Milton Keynes internal audit completed the audits of Council Tax, Housing Benefits and Business Rates during the fourth quarter of 2021/22.
- 1.3 Milton Keynes' internal audit gave their opinion of the adequacy of the system and the compliance of the service with the system.

2 Relevant Council policy

- 2.1 Strong internal control supports Corporate Plan key success criteria 5.3 "The Council continues to provide the quality, value for money services that people need throughout the 2020s."

3 Details

- 3.1 Milton Keynes' internal audit finalised all three of the Revenues and Benefit audits at the end of 2021/22.

Audited area	Control environment	Compliance
Council Tax	Good	Good
Business Rates	Good	Good
Benefits	Satisfactory	Good

- 3.2 Key audit findings from the final reports are summarised in Appendix A.

4 Next steps

- 4.1 The Council's operational manager for Revenues and Benefits will implement the agreed actions arising from the audits within the timescale set.

5 Views of the Policy Development Advisory Group and outcome of consultations

- 5.1 Milton Keynes' Internal Audit consulted Horsham District Council's Head of Revenues and Benefits, the Operations Manager and specialist officers at the start and throughout the review, including discussion and agreement of recommendations. The Interim Director of Resources agreed the outline, draft and final reports.

6 Other courses of action considered but rejected

- 6.1 Not applicable

7 Resource consequences

- 7.1 Horsham District Council pays for these audits as part of its fee to Milton Keynes for the Revenues and Benefits service. There are no resource consequences arising from this report.

8 Legal considerations and implications

- 8.1 There are no legal consequences arising from this report because it is for information.

9 Risk assessment

- 9.1 Milton Keynes' internal audit use a risk based approach when carrying out their audit and in evaluating the importance of their findings and recommendations.

10 Procurement implications

- 10.1 There are no procurement implications arising from this report because it is for information.

11. Equalities and human rights implications / public sector equality duty

- 11.1 There are no human rights or equality implications arising from this report because it is for information.

12 Environmental Implications

- 12.1 There are no environmental implications arising from this audit because it is for information.

13 Other Considerations

- 13.1 There are no other implications arising from this audit because it is for information.

Summary of the main findings from the audits completed by Milton Keynes' internal audit

Council Tax audit

Based on the completion of their fieldwork, Milton Keynes' internal audit gave good assurance for the control environment covering Council Tax and good assurance for compliance.

The auditor recommended that further work could be undertaken checking discounts and exemptions to reduce the risk of discounts and exemptions being awarded in error.

Business Rates audit

Based on the completion of their fieldwork, Milton Keynes' internal audit gave good assurance for the control environment covering business rates and good assurance for compliance.

The auditors recommended some more work on quality assurance in a similar way to that undertaken in Council Tax.

Benefits audit

Based on the completion of their fieldwork, Milton Keynes' internal audit gave a satisfactory assurance opinion for the control environment covering the management of Benefits and good assurance for compliance.

The auditors recommended improvements to the quality assurance process. They also identified some overpayments because correspondence had not been dealt with promptly.