



## Report of the Chief Finance Officer

Audit Committee – 11 June 2019

### Service Centre - Accounts Receivable - Update at May 2019

<b>Purpose:</b>	To provide an update for the Service Centre, Accounts Receivable Function.
<b>Report Author:</b>	Sian Williams (Service Centre Manager) & Michelle Davies (Cash Management & Accounts Receivable Manager)
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Tracey Meredith
<b>Access to Services Officer:</b>	Rhian Millar
<b>For Information</b>	

#### Internal Audit on Accounts Receivable Function – Update May 2019

##### 1. Introduction

- 1.1 As a result of an internal audit on the Accounts Receivable function carried out in December 2018, an assurance level of moderate was given.
- 1.2 An action plan was developed to address the issues identified and appropriate implementation steps put in place.
- 1.3 This action plan identified the following HR & MR actions (High Risk & Medium Risk)
  - (2.2.4) Income should be clawed back from a Service if a “Dispute” is not resolved within six months (MR)

**Progress to Date** – Review implemented and an on-going schedule in place for six monthly reviews to continue

- (3.6.3&3.6.9) All debts should be escalated on a timely basis. Where payment is not received within the timescales allowed a decision should be made on whether to refer to Legal or write-off the debt. (HR)

**Progress to Date** – Debt Recovery Strategy is continuously reviewed and key areas monitored. A further review will be undertaken as part of our Leaner Systems Thinking and move to Oracle Cloud to determine further possible automation/workflows to assist in the process.

- Very old unpaid invoices should be prioritised to ensure limitation period not expire. Diary entry dates should be used in all instances to ensure debt recovery is pursued. (MR)

**Progress to Date** – This activity has been completed and remains a criteria for prioritisation and team members now ensure all follow up actions are diarised.

- Officers in Legal should pursue unpaid debts. (MR)

**Progress to Date** – Completed AR team reviewing and identifying all cases and referring to Legal where appropriate.

## **2. Equality and Engagement Implications**

- 2.1 There are no equality and engagement implications associated with this report.

## **3. Financial Implications**

- 3.1 There are no financial implications other than those set out in the body of the report.

## **4. Legal Implications**

- 4.1 There are no legal implications other than those set out in the body of the report.

**Background Papers:** None.

### **Appendices:**

Appendix A - Accounts Receivable Final Audit Report.