



Final Internal Audit Report
Financial Services & Service Centre
Accounts Receivable 2019 & 20

1. Introduction

- 1.1 An audit has recently been completed of the Accounts Receivable system which is used by all invoice generating Services in the Council. This system is managed and controlled by the Accounts Receivable (AR) Team within Financial Services & Service Centre.
- 1.2 The objectives of the review were to ensure that adequate financial controls are in place for minimising business risk, and that the controls are operating in practice.
- 1.3 The scope of our work is based on the CIPFA audit programme and the audit included the evaluation and testing of a range of controls regarding the following:
- Financial regulations and procedure notes.
 - User access.
 - Creation of invoices.
 - Collection of income.
 - Recovery of arrears.
 - System reconciliations.
 - Invoice cancellations.
 - Write-offs.
 - Refunds.
 - Disaster Recovery and Business Continuity.
 - System back-ups.
 - Performance monitoring.
- 1.4 From January to December 2018 (the most recent statistics available), over 21,000 invoices had been raised on the AR system. Of these, 95% had been paid in full within 12 months. This is an improvement from the 2018/19 audit when the collection rate was 85%. We were advised that this has been achieved through increased efforts on specific areas of unpaid invoices by staff in the AR team.
- 1.5 We are aware that the performance of the Accounts Receivable team has been adversely affected by a reduction in dedicated staff resources. Also, since November 2019, the AR team have had three experienced staff members seconded to the Oracle Cloud project and have recruited three temporary members of staff who required training.
- 1.6 The Accounts Receivable team was last audited in 2018/19 when there were 21 recommendations and the audit assurance level awarded was “Moderate”.

- 1.7 The work carried out and the findings encountered are recorded in the report below. Recommendations arising from our findings are shown in the attached Management Action Plan.
- 1.8 The report has been divided into two sections to ensure that the findings and recommendations can be directed at the appropriate staff within the Council.

2 Other Council Services

2.1. Raising of Invoices

- 2.1.1 The raising of invoices is decentralised to officers in all Services of the Council. A customer should only be allowed credit after a check is carried out on the AR system for unpaid invoices.
- 2.1.2 A sample of 20 invoices was chosen where a new invoice had been created for debtors who already had overdue invoices on the system. These were reviewed to confirm that further credit was only allowed if the service was required to be provided by statute and the following was found:.

Service	Invoice Number & Amount	Goods/Service provided	Finding
Cultural Services – Sports Permits	60267006 £1690.06	Hire of Sports Facilities	Additional services have been provided to this debtor even though this invoice has not been paid.

- 2.1.3 A sample of invoices was checked to ensure that they were raised promptly, the value was correct and that the invoice had a valid budget code. It was found that the following invoices had not been raised promptly:

Service	Invoice No & Amount	Amount	Date of Invoice
Housing & Public Protection – Furniture Stores	60309013	£582.37	Feb. 2019.
Housing & Public Protection – Street Trading Licence	60312342	£3000.00	April 2019
Highways & Public Protection – Callout Charges	60319633	£232.95	August 2019.

- 2.1.4 It was also noted that in the case of invoice 60308022 (for £420, dated January 2019) the debtor made contact with AR to check why a direct debit had not been set up as a mandate form had been submitted to the service that created the invoice (Car Parks). Although an officer in AR contacted officers in Car Parks, this issue was not resolved. No payments have subsequently been made against this invoice.
- 2.1.5 Three systems interface into the AR system - Highways, Trade Waste, and Lifeline. A sample of ten interface records were reviewed and verified to AR. All tested satisfactorily.

2.2 Disputes

2.2.1 Reports of invoices classed as being in “Dispute” are forwarded to the relevant Head of Service each month and should be reviewed at PFM. It was confirmed that reports had been distributed on a monthly basis.

2.2.2 As at February 2020, there were 200 invoices, with a value of £2,351,281 subject to a Dispute. A comparison with the number at the time of the last audit is shown below:

DISPUTES	November 2018	February 2020
Value	£581,045	£2,351,281
Number	166	200

The significant increase in the value of invoices in “Dispute” is due to 108 invoices being put onto this category for Swansea Bay Health Board. The value of these invoices is £2,263,512. It was confirmed that these invoices are currently being addressed with the Health Board by the Director of Social Services.

2.2.3 A sample of ten invoices classed as “Dispute” was reviewed. It was found that three had not been resolved by the Service that created the invoice within the 14 day target period. These invoices are shown in the table below:

Invoice No & Amount	Invoice Date £	Debtor	Date of Dispute	Service
60217357 £320.95	2 nd Feb 2015	Robert Cooze	1385	Highways & Transportation – The Marina
60321595 £150.00	1 st Oct 2019	Amie Murfin	158	Housing & Public Protection - Homes Preparation Unit (HPU)

2.2.4 It has been recommended (and agreed) in previous audit reports that income should be clawed back from a Service if a “Dispute” has not been resolved after 90 days.

2.2.5 It was found that in 2019/20, the Cash Management and Accounts Receivable Manager had undertaken an exercise to highlight disputed invoices with services, with the threat that they would be cancelled if they were not addressed. This resulted in a significant number of disputed invoices either being resolved (and the invoice pursued) or written-off. However, some old disputed invoices from remain on the AR system.

3 AR Team

3.1 Financial Regulations & Procedure Rules

3.1.1 The Council’s Financial Procedure Rules and Accounting Instructions provide a framework for the creation of invoices, amending invoices, receipt of income, and recovery of outstanding debt. Accounting Instructions No. 7 relates to the collection of credit income and was found to be up to date.

3.2 User Access

- 3.2.1 It was noted that the AR Oracle User Access report had been reviewed for user responsibilities in September 2019.
- 3.2.2 A review of staff in Services across the Council with access to the AR system was carried out to ensure that access rights were appropriate. This proved satisfactory.
- 3.2.3 A discussion with the Cash Management & Accounts Receivable Manager regarding the access of officers in Cashiers revealed that there was an officer with Oracle (Invoice User) access that was no longer appropriate to their current post.

3.3 Raising Invoices

- 3.3.1 A review was carried out to ensure that invoices were consecutively numbered, without any gaps in the sequence allocated by the system. Checks of the invoices produced proved satisfactory.

3.4 Invoice Cancellations

- 3.4.1 A sample of 20 cancellations was checked to confirm they had been processed in accordance with the agreed procedures. It was found that in the case of 60315920, the Cancellation Pro-forma did not record which officer had carried out the cancellation in AR.
- 3.4.2 At the time of the audit, it was found that the routine sample check of 10% of cancellations carried out by senior officers within the AR team had not been carried out since September 2019. This check is carried out to ensure that cancellations are valid, properly authorised, and have been actioned correctly.

3.5 Receipt of Income

- 3.5.1 The system access levels allocated to staff for recording income were reviewed and found to be satisfactory.
- 3.5.2 A review of the official invoice used by AR confirmed that all available payment methods are stated on the reverse of the invoice.
- 3.5.3 Income received from the cash system should be reconciled to the Accounts Receivable system on a daily basis. A sample check of ten days spread throughout 2019 was reviewed and found to be satisfactory.
- 3.5.4 Unidentified (debtor unidentified) and Unapplied (debtor known, but invoice unidentified) cash receipts are reviewed by AR on a regular basis. A comparison of the both types as at December 2018 and February 2020 is shown in the table below. There has been a reduction in both the Unidentified values and Unapplied figures. It was also noted that some of the unapplied payments were dated as far back as 2008, although the majority were of a low value.

Date	Unidentified £	Unapplied £
December 2018	£4,406	£128,942
February 2020	£375	£124,857

3.6 Debt Recovery

- 3.6.1 The system escalates each unpaid invoice through recovery stages although manual interventions can be made. A check that the appropriate Reminders and Final Reminders were being issued promptly proved satisfactory.
- 3.6.2 A check on a sample of 20 unpaid invoices was undertaken to confirm that the debt escalation process was being carried out. It was found that for all of the 20 invoices in the sample the debts were not being progressed as would be expected:

Invoice No	Invoice Date	Amount Due £	Date of last action on Oracle	Comment.
60293348	May 2018	£32,680	October 2019, but no recovery action for 12 months prior to this	AR team should be escalating debt.
60296179	Jun 2018	£16,403	No recovery action taken.	AR team should be escalating debt.
60318920	Jun 2019	£2998	No recovery action taken.	AR team should be escalating debt.
60260233	Jan 2017	£2821	No recovery action taken since March 2019	AR team should be escalating debt.
60259320	Jan 2017	£2271	No recovery action taken since April 2018	AR team should be escalating debt.
60311796	Mar 2019	£2260	October 2019, however no follow up	AR team should be escalating debt and diarising a follow up
60295343	Jun 2018	£2100	No recovery action taken.	AR team should be escalating debt.
60274884	Aug 2017	£1624	No recovery action taken.	AR team should be escalating debt.
60312340	Apr 2019	£1622	No recovery action taken.	AR team should be escalating debt.
60279975	Oct 2017	£1620	No recovery action taken since Feb 2018	AR team should be escalating debt.
60241930	Mar 2016	£1532	No recovery action taken since Nov 2017	AR team should be escalating debt.
60320463	Sep 2019	£1500	No recovery action taken.	AR team should be escalating debt.
60282016	Oct 2017	£1495	No recovery action taken.	AR team should be escalating debt.

Appendix A

Invoice No	Invoice Date	Amount Due £	Date of last action on Oracle	Comment.
60265466	Feb 2017	£1465	No recovery action taken.	AR team should be escalating debt.
60253155	Oct 2016	£1445	No recovery since Oct 2017	AR team should be escalating debt.
60288028	Feb 2018	£1409	Direct Debit cancelled Jan 2020 and no ongoing debt recovery	AR team should be escalating debt.
60241945	Mar 2016	£1287	No recovery action taken.	AR team should be escalating debt.
60192766	Feb 2014	£1127	No recovery since Nov 2018	AR team should be escalating debt.
60318920	Jul 2019	£2998	No recovery since Nov 2018	AR team should be escalating debt.
60239497	Jan 2016	£1289	No recovery since Nov 2018	AR team should be escalating debt.

3.6.3 A further sample of invoices was examined, and the following was found:

- a) Two unpaid invoices - 60188155 (£200) and 60198061 (£606.19) were approaching the six year limitation period when the debt could no longer be enforced.
- b) Diary entries were not being used to follow-up contact with the debtor in all instances.

3.6.4 A review of a sample of invoices where “Agreements” had been put in place with the debtor confirmed that instalments were being monitored satisfactorily on a monthly basis.

3.6.5 A review of all agreements put in place with debtors who are subject to an Independent Voluntary Arrangement (IVA) was carried out. There were six in total and it was found that payments had not been received in respect of 60249833 (since March 2019) and 60257704 (since July 2019). This had not been detected by officers in AR as a review had not been carried out since 2019.

3.6.6 A review of all of the invoices subject to High Court Enforcement agreements was also carried out; there were 12 invoices in total. It was found that payments received had ceased in September 2019 for invoice number 60226195 and this had not been detected by officers in AR as a review had not been carried out.

3.6.7 A sample of ten invoices that were recorded on AR as being “Referred to Legal” was selected. These were checked to ensure that recovery action was ongoing by referring to the Timebase case management system used by Legal. The following was found:

Appendix A

Invoice number	Invoice Date	Original amount due	Status with Legal	Test Satisfactory
60118759	28 th January 2011	£329.95	Case closed by Legal 19/08/2013 and no trace of email to AR. Now outside of Limitation period and should be written off.	No
60122198	28 th March 2011	£858.35	Case closed by Legal 19/01/2015 as passed to High Court Enforcement (HCE) no follow up of payments from HCE by AR.	No
60153564	4 th July 2012	£1324.32	Case closed by Legal Jan 2013 – no follow up by AR, now outside of limitation period and should be written off.	No
60142211	22 nd December 2011	£653.16	Case closed by Legal Jun 2015, however no action on Timebase since Jan 2013 and no trace of email to AR. Now outside of limitation period and should be written off.	No
60144331	31 st January 2012	£470.25	Case closed Jun 2015 but no action by Legal since 2013 and no trace of email to AR. Now outside of limitation period and should be written off.	No
60163106	31 st October 2012	£400.00	Case closed Jan 2016 and no trace of email to AR.	No
60164277	20 th November 2012	£793.50	Case closed Jan 2016 and no trace of email to AR	No
60152278	8 th June 2012	£417.17	Oracle last updated Oct 2013, unable to trace on Timebase. Now outside of limitation period and should be written off.	No
60294894	5 th June 2018	£1066.39	Debt being progressed as expected	Yes
60296999	10 th July 2018	£2525.80	Debt being progressed as expected	Yes

3.6.8 An attempt was made to reconcile the number of invoices recorded as “Referred to Legal” on the AR system to the number being progressed by Legal. As at February 2020, 471 invoices were recorded as being “Referred to Legal” on AR, but officers in Legal advised that they only held 171. During 2019, both AR and Legal started a reconciliation process, but this had been suspended due to other work commitments within AR.

3.6.9 We were advised that meetings between the Cash Management & Accounts Receivables Manager and the Deputy Head of Legal to discuss debt recovery have not taken place for some time.

3.6.10 It was stated that unpaid invoices with large values are prioritised for recovery by officers in AR. However, it was noted that there was large backlog of approximately 3,700 overdue invoices with a value exceeding £3m that are likely to be eligible to be sent to officers in Legal. Before these invoices can be forwarded to Legal, officers in AR must confirm with officers in the Service that raised the invoice that there is evidence available to substantiate the debt. This is a time consuming process and we were advised that this was unable to be addressed due to a lack of staff resources in the AR team.

3.7 Write-offs

3.7.1 Invoices which are eligible to be written-off are submitted to the Chief Finance Officer periodically. A sample of ten Write-Off Pro-Forms was selected to ensure that they had been properly authorised and that all recovery avenues had been exhausted. This test proved satisfactory.

3.7.2 A sample of ten requests for write-off received from officers in the Service that created the invoice was reviewed. These were checked to ensure that they were being processed promptly and that the write-off was appropriate. All proved satisfactory however in the case of invoice 60287714 it was found that officers in AR had not updated Oracle to enable the invoice to be included in the next batch of write-offs.

3.7.3 A sample of ten write-offs that had been approved by Chief Finance Officer were selected to ensure that they had been written-off on the AR Oracle system. This tested was satisfactorily.

3.7.4 While reviewing write-offs processed, it was noted that invoice 60257343 had been written-off but three other invoices for the same debtor had not been written-off even though instruction had been received from Legal in 2015.

3.7.5 An analysis of write-offs by financial year was carried out and the following was found:

Financial Year	Value of write-offs approved	Number of invoices written-off.
2016/17	£68,312	370
2017/18	£98,045	343
2018/19	£169,647	524
2019/20	£176,842	1170
Totals	£512,848	2407

3.7.6 The total number of invoices written-off since 2016/17 was also analysed by category of write-off and details are shown below:

WO Category	Number of invoices from 2016-2020
WO Legal/AR Protocol	1013
WO Service Provider	724
WO Legal advice	316
WO < £5 / uneconomical to pursue/WO < £50	201
WO Liquidation/Bankrupt	58

WO Category	Number of invoices from 2016-2020
WO Rely on Charge	44
WO Pre-action protocol	25
WO Gone No Trace	11
WO Deceased	9
WO Insufficient evidence	3
Statue Barred	3
Total	2407

3.7.7 A review was also undertaken of the number of write offs over £10k. It was noted at the time of the audit that there are currently 15 invoices, with a total value of £238,387, that were waiting for relevant Cabinet Member approval.

3.8 Refunds

3.8.1 Written procedures for processing refunds have been compiled and it was confirmed that there is an adequate division of duty for the creation of refunds. A sample of ten refunds was selected to ensure that they had been processed in accordance with these procedures.

3.8.2 All ten cases tested satisfactorily with it being confirmed that a credit balance existed on the account in question, and the debtor did not have any other accounts which were overdue.

3.9 Monitoring and Reporting

3.9.1 It was confirmed that monthly reports of Disputed debts/total debt over 60 days were being sent to all Heads of Services and the relevant managers to review at PFM.

3.9.2 The overall total debt on the system as at January 2018, 2019 and 2020 was as follows:

Debt level	2017/18 (Jan 2018)	2018/19 (Jan 2019)	2019/20 (Feb 2020)
Total debt.	£7.6m	£8.2m	£10.7m
Average monthly overdue debt.	£8.8m	£10.1m	£14.7m
Overdue more than 4 months.	£0.9m	£1.2m	£1.4m
Overdue more than 12 months.	£1.8m	£1.9m	£3.7m

3.9.3 There are no performance targets for the AR section although reports on debt recovery performance are presented to senior management within Financial Services and Service Centre and then forwarded to the Chief Finance Officer on a quarterly basis.

3.10 Security of Data/Business Continuity

3.10.1 All officers in AR are aware of the principles of General Data Protection Regulation 2016 (GDPR) requirements and the Council is registered on the Information Commissioner's website. At the time of the audit, a review was carried out to ensure

that the new AR staff had completed the mandatory training for GDPR. This test was satisfactorily.

3.10.2 There is a Business Continuity Plan in place which has been compiled by the Service Centre Manager.

4 Conclusion

- 4.1. The Internal Audit Section operates a system of Assurance levels which gives a formal opinion of the achievement of the service's/system's control objectives. The Assurance levels vary over four categories: 'High', 'Substantial', 'Moderate' and 'Limited'.
- 4.2 Recommendations arising from this review are detailed in the attached Management Action Plan. Each recommendation has been prioritised according to perceived risk – High, Medium, Low and Good Practice. The overall Assurance level is based on the recommendations made in the report.
- 4.3 The description of each type of recommendation and also the basis for each of the assurance levels is noted in **Appendix 1**.
- 4.4 It was found during the course of our review that although some procedures were working satisfactorily there were key areas that require attention and improvement. These relate to invoices on a 'referred to Legal' status and the escalation of unpaid invoices.
- 4.5 As a result, an Assurance Level of "**Moderate**" has been awarded. This indicates that the ineffective controls represent a significant risk to the achievement of system objectives.
- 4.6 We will contact you in due course to confirm that you have implemented the agreed recommendations.
- 4.7 This audit was conducted in conformance with the Public Sector Internal Audit Standards.

Appendix 1**Classification of Audit Recommendations**

Recommendation	Description
High Risk (HR)	Action by the client that we consider essential to ensure that the service / system is not exposed to major risks .
Medium Risk (MR)	Action by the client that we consider necessary to ensure that the service / system is not exposed to significant risks .
Low Risk (LR)	Action by the client that we consider advisable to ensure that the service / system is not exposed to minor risks .
Good Practice (GP)	Action by the client where we consider no risks exist but would result in better quality, value for money etc.

Audit Assurance Levels

Assurance Level	Basis	Description
High Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High or Medium Risk. Any recommendations are mainly Good Practice with few Low Risk recommendations.	There is a sound system of internal control designed to achieve the system objectives and the controls are being consistently applied.
Substantial Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High Risk. Occasional Medium Risk recommendations allowed provided all others are Low Risk or Good Practice.	There is a sound system of internal control but there is some scope for improvement as the ineffective controls may put the system objectives at risk.
Moderate Assurance	Recommendations for ineffective controls affecting the material areas of the service are at least Medium Risk.	The ineffective controls represent a significant risk to the achievement of system objectives.
Limited Assurance	Recommendations for ineffective controls affecting the material areas of the service are High Risk.	The ineffective controls represent unacceptable risk to the achievement of the system objectives.

**SWANSEA COUNCIL
MANAGEMENT ACTION PLAN
FINANCIAL SERVICES & SERVICE CENTRE
ACCOUNTS RECEIVABLE 2019&20**

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Other Services – Raising of Invoices					
2.1.2	All AR users who create invoices should be reminded that they must check to ensure further credit is not allowed to debtors who have existing unpaid invoices (unless the service being provided is required by statute). <i>(Previous audit recommendation)</i>	LR	Reminder to be sent to all Oracle AR users to carry out credit checks prior to provision of non-statutory additional goods or services.	Michelle Davies	May 2020
2.1.3	A reminder should be sent to all AR users stating that invoices should be raised promptly.	GP	Reminder to be sent to all Oracle AR users to advise that invoices must be raised promptly for all goods and services.	Michelle Davies	May 2020
Other Services - Disputes					
2.2.3 2.2.5	Efforts should continue to be made to address invoices that have been classed as “Dispute”. Income should be clawed back from a Service if a “Dispute” is not resolved within six months. (Previous Audit Recommendation)	LR	An old dispute review will be carried out 6 monthly to ensure that invoices with old unresolved disputes are cancelled.	Michelle Davies	May 2020 & November 2020
Access Rights					
3.2.3	Access rights to AR should be reviewed for Cashiers staff and Invoice User access removed where not required.	LR	User access to be reviewed and updated accordingly.	Michelle Davies	May 2020

Appendix A

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Invoice Cancellations					
3.4.1	A record of the officer in AR who actioned the cancellation should be maintained.	LR	AR Team to be reminded that all invoice cancellation and reduction records are to be saved.	Laura Bombroffe	May 2020
3.4.2	Sample checking of invoice cancellations should be carried out on a monthly basis.	LR	Invoice cancellation sample checking to be completed on a monthly basis.	Laura Bombroffe	May 2020
Receipt of Income					

Appendix A

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
3.5.4	Measures should be taken to continue to reduce the number and value of unapplied credits.	GP	This area of work is being prioritised as a data cleansing exercise ready for Oracle system upgrade. Staff are currently working on this area and good progress is being made (45% reduction to date)	Michelle Davies/ Laura Bombroffe	October 2020 current project go live date (may be subject to change if project plan revised)
Debt Recovery					

Appendix A

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
3.6.2 3.6.10	<p>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.</p> <p>(Previous audit recommendation)</p>	HR	<p>All efforts will be made to review and progress outstanding debts to the furthest possible process point. Previous strategies implemented during 2019/2020 delivered progress in this area however the scale of the backlog is too large to be dealt with quickly by the current resource.</p> <p>[NB: Current global pandemic situation (CV19) impacts this area and will continue to do so for an extended period of time. There are no certainties within this situation and decisions made around this are outside of the Authority's control. The situation will be reviewed and activities will be adjusted to the situation at that point.]</p>	Michelle Davies / Laura Bombroffe	<p>March 2021</p> <p>[NB: this date is subject to change –see notes in Agreed Action / Comments column]</p>
3.6.3 a)	<p>Very old unpaid invoices should be prioritised to ensure limitation period does not expire.</p> <p>(Previous audit recommendation)</p>	MR	<p>These will be reviewed and prioritised.</p> <p>[NB: This action is subject to the caveat in the notes in 3.6.2 / 3.6.10 above]</p>	Michelle Davies / Laura Bombroffe	<p>August 2020</p> <p>[NB: this date is subject to change –see notes in Agreed Action / Comments column]</p>

Appendix A

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
2.1.4 3.6.3 b)	Diary entry dates should be used in all instances to ensure debt recovery is pursued.	LR	Reminder to be given to AR Team	Michelle Davies/ Laura Bombroffe	May 2020
3.6.5	Invoices subject to IVA's should be reviewed regularly checked on a monthly basis to ensure payments are being received. <i>(Previous audit recommendation)</i>	LR	This will be included in the next Debt Recovery Activities review – to be scheduled (see above) [NB: This action is subject to the caveat in the notes in 3.6.2 / 3.6.10 above]	Michelle Davies/ Laura Bombroffe	March 2021 [NB: this date is subject to change –see notes in Agreed Action / Comments column] as per 3.6.2/3.6.10
3.6.6	Invoices subject to HCE agreements should be should be checked on a monthly basis to ensure payments are being received.	LR	Agreed. These will be included in the monthly ad-hoc agreement monitoring process. However it should be noted that HCE payments are sometimes sporadic, dependent on third party set up (HCE) and payments can only be taken by HCE.	Laura Bombroffe	May 2020
3.6.7	a) Officers in Legal should ensure that AR are informed of the closure of each case promptly to ensure the appropriate action is taken ongoing. b) Cases on a 'Referred to Legal" status identified as outside of the limitation period, should be reviewed by Legal and AR.	MR GP	Agreed. Debt recovery officers are to be reminded of this requirement. Cases to be reviewed	Debbie Smith Debbie Smith / Michelle Davies	May 2020. June 2020

Appendix A

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
3.6.8	<p>A reconciliation should be carried out to confirm the status of all debts categorised as “Referred to Legal” and this reconciliation should be carried out periodically in the future.</p> <p><i>(Previous audit recommendation)</i></p>	LR	Some progress has been made in this area, however this has halted following commencement of the Oracle Project. This project is ongoing and will continue to impact progress. Efforts will be made to make further progress when resources allow.	Michelle Davies / Debbie Smith	March 2021
3.6.9	Meetings between Cash Management & Accounts Receivable Manager and the Deputy Head of Legal should be re-introduced to discuss caseload and problem debts.	GP	Agreed	Michelle Davies / Debbie Smith	March 2021
Write-offs					
3.7.2	Oracle should be updated accurately when approval for write-offs are received from Services.	GP	Reminder to be issued to AR staff that invoices are updated correctly following receipt of a write off instruction	Michelle Davies	May 2020
3.7.4	It should be ensured that all write-offs are actioned for all invoices instructed by Legal.	GP	Reminder to be issued to AR staff that invoices are updated correctly following receipt of a write off instruction	Michelle Davies	May 2020