

Report to: Audit Committee

Date of Meeting: 22 June 2017

Report Title: Chief Auditor's Summary Audit and Risk Report

Report By: Tom Davies
Chief Auditor

Purpose of Report

To inform the Audit Committee of the key findings from the recent National Fraud Initiative (Creditors/Payroll/Insurance/Licensing) matching exercise and Car Park Machines (New coinage) audit.

Recommendation(s)

- 1. That the Audit Committee accepts the report.**

Reasons for Recommendations

To monitor levels of control within the organisation.

Summary Report
Report to Audit Committee
National Fraud Initiative (Creditors/Payroll/Insurance/Licensing)
matching exercise

Background

1. National Fraud Initiative data matching of Council Tax to Electoral Roll takes place every year whilst Creditors, Payroll, Insurance and Licensing records are data matched every 2 years. Creditors, Payroll, Insurance and Licensing records were matched this year and the recommended number of 38 exceptions were investigated during April and May.
2. All 38 exceptions were right to be investigated. It did highlight the presence of directorships and payments made to related parties and also a connection between someone requisitioning an order and the supplier in 2 separate instances but no duplicate or unauthorised payments.
3. The Housing Benefit matches and Council Tax Reduction Scheme matches continue to be investigated over the 2 year period as a separate ongoing exercise.

Audit Conclusion

Overall Audit Assessment: A – Good.

Controls are in place and are working effectively. There are no significant audit concerns.

Key Findings

Internal Audit has completed the investigation into the number of recommended (High) matches.

The matches identified a connection between someone requisitioning an order and the supplier in 2 separate instances. They were for once only payments and in each case had been independently authorised. Line management has been advised accordingly.

A new match was introduced for the first time this year that compared Payroll records to Directorships held. This resulted in 6 matches. In all cases, the directorships were for non paid roles but People, Customer and Business Support are looking at enhancing procedures for capturing and monitoring declaration of directorships which could in other cases be paid positions.

Summary Report
Report to Audit Committee
Car Park Machines (New coinage)

Background

1. The Council manages 18 car parks with a total of 45 car park machines. On 28 March 2017, a new pound coin entered circulation. At least 1 car park machine in each car park was re-calibrated and extensively tested before 28 March by specialist firm Cale Bri-Parc to accept the new pound coin. Suitable signage directed people to the machines that accepted the new pound coin.
2. The Council is upgrading 22 machines to accept contactless card payments. When these machine upgrades are installed then all of our machines will accept the new one pound coin. As it stands at this moment 5 machines out of all 45 machines do not accept the new £1.00 coin and they have stickers directing customers to other machines in the car park but when we begin upgrading to machines that accept card payments they will have new coin acceptors in them which accept the new £1.00 coin. Once the 22 machine upgrades have been carried out we will then have a stock of coin acceptors that take the new £1.00 coin which is useful to have when there are machine faults.
3. At the end of the upgrade programme, 32 machines will be on "Web Office" where it will be possible to monitor their filling up status remotely.
4. Technician staff were put on standby as more pound coins entered circulation and especially in the lead up to the Easter Bank Holiday week-end but no problems have been reported or customer complaints recorded.

Audit Conclusion

Overall Audit Assessment: A – Good.

Controls are in place and are working effectively. There are no significant audit concerns.

Key Findings

There were no issues or complaints reported.

Wards Affected

None

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	No
Human Rights Act	No
Organisational Consequences	No
Local People's Views	No
Anti-Poverty	No

Additional Information

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Officer to Contact

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