

## INTERNAL AUDIT – AUDIT UPDATE

### **SUMMARY:**

This report describes the work carried out by Internal Audit for quarter 3, an update on the overall progress towards the 2020/21 audit plan, and an update on the Counter fraud work carried out to December 2020.

### **RECOMMENDATION:**

Members are requested to:

- i. Note the audit work carried out in quarter 3.
- ii. Note the update to the expected deliverables for quarter 4.
- iii. Note the Counter Fraud work carried out.

## **1 Introduction**

1.1 This report is to provide Members with:

- An overview of the work completed by Internal Audit for Q3 2020/21.
- An update on progress towards the audit plan for 2020/21
- A schedule of work expected to be delivered in Q4.
- An update on the Counter fraud work carried out to December 2020.

## **2 Progress towards the 2020/21 plan**

2.1 Since the last update to the Committee the following changes have been made to the audit plan:

- The Financial Assistance audit has been deferred to the 2021/22 audit plan due to the resources required to carry out the Alderwood Leisure Centre audit.
- FMS and Bank Reconciliation will commence in January 21 (Q4) due to the start date being slipped by the contract auditors and resources then not being available within the Finance team until January.
- NNDR Billing and Collection will commence in January 21 (Q4) due to the start date being slipped by the contract auditors and resources then not being available within the Revenues team until January due to Covid-19 grants.

- Purchase Ledger will commence in February 21 (Q4) due to the start date being slipped by the contract auditors and resources then not being available within the Finance team until February.

2.2 The table below provides a summary of progress relevant to the 2020/21 audit plan, including the changes to the plan detailed above in 2.1:

Audit Status	Number of reviews	%
Finalised	4	25%
Draft report with Auditee for management response	2	12.5%
Testing in progress	3	18.75%
Not yet started	2	12.5%
Originally planned to be completed in Q4	5	31.25
<b>Total</b>	<b>16</b>	<b>100%</b>

2.3 Assurance has been provided by the contract auditors that the delay's will not impact on the delivery of the audits for the end of the financial year. Regular update meetings have been scheduled to ensure that audits will be completed on time.

### 3. Audit work completed

3.1 The table below provides an overview of the assurance opinions, given to completed audits since the last update, based on Internal Audits assessment of the control environment:

Audit title	Assurance Opinion	Recommendations by priority		
		High	Medium	Low
<b>2020/2021 Internal Audit Plan</b>				
Alderwood Leisure	No Assurance	5	13	1
Car Park PCNs	Substantial	0	5	1

3.2 The table above highlights one key audit, Alderwood Leisure, for Members and Senior Management to be concerned with due to the lack of control in place which presents high risk to the Council. Due to this no assurance opinion has been given.

3.3 The following provides a high-level overview of the audits completed, specifically highlighting the key findings and governance issues which

Members and Senior Management should be made aware of. *(Full details of all findings are presented within Appendix A)*

Alderwood

<b>Assurance Level</b>	<b>No Assurance</b> - <i>No controls that achieve the system/function/process objectives, are in place.</i>
<b>Key findings/ governance issues</b>	<ul style="list-style-type: none"> <li>• There are no controls or clear audit trails in place to ensure that the payments due for facilities used are received by the Council. The audit identified a £26K shortfall for 2019/20, but it is unclear who has not made payment.</li> <li>• Discounts are given from the set price list but there are no controls in place for the amount/ level of discount or details for what the criteria to receive the discount is.</li> <li>• There is no formal process in place for the recovery of outstanding debts. As at August there was £32K outstanding according to the EZ facility system used by Alderwood for bookings/invoices.</li> </ul>
<b>Management Comment</b>	<p>The outcome of the audit of Alderwood leisure Centre has been discussed with the Head of Service and has been reported through to the Executive Leadership Team (ELT). As a result, a robust response to the findings which show that the financial processes, records and controls are weak. Given the number and significance of the actions required, immediate action is being taken to address the issues. This includes:</p> <ul style="list-style-type: none"> <li>• Work to address each individual action included in a written plan</li> <li>• Regular meetings with the Head of Service for managers to provide update and clarity on the new working arrangements and processes</li> <li>• Written procedures to be established</li> <li>• A review of management arrangements for the centre</li> <li>• Follow up audit in 3-6 months to check on progress</li> </ul> <p>As part of the response a fundamental review of the operation of the centre is also being carried out and this will be discussed with the Portfolio Holder. A further report will be made to ELT.</p>

Car Park PCNs

<b>Assurance Level</b>	<b>Substantial</b> – <i>Key controls designed to achieve the system/function/process objectives, are in place. There are opportunities to enhance/strengthen these controls.</i>
<b>Key findings/ governance issues</b>	No major governance issues were identified although a few minor points include:

	<ul style="list-style-type: none"> <li>• There is a gap in controls with regards the automated telephone system. This allows people to make partial payments rather than the whole amount for PCNs.</li> <li>• Policy and guidance notes are not up to date, reflecting current practices.</li> </ul>
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3.4 In addition to the above, Internal Audit also provided consultancy work in relation to the Car Park Income reconciliation and the Social Media Investigation policy during this quarter.

#### 4. Expected deliverables for Q4 2020/21

4.1 The work expected to be completed in quarter 4 is detailed within the table below. However, a review will be undertaken of expected deliverables for quarter 4, in relation to the resource availability within the services whilst ensuring that sufficient coverage is provided to enable an audit opinion to be given at the end of the year and fed into the Annual Governance Statement. Any changes to the expected deliverables will be communicated to the Committee.

Service	Audit/ follow up/descriptor	Status	Expected
ICT, Facilities & Project Services	External Tenants within the Council Offices – <i>A review of the agreements in place with the external tenants and the management of them. The number of tenants within the Council offices has recently increased.</i>	Currently finalising testing. Findings to be communicated in quarter 4.	Q4 2020/21
CMT/ELT	Housing company/ RDP set up – <i>A review of the governance arrangements for the setup of the Housing company and RDP.</i>	Currently at draft report stage. Findings to be communicated in quarter 4.	
Regeneration & Property	Council Property Maintenance – <i>A review of the process for identifying maintenance required on Council property and ensuring this is appropriately planned and budgets in place.</i>	Currently testing being carried out. Findings to be communicated in quarter 4.	
ICT, Facilities & Project Services	IT Application Patch Management – <i>A review of the patch management arrangements in place for the Council's applications.</i>	Currently at draft report stage. Findings to be communicated in quarter 4.	

Finance	FMS & Bank reconciliation – <i>A key financial system review.</i>	Due to commence	
Finance	Purchase Ledger – <i>A key financial system review.</i>	Due to commence	
Finance	NNDR Billing & Collection – <i>A key financial system review.</i>	Due to commence	
Finance/ Executive Director	ICE – Cost of Changes - <i>A review of the cost of the changes for the ICE programme. Savings have been highlighted but what was the cost of these savings.</i>	Due to commence	
Assistant Chief Executive	Performance Management – <i>A review of the new process in place.</i>	Due to commence	
HR	Payroll – <i>A key financial system review.</i>	Due to commence	
Finance/ relevant service	Capital Projects – <i>A review of a capital project from the capital programme.</i>	Due to commence	

## 5. Counter fraud work

### Fraud and irregularities

- 5.1 There have been no incidences of material fraud, irregularities or corruption discovered or reported to date during 2020/21.
- 5.2 The table below summaries the number of referrals for reactive work which have been carried out by the end of December 2020:

Total number of referrals	Number rejected	Number closed with errors identified	Number closed no fraud identified	Number still in progress
<b>47</b>	<b>7</b>	<b>5</b>	<b>17</b>	<b>18</b>

- 5.3 Proactive work carried out to the end of December has been carried out in the following areas:
- Covid-19 Business support grants. Checks were carried out on 172 applications prior to payment of the first round of grants in April - June and 22 were checked prior to payment of the second round of grants in November/December.
  - Further account verification checks were carried out with NFI on 965 business grants paid in April - June. This resulted in 65 accounts

having further checks carried out by the investigation team, with one account currently being investigated further.

- A 10% sample of test and trace payments for benefits is being carried out monthly to ensure that the criteria for the payment is being met.

#### Regulation of Investigatory Powers Act

5.4 As part of the Council's Regulations of Investigatory Powers Act (RIPA) policy and in line with requirements from the Investigatory Powers Commissioners' Office, below is details on the number of RIPA applications made for investigation work to the end of December 2020.

5.5 No investigations have been undertaken which required RIPA approval.

## **6. Recommendation**

6.1 Members are requested to note the information provided within the report in relation to the audit work carried out in Quarter 3, the expected deliverables for Quarter 4 and the Counter Fraud work carried out.

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**HEAD OF SERVICE:** David Stanley, Executive Head of Financial Services

**References:** *Internal Audit – Audit Plan* report, presented to the Committee on the 23<sup>rd</sup> March 2020.

<https://democracy.rushmoor.gov.uk/ieListDocuments.aspx?CIId=166&MIId=666&Ver=4>

## AUDIT FINDINGS ON 2 ITEMS: ALDERWOOD LEISURE CENTRE AND CAR PARK PCNS

<b>Audit Title 1</b>	Alderwood Leisure Centre		
<b>Year of Audit</b>	2020/21		
<b>Assurance given</b>	<b>No Assurance</b> - <i>No controls that achieve the system/function/process objectives, are in place.</i>		
<b>Overview of area</b>	<p>Alderwood Leisure is an outstation of the Council.</p> <p>In 2016 a report was taken to Cabinet in order for the centres opening hours to be reduced to evenings and weekends. With the reduction in overheads it was stated that a £10k surplus would be made each year which would look to reduce down the deficit in place at the time.</p> <p>Due to ongoing financial difficulties and the added impact of Covid-19 the £10k surplus each year has not been realised and a deficit remains in place.</p>		
	<b>Key findings</b>	<b>Management response and agreed action</b>	<b>Action by who and when</b>
	<p>A generic 'reception' access is used on the EZ facility system, which all Alderwood staff can use while on reception.</p> <p><b><u>Risk</u></b> <i>Any action carried out on the EZ facility system would be unclear as to whom had carried out it out which could create issues should there be any misuse of the system.</i></p>	<p>The option for staff to use generic reception access on EZ facility system has been removed. Staff now log on under own name.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>
	<p>There is no detailed contract to define the SLAs or the safeguarding of information held on the EZ facility system.</p> <p><b><u>Risk</u></b> <i>The data stored by EZ facility may not be in line with the relevant legislation and data from the system may not promptly restored when required.</i></p>	<p>EZ facility have provided copy of contract 26/11/20.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>

	<p>The Council's procurement requirements have not been adhered to with the EZ facility contract, as it should have been reviewed at least within the last 4 years and quotes obtained from other providers. Furthermore, there is no contract end date therefore enabling it to be a rolling contract which is not in line with procurement requirements.</p> <p><b><u>Risk</u></b>  <i>Without testing the market or reviewing the contract, it is unclear if the Council is obtaining the best value or service from the system provider and the Council may be seen to not be transparent with the contract in place.</i></p>	<p>Arrangements will be put in place for a new procurement process to reflect agreed processes for procurement. Discussions to be held with IT relating to the specification. Consideration will also be given to the future management arrangements for the site before the completion of the procurement process.</p>	<p>Martin Sterio, <i>Health and Physical Activity Officer</i></p> <p>31/01/2021</p>
	<p>The invoice date shown on the invoice is in some cases more than a monthly before the invoice is sent to the customer.</p> <p><b><u>Risk</u></b>  <i>This could cause confusion with the customer as to when payment is due.</i></p>	<p>When changes are made to a booking on the facility the dates of the event needs to be shown not the date when the change was made. Staff to be aware that dates must be checked when making changes.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>
	<p>Invoices raised are not always shown on the 'invoice' tab within the EZ facility system.</p> <p><b><u>Risk</u></b>  <i>If all invoices raised are not clearly shown on the EZ facility system, then it would be unclear that these payments were due. Therefore, payment would not be chased.</i></p>	<p>When raising future invoices, the details will be recorded against the hirer.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>
	<p>It is unclear to identify if payments have been received for all of the bookings made as clear payment records are not held on the EZ facility system and unclear narratives on the Integra code.</p> <p><b><u>Risk</u></b></p>	<p>The Centre Manager to work with IT examine how the EZ system can be tied into RBC systems. Meeting held with IT on 6/01/2021 to discuss requirements to</p>	<p>Chris Beckett, <i>Centre Manager</i></p>



	<i>If payments received cannot be easily identified against bookings made, then it would be unclear to determine if the total amount due for all bookings has been received.</i>	integrate the two systems and this is now being investigated with EZ.	
	<p>Payments received against invoices are manually reduced on the EZ facility system which opens it up to human error.</p> <p><b><u>Risk</u></b> <i>Invoices could be reduced by an incorrect amount and this may not be identified.</i></p>	When payments are made the amount is now automatically subtracted from the outstanding balance.	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>
	<p>There is no process in place for Alderwood to be notified about direct bank transfers received or for the Centre Manager to monitor the code for any direct payments. Therefore, the invoice will remain outstanding on the EZ facility system.</p> <p><b><u>Risk</u></b> <i>If checks are not carried out to ensure that all direct payments are allocated against invoices/ bookings, then the amount could be chased as an outstanding debt when actually it has been paid.</i></p>	The Centre Manager to make arrangements to liaise with Finance when payments are received and then monitor the Integra system on a daily basis.	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>
	<p>The set price list does not detail pricing for all bookable facilities at Alderwood.</p> <p><b><u>Risk</u></b> <i>Without a set price it would not be clear to all officers what should be charged for the use of these facilities. Therefore, inconsistencies could occur.</i></p>	The price list now includes all areas available for hire.	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>
	<p>The reason for giving a discount from the set price list is not clearly defined. Furthermore, there is no guidance in place for when a discount is applicable or the level that should be applied.</p> <p><b><u>Risk</u></b> <i>Without a clearly defined discounting structure or clear reasoning for the discount inconsistencies can occur</i></p>	Terms of reference for Centre charging highlighting the rationale for increasing or de-creasing rates is being developed. This will be discussed and agreed with Head of Service.	<p>Martin Sterio, <i>Health and Physical Activity Officer</i></p> <p>31/01/2021</p>

	<i>and the transparency of reductions given will not be visible.</i>		
	<p>The amount actually charged for facilities is not detailed within the EZ facility system. This information is only known by the officer.</p> <p><b><u>Risk</u></b>  <i>If details of the charges applicable are not detailed on the system, this could cause issues if the officer with the knowledge is not available. Furthermore, it allows for inconsistencies to be applied for charging of the facilities.</i></p>	<p>Under each club/group booking the amount charged will be recorded in the notes section of the hirer's personal details on the EZ system.  In addition, the charges will be shown on the paper copy the hirer completes.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>
	<p>Prices set are not approved in line with other Council fees and charges. It is unclear if appropriate authorisation is in place for the reduction of the fees and charges in line with the Council's Constitution, especially with the overall reduction of £95K being applied in 19/20.</p> <p><b><u>Risk</u></b>  <i>If the fees and charges are not subject to scrutiny, then it would be unclear if the prices set are appropriate for the facilities. Furthermore, without the appropriate authorisation to offer discounts on the charges set this could be contravening the Council's constitution</i></p>	<p>An annual price review will take place in October with revised prices scrutinised and agreed by the Head of Service and through the review of fees and charges process</p>	<p>Martin Sterio, <i>Health and Physical Activity Officer</i></p> <p>31/01/2021</p>
	<p>A shortfall of approximately £26K was identified based on the amount that was due from the facilities booked and the amount shown on the Integra code. Due to an unclear audit trail it cannot be determined which bookings have not been paid for.</p> <p><b><u>Risk</u></b>  <i>Without an appropriate audit trail in place for the payments of the facilities shortfalls will continue to be</i></p>	<p>EZ can link some of its system to RBC to identify payments received, invoices outstanding. Following the meeting with IT, this is being picked up with EZ</p>	<p>Chris Beckett, <i>Centre Manager</i></p>

	<i>made without being identified, resulting in reduced income for the Council.</i>		
	<p>There is no procedure in place for the regular monitoring and recovery of outstanding invoices. The total amount shown as outstanding on the EZ facility system is £32K.</p> <p><b><u>Risk</u></b> <i>Without appropriate recovery procedures in place and regular monitoring of debts outstanding these will become more difficult to recover and results in a further loss to the Council of income due.</i></p>	<p>System to be introduced for recovery to include monthly monitoring and reporting. At the start of each month the Centre Manager will collate a list of outstanding invoices and contact payees.</p> <p>One-off events to pay in advance or on the day. No invoicing</p> <p>A new three-month invoicing system is now in place</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>
	<p>It is unclear what checks are carried out when daily cash reconciliation discrepancies are identified.</p> <p><b><u>Risk</u></b> <i>If sufficient checks are not carried out to identify the reason for the discrepancy, then they could continue to occur.</i></p>	<p>The previous days takings are reviewed the following day and any discrepancies are investigated recorded. For minor amounts, these will be collated each week and any discrepancies identified.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place</p>
	<p>A list of active and expired members cannot be produced from the EZ facility system. Therefore, it is not clear how many active members there are of the facility or the total amount of income due.</p> <p><b><u>Risk</u></b> <i>Without knowing the total number of active members for a period of time it is unclear how utilised the facilities are or what income is due.</i></p>	<p>The membership list will be updated to include only people using the fitness suite. Past members to be in a holding section. Member details will be recorded so that payments can be tracked within EZ facility.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>
	<p>It is unclear when memberships are due to expire on the EZ facility system as the date is not recorded on the system. Therefore, it is unclear when monthly payment is due.</p> <p><b><u>Risk</u></b></p>	<p>The dates that a member has paid for are on their personal details section. The amount and date paid will be shown in the notes section of their details. When imputing member details the information will be formatted to show a</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>20/12/20</p>

	<p><i>If a contract end date is not detailed on the EZ facility system, then it is unclear when the member is due to make a payment for the membership which could result in a loss of income for the Council.</i></p>	<p>year use and dates each month payment is due. This will record if a payment has been received or the reason why not.</p>	
	<p>There is no process in place to check that members are still active on the system before they utilise the facilities.</p> <p><b><u>Risk</u></b>  <i>By not ensuring that a member is active on the system before utilising the facilities the Council could be allowing inactive members to use the facilities, therefore losing income.</i></p>	<p>Member list to only include active members. Staff to confirm paid member on arrival. Follow through if payment required.</p>	<p>Chris Beckett, <i>Centre Manager</i></p> <p>In place.</p>
	<p>There is an unclear audit trail in place to show that members have paid for their membership as no payment details are recorded on the system. Therefore, it is unclear if the amount that should be due to active members has been received by the Council.</p> <p><i>(Analysis of this could not be carried out as active members for a period of time could not be produced from the system therefore it could not be cross referenced to the total amount of income shown on the Integra code)</i></p> <p><b><u>Risk</u></b>  <i>Without having a clear audit trail in place, the Council is unable to ensure that all income due is being received for memberships. Therefore, shortfalls in income could be occurring without being identified.</i></p>	<p>Changes to the way members are recorded on the system will allow access to dates that have been paid for. This has been picked up at the meeting with IT and a discussion will be held with EZ system to consider arrangements to track payments.</p>	<p>Chris Beckett, <i>Centre Manager / IT</i></p> <p>20/12/20  For recording member details.</p>

<b>Audit Title 2</b>	<b>Car Park PCNs</b>		
<b>Year of review</b>	2020/21		
<b>Assurance given</b>	<i><b>Substantial</b> – Key controls designed to achieve the system/function/process objectives, are in place. There are opportunities to enhance/strengthen these controls.</i>		
<b>Overview of area</b>	<p>The Parking Management Service is a team that consists of the Parking Manager, 7 Civil Enforcement Officers (CEOs) and 2 Parking Support Workers (PSOs). The CEO's patrol the Borough checking whether any cars have breached regulations. If this happens, parking charge notices (PCNs) are issued. The PSOs are the back-office support, who deal with all challenges, appeals, cancellations and payments.</p> <p>It was advised that the service can see up to 13,000 penalties being issued each financial year, with there being 2843 on the Imperial Solutions System between March – September 2020.</p> <p>The service work alongside the Traffic Management Act 2004, which provides details on each part of the job ranging from what CEOs have to wear on patrols and how employees should be trained to what contraventions can be used and how penalties can be challenged. This is national legislation that all Local Authorities must adhere to, plus each Local Authority have their own internal policies.</p>		
	<b>Key findings</b>	<b>Management response and agreed action</b>	<b>Action by who and when</b>
	<p>There are people involved in the Parking Management service who have not received appropriate training prior to being given higher access levels, allowing them to carry out work rather than 'read only'.</p> <p>At the time of audit this was applicable to the 2 Parking Support Officers, new Senior Management and going forward, members of the CSU.</p>	<p>The 3 PSO's are currently undertaking formal Level 3 training week commencing 4 January 2021.</p> <p>The Senior Street Scenes Officer who is supporting the CEO's receives on the job training from a PSO and Parking Manager. This is mainly linked to conducting</p>	<p>Kirsty Hosey, Parking Manager</p> <p>Jan 2021</p> <p>Kirsty Hosey, Parking Manager</p>

	<p><b>Risk</b>  <i>Staff being given the opportunity to work on penalties without receiving appropriate training may results in them being processed incorrectly. This could result in a financial loss.</i></p> <p><i>Failure to adhere to what is listed as being best practice required by Parking Management staff in National Legislation.</i></p>	<p>performance monitoring on CEO's using the Geo Smarti tracking. His specific parking tasks are yet to be formally agreed, but I do not envisage the officer being involved in the PCN process and therefore training on how to progress and cancel PCN's will not be provided. However, there is an acknowledgement that access levels to enable this function will be accessible to the officer.</p> <p>Work that is being transferred to the CSU will be subject to instructions from a decision tree, designed by the Parking Manager, which will lead them to an outcome. All cancellations conducted by the CSU will be subject to daily monitoring to ensure the process and correct decisions have been reached. Areas for concern will be immediately raised to the Service Manager and team leader for addressing and correction. This will ensure the council's integrity and consistency within its enforcement practices in accordance with legislation.</p>	<p>Training of SSSO completed by April 2021</p> <p>Kirsty Hosey, Parking Manager and Marybeth Quaintmere, Service Manager – Customer Services+</p> <p>From Jan 2021 as work moves to CSU</p>
	<p>The Rushmoor Borough Council policy guidance for Parking Enforcement is out of date and does not reflect current practices.</p> <p><b>Risk</b>  <i>This could lead to a financial risk for the Council, should penalty charges have to be cancelled due to policies being out of date.</i></p>	<p>This is known and due to the current lack of resource within the parking back office, it remains an outstanding task for the Parking Manager to update.</p>	<p>Kirsty Hosey, Parking Manager</p> <p>June 2021</p>
	<p>There are no written documented procedures within the team to outline the Parking Support Officers general daily tasks, including the Imperial System.</p> <p><b>Risk</b></p>	<p>This is known and due to the current lack of resource within the parking back office, no formal general procedures notes have been compiled. This was a task for the Parking Operations Manager but was not completed before she left.</p>	<p>Kirsty Hosey, Parking Manager</p> <p>June 2021</p>

	<p><i>a) Operations and service delivery could be disrupted with the absence of documented procedures setting out fundamental daily activities in the back office.</i></p> <p><i>b) Without having documented procedures any new starters would not have the required information to conduct their role. (This may also lighten the workload with regards to training new starters).</i></p>	<p>However each PSO have their own personal notes that enables them to carry out these functions and these would be used to assist the training for new staff, but recognising they are bespoke to the individual user. The task will be completed when resources become available.</p>	
	<p>The monthly housekeeping task that was completed by Management was used for having oversight of all penalties on the Imperial system. It was used to ensure they were all progressing as they should, has not been completed since July 2019.</p> <p>It is believed that this could provide invaluable oversight and assurance of the penalties on the Imperial system and performance management of service members going forward.</p> <p><b>Risk</b> <i>There is the opportunity that without full oversight of penalties and the system by a trained and experienced employee, that penalties could get missed and cancellations be processed incorrectly.</i></p> <p><i>There is also no oversight of performance for the CEOs or PSOs.</i></p>	<p>This is a known but due to the current lack of resource we do not have an officer to oversee the administration of Imperial and to conduct regular 1:1's / performance monitoring of the team.</p> <p>We have commenced some training for the Senior Street Scene officer to conduct performance management of the CEO's both on street performance and analysing data. He also requires training on what the expectation of a CEO is before he can performance manage them.</p> <p>Nothing formal is in place for the PSO's in terms of performance managing due to the resource implications, other than issues that escalate to the Parking Manager. In these circumstances, the Parking Manager overviews the case file on an adhoc basis, or overviews the Adjudication case summary that is produced before it's submitted to TPT. This is where PSO and CEO performance is identified.</p>	<p>RA</p> <p>Use Imperial for performance management of CEOs by Mar 2021</p> <p>Kirsty Hosey, Parking Manager</p> <p>Use Imperial for performance management of PSOs by June 2021</p>
	<p>In 2019/20 there were 55 penalties cancelled due to them exceeding the 14-day deadline. 32 of these related to penalties issued on behalf of Hampshire County Council. These totalled £1,368.00.</p> <p><b>Risk</b> <i>This could incur financial losses and a risk of reputational damage.</i></p>	<p>This is known and remains a risk. Resourcing within the team needs to addressed to mitigate against this risk.</p>	<p>David Phillips, Service Manager – Commercial Services</p> <p>June 2021</p>

	<p><i>There is also a risk that Hampshire County Council may end the agency agreement with Rushmoor Borough Council if they were aware that penalties were being cancelled due to them not being worked in time.</i></p> <p><i>This could potentially lead to Rushmoor Borough Council loosing delegated authority.</i></p>		
	<p>There is a gap in controls with regards the automated telephone system. This allows people to make partial payments rather than the whole amount, which is explained in the Policy Guidance for Parking Enforcement and the penalties.</p> <p><b>Risk</b> <i>Allowing partial payments could incur financial losses for the Council.</i></p> <p><i>The current process is that there are reports run by the PSO's to check for any partial payments. Having better controls in place would prevent them from having to do this task.</i></p>	<p>This is known. We receive few payments via this method and we could switch off this payment channel which would mitigate against this risk and immediately reduce work for the PSO's.</p>	<p>David Phillips, Service Manager – Commercial Services</p> <p>Feb 2021</p>



