

## Section 1: Introduction

- 100 The Department for Work and Pensions (DWP) is responsible for paying all subsidy in respect of rent rebate, rent allowance and Council Tax Benefit (CTB).
- 101 With the exception of certain areas of benefit spending whereby authorities have the most scope to monitor and control costs, subsidy is paid at the rate of 100%. The benefit subsidy arrangements require authorities to keep accurate records of benefit spending falling into the different categories required for subsidy purposes. Authorities need to maintain systems and records in such a way that the individual cases, which make up the benefit subsidy totals in each category, can be identified for verification of accounts and claims for internal audit and auditor certification purposes.

### Subsidy legislation

- 102 Until 1996/97, the HB/CTB subsidy arrangements for each financial year were provided for in the annual Housing Benefit and Council Tax Benefit (Subsidy) Order, which was made towards the end of the relevant financial year.
- 103 However, from 1997/98, the legislative vehicle for the subsidy arrangements is the Income-related Benefits (Subsidy to Authorities) Order 1998 SI 1998/562, which is amended as required to take account of any changes to the subsidy arrangements. The following Income-related Benefits (Subsidy to Authorities) Amendment Orders have updated the subsidy arrangements
- SI 1998/2865
  - SI 1999/550
  - SI 2000/1091
  - SI 2000/2340
  - SI 2001/2350
  - SI 2002/1859
  - SI 2002/3116
  - SI 2003/3179
  - SI 2004/646
  - SI 2005/369
  - SI 2005/535
  - SI 2006/54
  - SI 2006/559
  - SI 2007/26
  - SI 2007/731
  - SI 2008/196
  - SI 2008/695
  - SI 2008/1649

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- SI 2009/30
- SI 2009/2564
- SI 2009/2580
- SI 2010/2481
- SI 2010/2509
- SI 2011/2957
- SI 2013/266

104 Separate detailed guidance is issued about the arrangements for claiming payments on account of subsidy and for making final subsidy claims. A brief summary is given in *Section 11: In-year instalments of subsidy and payments of subsidy*.

105 Authorities should note that amounts should be rounded to the nearest pound when claiming subsidy. Amounts of 50 pence or less should be rounded down; amounts of more than 50 pence should be rounded up.

106 This guidance should be read in conjunction with the 'Notes for guidance on completion' accompanying final subsidy claim forms (MPF720A, B, or C, as appropriate).

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