

Audit Sub-Committee – Specific Audit Report Summary

Type: System

SUBJECT: Council Tax

Date: June 2008

Introduction

The system is used to administer the Authority's billing and collection of Council Tax for the District of South Derbyshire. The Net annual charge for 2007/08 is 45.5M and the Authority has a target collection rate of 99%, after adjustments in the year.

Scope and Coverage

The audit review was undertaken using the systems-based auditing approach, identifying the system and controls, evaluating and testing in relation to the system objectives.

All documentation has been updated as appropriate. Findings, conclusions and recommendations have been discussed with management prior to being included in a formal report or memorandum.

This audit concentrated on the new *Academy* system in particular the transaction totals that control the overall system. In addition the majority of the following areas were examined in both the old *Reality* and new *Academy* systems, Council Tax Base setting, opening Parish debits, collection rate monitoring, valuation, billing, amendments, reliefs, discounts, refunds, cash postings, ledger posting and reconciliations. Further documentation will be undertaken later in the year.

Recommendations

High/Significant risk recommendations – none

A number of recommendations were made all of which were either medium or low risk.

Governance Statement assessment

A new Council Tax system was implemented in January 2008 and the control information has been extensively examined. A number of teething problems arose but these have been resolved and the system has balanced. No major control weaknesses were identified during the audit but further work is to be carried out later in the year.