

DEPARTMENT  <b>Corporate Services</b>	AUDIT REVIEW  <b>Council Tax (2023/24)</b>	FINAL REPORT ISSUED  <b>16 May 2024</b>
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**BACKGROUND**

The Authority collects £128.5 million per annum in Council Tax from approximately 88,000 dwellings. The Revenues Service Division within the Corporate Services Department is responsible for administrating the system including the raising of invoices, processing of Council Tax Accounts, the reconciliation of cash and benefits postings and the recovery of arrears.

**SCOPE**

The review examined the Authority’s arrangements for Council Tax, to provide assurance that risks are managed, and controls are operating effectively in respect of the following areas:

- Charging & Valuation Office (VO) Procedures.
- Discounts and reliefs.
- Collections and refunds.
- Monitoring and reconciliations.
- Reporting.

**SUMMARY OF RECOMMENDATIONS**

The audit findings and recommendations are detailed in the attached Action Plan. A summary of these recommendations by priority is outlined below:

Priority	3*	2*	1*	Total
<b>Number of Recommendations</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>4</b>

**ASSURANCE RATING**

The post review assurance level for systems relating to Council Tax is categorised as: **ACCEPTABLE.**

Internal Audit review – Council Tax (2023/24)

Action Plan

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer(s)   Target Date	Updated Position
1	<p><b>Single Person Discount (SPD) Review</b></p> <p>Weekly progress reports and a final Service Performance Summary were provided by the supplier; however, evidence was not available to demonstrate that monitoring of the service was undertaken by Council Tax officers.</p>	<p>Effective contract management should be undertaken to ensure the service being provided is satisfactory, and that outcomes are achieved.</p>	*	<p>Weekly reports were received from the contractor, and these were checked on receipt; in future we will make a record of the checks including scenarios where no action is required. The contractor is highly experienced in the review that was carried out and had a full quality assurance program which was key in our procurement process.</p> <p>Steffan Thomas Local Taxation Team Leader</p> <p>31 March 2025</p>	<p>Target date not yet reached. Action will be delivered during next SPD review.</p>
2	<p><b>Other Deductions and Exemptions</b></p> <p>Audit testing on a sample of 40 instances where deductions/exemptions had been awarded identified the following:</p> <ul style="list-style-type: none"> <li>- 3 instances where there was inadequate evidence on which to base the deduction/exemption.</li> <li>- 1 instance where empty property exemption was incorrectly</li> </ul>	<p>Where evidence of entitlement is required, ensure that appropriate documentation is received, and the details are properly processed.</p>	**	<p>As noted, in all instances appropriate documentation was subsequently received and account details were corrected where required. All staff have had a reminder of the learning from these cases.</p> <p>In respect of historic lettings, where we have confirmation from a landlord that an unfurnished property is being rented, and tenants move out, it is reasonable to expect that the property is empty and</p>	<p>Action complete</p>

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	<p>awarded, as the property was tenanted at the time.</p> <ul style="list-style-type: none"> <li>- 2 instances where empty property exemption was applied based on historic lettings evidence.</li> </ul> <p>Please note – in all instances, appropriate documentation was subsequently received and/or the account details were corrected.</p>			<p>unfurnished and is vacated without a new tenant. The landlord is made liable until details of the new tenants are made available to us.</p> <ul style="list-style-type: none"> <li>▪ Steffan Thomas Local Taxation Team Leader</li> </ul> <p>31 May 2024</p>	
3	<p><b>Debtor Reviews</b></p> <p>A sample of 10 outstanding account balances was selected; testing identified the following:</p> <ul style="list-style-type: none"> <li>- 2 instances of balances over £100 shown as 'un-summonsed', without adequate explanation recorded.</li> <li>- 2 instances of inadequate notes recorded to confirm the current position of debt recovery actions.</li> <li>- 2 instances of inadequate notes recorded to explain the reason for suppression.</li> </ul>	<p>Adequate notes should be recorded to support decision making and actions taken.</p>	*	<p>All staff are reminded to ensure notes are updated on the system every time a decision is made.</p> <ul style="list-style-type: none"> <li>▪ Steffan Thomas Local Taxation Team Leader</li> </ul> <p>31 May 2024</p>	Action complete
4	<p><b>Refunds</b></p> <p>A sample of 10 refund transactions was selected; testing identified the following:</p> <ul style="list-style-type: none"> <li>- 1 instance of a refund on a joint liability account being refunded to</li> </ul>	<p>Where an account is in joint names, ensure the refund payment is apportioned between the parties, unless different arrangements have been authorised in writing.</p>	**	<p>A reminder has been issued to all staff on how to deal with these situations. There was no issue in this particular case [no financial loss] but we will</p>	Action complete

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	one of the parties without the other's written consent.			ensure that all refunds are checked for this scenario as per existing guidance.  ▪ Steffan Thomas Local Taxation Team Leader  31 May 2024	