

Report to: Audit Committee

Date of Meeting: 23 January 2019

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 Corporate Credit Card audit.

Recommendation(s)

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

Reasons for Recommendations

To monitor levels of control within the organisation.

Summary report to Audit Committee

Corporate Credit Cards

Audit Conclusion

Overall Audit Assessment: A – Good

Most controls are in place and work effectively. Some improvements are recommended to ensure best practice and efficiency. Further changes are recommended in order to ensure policy compliance is introduced. Main audit concerns were the need for better policy guidance for the use of Corporate Credit Cards and the lack of expenditure monitoring records by cardholders.

Key Findings

Corporate Credit Card provisions were previously audited in 2015. At that time, seven corporate credit cards were in use with a total credit value of £11,000. Expenditure analysed for the 10-month period April 2014 to January 2015 was of £41,800.

Currently, Hastings Borough Council has an overall credit limit with Barclaycard of £17,500. There are 11 Corporate Credit Cards in use, with a total credit value of £17,500 and individual credit limits ranging from £1,000 to £2,500.

This audit has found a similar level of transactions (£40,189) for the same period as the previous audit (April 2017 to January 2018) and total expenditure amounting to £48,151 for the financial year 2017/18.

Controls would be enhanced with the introduction of a much revamped specific Corporate Credit Card policy that includes guidance on usage, security/expenditure controls and document retention.

Enhancing the existing guidance for cardholders on obtaining valid VAT invoices/receipts would ensure that VAT values are accurately recorded on the finance system.

Introducing more stringent checks and detailed records on the purpose of each credit card purchase would reduce the risk of unauthorised usage.

Management Response

The report and findings are agreed.

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	Yes
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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