A.2 - APPENDIX B

Audit Title	Finding	Finding Issue / Risk Identified	Agreed Action Description	Finding	Due Date	Service Response	Internal Audit Status
Disabled Facilities Grant	No contract in place for Council Disabled Adaptations	Disabled adaptation works relating to council tenants are managed by an in house team. The work itself is outsourced to third party contractors. The majority of contractors used to carry out disabled adaptation works are general builders, plumbers and electricians. While it is acknowledged there are some specialists, due to the nature of some adaptations, these are in a firm minority. At current, there are no contracts in place and each adaptation requires the quotation process to be initiated and treated as individual jobs, unlike the building maintenance contracts. In some cases, these works can exceed tender limits when aggregated both overall and to individual companies. As one example, over the last two years, the Council have paid one external company just over £150,000 (£100k last year & £50k so far for this one) to undertake disabled adaptation works, none of which are obviously specialist. Due to the cost of work carried out, it is a concern that no contracts have been established, especially those which are not specialists. Lack of contracts also risk lack of scrutiny of the companies, including financial resilience (to ensure longevity and ability to retro-fix any faults as well as displaying stability) and insurance.	As a short term solution to the issue, the existing Housing Responsive Repairs will be extended to include council adaptations. In the long term, a full tender process for the Housing Responsive Repairs contract to be carried out , which will include the works of disabled council adaptations as part of that. For specialist work, frameworks to be explored with a view of using them. Contract to be submitted to Audit.	Major	01/05/2025	In light of LGR other partnership options are being explored. For other smaller works the team is currently assembling a basket schedule of items for a short term competitive quotation exercidse to give reassurance around value for money as well as being a key information for the wider contract renewal/procurement which remains scheduled for a 2026 start date. Meanwhile all major projects such as extensions and remodelling are carried out as individual (bespoke) projects fully in line with tender requirements.	It is understood that it is prudent to determine which partnership arrangements are in place in light of LGR however short term interim arrangements need to be in place to comply with procurement and value for money obligations in the short term. Internal Audit will follow up on this area in future to ensure new processes are working effectively.
Council Tax	Lack of Recovery Action	Day to day management of short term recovery activities is undertaken effectively, however, the level of debt at the enforcement stage remains high and continues to rise year on year. Analysis shows that Council Tax arrears equated to 16.2% of the total collectable Council Tax balance at the end of 2024/25. Debt referred to enforcement agents has increased substantially, rising from £1.7 million in August 2022 to £13 million by November 2025. This now represents approximately 64% of all outstanding Council Tax liability. A further 10% of the outstanding liability relates to cases that have been returned by enforcement agents, indicating a significant backlog within the enforcement process.	A two year plan is to be developed to tackle the increase in overall Council Tax debt. The debt is made up of historic debts from the covid pandemic, some incorrect data records, reduction in capacity within the team and lower collection rates from the bailiffs. The plan will include a review of the bailiff service, increased capacity within the recovery team and support from the Compliance Team to review some of the old debts to determine legitimacy e.g. still the relevant tenant / owner. This will help reduce the overall Council Tax debt and ensure that Council Tax liabilities are at an acceptable level during Local Government Re-organisation.	Major	01/09/2026	The service have already started to look at bailiff arrangements and the introduction of text reminders to better support the recovery process. The Revenues Team have been working with the Fraud and Compliance Team, visiting households and offering support where possible.	Internal Audit are satisfied with the work that has progressed so far within the two year action plan. The service are actively taking various steps to support the public in payment of old Council Tax debts accumulated during and after COVID. Support is promoted and provided where possible. The Service have committed to undertake a number of other key activities, which are either underway or planned over the reminder of the year, that include: •increasing capacity within the Recovery Team and Legal Services •exploring further engagement opportunities with households •remaining alert to and exploring new 'tools' that are expected to become available from the HMRC regarding the sharing of date to support debt recovery activities undertaken by Local Authorities.