

**Agenda Item No:**

**Report to:** Audit Committee

**Date of Meeting:** 13th January 2009

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

**Report By:** Tom Davies  
Chief Auditor

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**Purpose of Report**

To inform the Audit Committee of Internal Audit findings. The Summary Audit and Risk Report attached contains the results of the Non-Domestic Rates Audit.

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**Recommendation(s)**

1. That the report be noted.

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**Reasons for Recommendations**

To be aware of the current risks that have been evaluated.

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**Background**

The summary report of the recently conducted Non-Domestic Rates audit is attached below.

## Summary Reports

### Report to Audit Committee

#### **Audit Findings: Areas demonstrating good practice**

There is a continuous reconciliation of the total valuation on the Council's property database to the Valuation Office records.

The Council carries out regular inspections of void and discounted properties to ensure that the liabilities on properties are correct and up to date.

Audit testing confirmed that non-domestic rate payers have been correctly billed.

Audit testing established that payments received for non-domestic rates have been correctly credited to the correct accounts, total receipts are agreed to the income system on a daily basis and refunds are adequately controlled.

Outstanding arrears of non-domestic rates are pursued.

Collection rate targets for non-domestic rates have been met.

The write-off of non-domestic rate debts is only done after it is considered the debt becomes irrecoverable.

#### **Audit Findings: Areas where improvement is possible**

Regular reconciliation should be carried out of composite properties between non-domestic rates and Council Tax records.

#### **Audit Conclusion: A - Good**

Expected controls are in place and operate effectively.

#### **Key Findings**

The Non Domestic Rating system is administered effectively and efficiently.

#### **Management Response**

I agree the report findings.



### Recommendations and Action Plan

No		Priority	Target Date	Responsible Officer	Management Comment
1	An exercise should be carried out to reconcile composite records on the NDR and CT systems.	Medium	31-03-09	General Manager - Benefits	Agreed
2	Regular composite property reconciliations should be introduced.  Consideration should be given to enhancing system reports to aid identification of composite properties on the NDR system.	Medium	31-03-09	General Manager - Benefits	A reconciliation has been started
	Priority Classifications:				
	High = Fundamental System Weakness - Action is Essential				
	Medium = Potential Control Weakness - Action Required				

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#### Wards Affected



Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

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### **Area(s) Affected**

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

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### **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	Yes
Human Rights Act	No
Organisational Consequences	No

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### **Supporting Documents**

Internal Audit Report on Non-Domestic Rates.

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### **Officer to Contact**

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