

2. Payments & Collection Audit Report Executive Summary

Audit Objective

The overall objective of this audit was to review the adequacy and effectiveness of the system of internal controls and procedures undertaken by the Payment & Collections Team when collecting outstanding housing rent, former tenant housing rent, garage rent, council tax debts and housing benefit overpayments.

Assurance Opinion		Number of actions	
		Priority	Number
Satisfactory	Whilst there is a basic sound system of internal control there are weaknesses which put some of the objectives at risk or there is evidence that the level of non-compliance with some of the controls may put some of the objectives at risk	High	0
		Medium	3
		Low/Advisory	2
		Total	5

Audit Approach and Scope

The scope of this audit was, using a sample of selected Housing Rent, Former Housing Rent, Council Tax and Housing Benefit overpayment cases, to check that debt recovery action and also 'write-offs' have been undertaken in accordance with the various Payment & Collection (P&C) procedures.

Cases to sample were provided by the P&C Team Leaders and also obtained from the ASH debtor system. In the main, transactions from April 2022 onwards have been selected though where necessary, information prior to April 2022 has been used.

Key controls tested	Assessment	Actions Raised
Recovery action is being taken in accordance with procedures	Yellow	Reminder letters are either not being issued or not being issued as regularly as would be expected.
Documents and the necessary authorisations are available for all write-offs	Yellow	Documents to support the write-off do not appear to be available for viewing
Prompt authorisation of the council tax write offs	Green	

Summary and next steps

In terms of recovery of Housing Rent, Garage Rent and Council Tax arrears it is noted that officers regularly review the cases and take action as necessary. For the Former Housing Rent and Housing Benefit overpayment arrears, recovery action does not appear to be being undertaken regularly, though in some instances as recovery is with the Enforcement Agents, evidence of the recovery action they have taken is not available.

In terms of the write-offs, the retrospective CT write-off authorisations do not appear to be being obtained promptly.

Discussions will be held with the Payment & Collection Team to address the above issues and find a solution.