MIDLOTHIAN RISK AND AUDIT SERVICES

INTERNAL AUDIT REPORT

Subject: **Council Tax Liability and Billing**

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1 Objective of the Audit

The objective of this audit was to review the adequacy of controls over the Council Tax System with coverage limited to liability and billing.

2 Remit and Scope

The audit focused on the key controls operating over the establishment of liability and the despatch of bills to ensure that:
- all taxable properties and any additions, removals or amendments to properties are correctly identified and accurately recorded on the system;
- all persons liable for Council Tax and all discounts and exemptions are correctly identified and accurately recorded on the system;
- Council Tax bills are raised accurately and in a timely manner;
- water and waste water charges are correctly incorporated into the Council Tax bill;
- automated interfaces between payment collection systems (ICON) and the Civica Open Revenues system (Council Tax system) are accurate and payments are correctly allocated to Council Tax accounts;
- management and financial information, including the risk register, is relevant, accurate and timely; and
- access to the Civica Open Revenues system is controlled effectively.

Council Tax benefits, the entitlement to and calculation of discounts and exemptions, arrears recovery and the write off of irrecoverable debt were excluded from the audit scope.

3 Background

Council Tax is a local taxation system levied on all domestic properties. The scheme was set up by the Government in 1993 and replaced the Community Charge. The amount that households pay depends on their property band (A-H) which is based on the value of the property in 1991 and is proportionate to the Band D Council Tax. Special provisions for single person households, disabled persons and students as well as some other groups exist, which may allow people in those groups a discount or exemption on their Council Tax. Council Tax Benefit was replaced by Council Tax Reduction on 1 April 2013 and this provides help to those on low incomes.

The valuation and banding of domestic properties is the responsibility of the Assessor for the Lothian Valuation Joint Board. The Assessor is responsible for the preparation and maintenance of the Council Tax Valuation list and sends weekly interface reports detailing the number of live properties in each band, any new properties added, any amendments made to existing property bands and any properties deleted from the list. This report is reconciled to the Council's Council Tax system on a weekly basis.

Number of Properties
The table below details the number of properties in Midlothian and shows that the number of properties has increased by approximately 1.5% and the number of non chargeable properties has reduced by 2% (non chargeable properties are those exempt from paying Council Tax eg student accommodation) in 2013/14:

Year end	Total No of Properties	Chargeable properties	Non Chargeable properties
2012/13	37,278	36,134	1,144
2013/14	37,836	36,714	1,122

Collection Rates

Council Tax levels in Midlothian have been frozen for eight successive years (excluding water and waste charges). As at 31st March 2014 the table below shows the amount of Council Tax payments billed and collected over the past 9 financial years. The earlier years generally show higher collection rates because collection activities continue after the year end.

Year End	Net Amount Billed £'M	Amount Collected £'M	% of Council Tax Received to Billed
2005/06	£29,656	£28,756	97.0%
2006/07	£30,766	£29,810	96.9%
2007/08	£31,301	£30,255	96.7%
2008/09	£31,932	£30,670	96.0%
2009/10	£32,163	£30,717	95.5%
2010/11	£32,432	£30,866	95.2%
2011/12	£32,822	£31,399	95.7%
2012/13	£33,319	£31,851	95.6%
2013/14	£34,216	£31,985	93.5%

From 1996/97 onwards, the Council collect water and waste charges on behalf of Scottish Water and these charges are incorporated into the bills that are issued to customers. Midlothian Council receive a fixed sum for undertaking this collection (as agreed by COSLA) and this equates to cira £275K for 2014/15.

4   Audit Conclusion

During our audit we identified strengths as well as weaknesses. The main strengths were:

- adequate procedures are in place to ensure the property details held on the Council Tax system are accurate, complete and reconciled to the Assessor's valuation report;
- adequate arrangements are in place to ensure that Council Tax bills are produced for all chargeable properties;
- the Council offers a wide choice of payment methods to Council Tax payers;
- adequate procedures are in place to ensure that income collected through the cash receipting system is correctly posted to the Council Tax system and general ledger; and
- Council Tax credits are only authorised by Revenues Group Leaders and debt checks are undertaken before Council Tax credits are refunded to customers.

The main areas for improvement are summarised below and detailed in the management action plan on pages 4 – 13:

- as at 31 March 2014, there was a 0.4% decline in the percentage of (in year) Council Tax collected in 2013/14 compared to the end of the last financial year 2012/13 (93.9% to 93.5%). In 2012/13, Midlothian Council was positioned towards the bottom of the league table (28th out of 32 Scottish Local Authorities). A spreadsheet has been established to calculate the Statuary Performance Indicator (SPI) and general guidance is provided by Audit Scotland. However, there was no detailed documented local procedure on how to calculate the SPI. As a result of this, management were unable to clarify a number of queries raised by Internal Audit over the calculation of the SPI;
- as at 30 April 2014, there was a backlog of 1,425 Council tax cases requiring action (for example assessment required due to a change of circumstances) which may have an

impact on the collection performance. However, this was subsequently reduced to 483 cases in August 2014;

- there is no contract in place with the company who prints Council Tax bills for the Council (a historic service level agreement is in place but this is out dated – dated 2001) and the procurement of this service was not competitively tendered. Consequently, there are no documented terms and conditions detailing what service the company should provide and the agreed price for the service;

- there was a lack of audit trail in the annual billing file such as how errors were corrected or which reports were reconciled (eg the opening gross council tax debit report was generated from the system but was not reconciled to the financial control report as one report is shown as gross and the other is shown as net);

- quality checking of cases was not always undertaken to the level prescribed which could result in errors being undetected and systemic problems not being identified. Testing identified accounts that were incorrectly exempt from paying Council. The level of quality checking dropped due to a lack of resource but this issue has now been rectified; and

- exemption reports, which flag up when discounts and exemptions are due for review, do not include student exemption codes – testing highlighted 2 cases that had not been reviewed resulting in student discounts being incorrectly continued.

As noted above, there are some issues above the acceptable level of residual risk that should be addressed within a reasonable timescale. These are detailed in the Management Action Plan together with a number of recommendations to improve controls. Therefore, we have rated the strength of internal control as **yellow** (in accordance with the table below):

Colour	Level of Assurance	Reason for the level of Assurance given
Blue	**Very High**	Internal Control, Governance and the Management of Risk are at a very high standard with no unacceptable residual risk existing.
Green	**High**	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with.
Yellow	**Moderate**	Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Amber	**Limited**	Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues.
Red	**Very Limited**	Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues.

1. Backlog of Council Tax Accounts

Revenues Section are responsible for maintaining Council Tax accounts on the Open Revenues sytem. When there has been a change of circumstances during the financial year, a revised bill is issued by the section. As at 23/04/14, there was a backlog of 1,425 cases, 130 of which were classed as 'move/liability change' which affects Council Tax billing and means there is a risk that revised bills are not distributed timeously.

Management reported that work is normally processed in date order but is prioritised depending on the time of the year with a focus on collection towards the year end. The backlog occurred due to work demands and a lack of resource at that time.

As at 20/08/14, the backlog reduced to 483 cases as staff undertook overtime to clear this and more resource has been allocated to the Revenues Section - four trainees have now been recruited.

No	Recommendation	Priority	Manager	Target Date
1	The backlog of cases should be reviewed to ensure that any cases that affect billing and collection are prioritised.	High	Revenues Services Manager	Complete

2. Statutory Performance Indicators - Council Tax 'In-year' Collection Rate

Performance Indicators detailing the percentage of Council Tax income collected and the cost of collection are submitted to Audit Scotland at the end of each financial year. The table below details the Council's 'in year' collection performance at the end of the financial years:

Year End	Result	Ranking (out of 32)	Scottish Average
2011/12	93.6%	29th	95.1%
2012/13	93.9%	28th	95.2 %
2013/14	93.5%	National results have not been published yet.	

The Council's performance was ranked towards the bottom of the league table highlighting that the Council was poor at collecting Council Tax within the year that it was due. The figure for 2013/14 shows that performance has declined by 0.4% from the previous year, despite a slight improvement in the previous year.

Management information was reviewed and discussed with the Revenues Services Manager. It was reported that the 'in year' collection performance is lower due to the current economic climate. Although the amount of income received increased from the previous year, the amount due has also increased as a result of several factors. These include an increase in the number of new properties, increased water charges and a reduction in Council Tax Reduction granted (previously Council Tax Benefit).

Payments collected after the year end are allocated to the year of liability and this identified that Midlothian's performance improved compared to other local authorities. As at 31/03/12, the 'in year' Council Tax percentage received was 93.6% and the Council Tax percentage received increased 1 year later to 95.2% resulting in the ranking changing from 29th to 26th out of 32 local authorities. As at 31/03/13 the 'in year' Council Tax percentage received was 93.9% and again the Council Tax percentage received by the end of the following financial year was 95.6%.

Possible explanations that may have an effect on Midlothian's Council Tax collection performance are:

- 14 local authorities reported their collection rates for the year end 2012/13 on a "line by line" accounting basis which provides the collection rate for Council Tax specifically (ie excludes water and sewerage charges). It is thought that whilst this reporting method may produce no change in collection rates, it can lead to a slighter higher reporting in collection rates and lead to an improved performance in the Council Tax collection rates league table (as mentioned above we were ranked towards the bottom of the league table). Midlothian does not report in this format as it has been advised that the system functionality is not currently set up to do this;
- the SPI definition states that income due is the amount of Council Tax payable for the year and excludes all water charges and outstanding Council Tax (or community charge) from previous years. The audit found that refunds were added to net payments and costs were taken out but this was not prescribed within the definition and it is unclear whether this is consistent with other local authorities. In addition it was unclear how one of the formulas used within the spreadsheet was calculated as the spreadsheet has been in operation for a number of years and there are no local procedures detailing how to calculate the SPI; and
- as mentioned above, the large backlog of cases may have an impact on the collection rate (testing identified a number of bills that were not raised promptly following a change of liability thus increasing the risk of late payment).

No	Recommendation	Priority	Manager	Target Date
2	Guidelines should be developed to explain how the spreadsheet used to calculate the collection on Council Tax is prepared, generated and calculated. These should be benchmarked to ensure that the calculations are consistent with other local authorities. It should be determined whether the system functionality can be updated to enable Council Tax collection rates to be reported on a line by line accounting basis. Management Comment: Management has agreed to review the SPI spreadsheet, benchmark with other local authorities who use the same system and produce a guide. Management will investigate whether the line by line reporting method can be used and will raise a call to the system supplier if required.	Medium	Revenues Services Manager / System Group Leader	31/03/15

3. Data Protection Act (DPA)

3.1. Annual Employee Declaration not completed

To reduce the risk of fraud (e.g. Revenues employees manipulating their own or family / friends' Council Tax accounts), all employees in Revenues and Housing services are required to sign a declaration form stating that they will not view family and friends' accounts on any system for any reason and will report any domestic properties in Midlothian that they are currently a landlord for. Any cases relating to employees' / family accounts are referred to management or Revenues group leaders for processing. We found that employees had not completed this declaration for the past two years although it has since been distributed for completion (February 2014).

No	Recommendation	Priority	Manager	Target Date
3	Management should ensure that an employee declaration form is completed by all Revenues employees on an annual basis.	Medium	Operational Support Manager	Complete

3.2. Council Tax Bills

Council Tax annual bills are issued in February of each year and this is currently outsourced to external providers: Swiss Post Solution provides the printing service and TNT (the Council's current postal services provider) distribute the bills. Bills issued throughout the year (as a result of changes to personal details) are issued internally by the Revenues and Control section.

Although a service level agreement is in place, the Council does not have a contract with SWISS Post Solutions and the procurement of this service was not competitively tendered. Consequently there are no documented terms and conditions detailing what service the company should provide and the agreed price for the service.

A planned review of the billing process, including the use of e-billing has not been undertaken by the service due to resource and time implications.

No	Recommendation	Priority	Manager	Target Date
4	A review should be undertaken of the billing process (including the use of e-billing) and a formal tender exercise should be undertaken and a contract established if it is decided to continue with an external provider. Management Comment This will form part of a wider review of bulk printing across the Council.	Medium	Operational Support Manager	30/06/2015

3.3. DPA Statement

Personal information is captured on Council Tax forms that are used to calculate and assess Council Tax liability. When discounts and exemptions are requested then additional supporting documentation is required. The responsibility for compliance with the DPA and managing personal information for the Council is detailed in a DPA statement which states that information stored about an individual is processed fairly, lawfully and on a proper basis.

We identified that a DPA statement was not included in any of the Council Tax forms. However, it has been advised that if information is collected for a statutory obligation then there is no requirement to have a DPA statement; although it is good practice to include this.

In addition, we found that a number of forms were outdated and contained errors (e.g. web links were no longer valid).

No	Recommendation	Priority	Manager	Target Date
5	All Council Tax forms should be reviewed to ensure they are up to date, accurate and contain a DPA statement (consult with IMG group leader).	Medium	System Group Leader/ Revenues Services Manager	31/12/14

3.4   Bank details

For DPA purposes, Revenues, Security and Systems section run a report every 6 months to ensure there are no bank details documented for inactive accounts.

Internal Audit testing identified that bank details were not removed from an account that had been cancelled. Bank details are held on the system to recover any outstanding payments but we found that the account had no outstanding balance and these details should have been removed.

No	Recommendation	Priority	Manager	Target Date
6	Ensure bank details are removed from cancelled accounts that have no outstanding balance.	Medium	System Group Leader	Complete

4. Quality checking

Revenues Group Leaders are required to quality check a sample of 40 cases per month (10 cases per Group Leader). 1% of all cases processed by employees are checked and 50% of all cases processed by new employees are checked. All errors are recorded on a Group Leader Claim Checking spreadsheet which is regularly reviewed by the Revenues Services Manager.

Testing of a sample of 9 months (from April to December 2013) identified that less than 40 cases were checked for 4 months (only 20 were checked in April, 24 were checked in May, 20 were checked in June and 34 were checked in December 2013). It has been advised that this was due to work demands (introduction of the Scottish Welfare Fund) and a shortage of Revenues Group Leaders at the time. It has been advised that this issue has now been rectified and quality checking has resumed to the required level.

Testing of a sample of 10 cases by Internal Audit revealed that 4 errors had been identified by the Revenues Group leaders. However, only 1 error could have resulted in financial loss (the exemption was set for a full exemption instead of 50%).

No	Recommendation	Priority	Manager	Target Date
7	Quality checking of Council Tax cases should be undertaken to the required level.	Medium	Revenues Group Leader	Complete

5. Property Controls

On a weekly basis, the Assessor sends a report to the Council (Revenues Department and the Data custodian) detailing the number of properties in Midlothian, any new properties, deletions and alterations required to property bands. The Revenues Group leaders are required to update the Council Tax system and ensure that the number of properties in each band reconciles to the Assessor's valuation report.

The audit identified that reconciliations were not always undertaken. From a sample of 13 weekly reconciliations, we found 3 reconciliations that were not undertaken. However, the reconciliation was completed the following week to the new Assessor's valuation report.

The audit found that updates to the system are not reviewed by an independent person and there is no reconciliation control sheet recording which Revenue Group Leaders amends, deletes or adds new properties onto the Council Tax system (although this could be retrieved from system records).

No	Recommendation	Priority	Manager	Target Date
8	It should be documented who has undertaken the reconciliation of the Council Tax System and the Assessor's report and who has updated the system with any required changes to ensure a suitable audit trail exists. Management Comment The Revenue Group Leaders now record which properties they have updated on the Assessor's Valuation report and the Revenues Services Manager will review the reconciliation reports on a monthly basis.	Low	Revenues Services Manager	Complete
9	Management should ensure that the reconciliation of the Council Tax System and the Assessor's report and updates to the system are undertaken on a weekly basis.	Medium	Revenues Group Leader	Complete

6. Annual Billing

An annual billing exercise is undertaken and bills are generated for all properties registered on the Council Tax system with the exception of those with an "inhibit" status (eg properties owned by Midlothian Council). These accounts are reviewed on an annual basis by the Revenues and Arrears sections.

6.1. Reports and Reconciliations

To ensure there are no discrepancies on the Council Tax system, reconciliations and checks are required to be undertaken as part of the annual billing exercise. Reports that are required to be generated by the supplier are produced but we found these are not always reconciled (see below 6.3). There was a lack of clarity on the errors that occurred and it was unclear what reconciliations had been undertaken as they were not filed together. Management indicated that due to time pressures, only high value discrepancies are investigated at the time and low value discrepancies are investigated at a later date.

No	Recommendation	Priority	Manager	Target Date
10	Any discrepancies and errors which have been corrected should be recorded on the file and all reconciliation reports should be filed together to ensure an adequate audit trail. Management Comment Not all reports are printed and each year we are trying to become more organised. The billing file is arranged in year-end process run order as it is easy to go through the process the system expects. In this year's billing exercise (2014/15), screenshots of the errors were filed and call details made to the supplier were recorded.	Medium	System Group Leader	Complete

6.2. Bills created and produced

The audit found that the section does not reconcile the number of records created to the number of bills produced. We identified the number of records created reconciled to the number of properties in Midlothian but there was a discrepancy between the number of records created and the total bills produced. Management reported there may be discrepancies as all liable person names are on the records created but the bills that Midlothian Council are liable for are removed. The annual billing procedure did not include a step to remove all Midlothian Council bills.

No	Recommendation	Priority	Manager	Target Date
11	The annual billing procedure should be updated to include a step to remove all Midlothian Council bills.	Low	System Group Leader	Complete

6.3. Opening Gross Council Tax debit (year end debit and credit balances)

The Council Tax system calculates the Council Tax opening debit for each financial year and the opening gross Council Tax debit should be reconciled to the financial control report and/or the year end roll over control report. This is a system generated report provided by the supplier. We found that whilst the report is generated from the Council Tax Open Revenues system, it is not reconciled to the financial control report. Management reported that one report is reported in gross (year end debit and credit) and the other is reported in net (financial control report) which makes it difficult to reconcile. Advice will have to be sought from the supplier on how to reconcile the reports or if both reports can be generated in net or gross.

No	Recommendation	Priority	Manager	Target Date
12	The software supplier should be contacted to determine how to reconcile the year end debit and credit balances.	Medium	System Group Leader	31/12/14

7. *Scottish Water Billing Order*

The Scottish Water billing order for 2012/13 was found to be inaccurate as the spreadsheet used to calculate the payment had not been updated due to a miscommunication with Scottish Water. The error was discovered by Scottish Water and an additional payment for £113K was paid to them in May 2013 via the Council's bankline system. It was noted however that the payment had not been authorised in accordance with the Council's Payment guidelines as:

- only one signatory had signed off the bankline payment rather than the required two (all payments above £50K require two authorised signatories); and

- the individual who had prepared the bankline only has authority to authorise payments and not prepare banklines.

The Systems Group Leader reported that this was an urgent payment and there was a lack of resource to comply with the Payment guidelines on this occasion. In addition, the spreadsheet is now checked annually to ensure the correct rate is reflected before the calculation is undertaken.

No	Recommendation	Priority	Manager	Target Date
13	Management should ensure that checks are in place to comply with the new Scottish Water Billing order and the Council Payment Guides.	Medium	System Group Leader	Complete

8. Credit Balances

A report is run on an ad hoc basis to identify any Council Tax accounts that are in credit. If a refund is due, a credit note will be generated and this must be signed by the liable person(s) and authorised by a Revenues Group Leader before payment is made. Testing revealed the following issues:

- a Revenues Group leader authorised a refund on an account that shouldn't have been cancelled. This occurred when a duplicate property name on the system resulted in a customer's account being incorrectly cancelled, a credit note issued in error and no bills being issued for two months. The account was reinstated after 2 months resulting in an increase to the customer's monthly instalments; and
- it was found that there was no function for authorising credits for the Council Tax system on the authorised signatory system and therefore the Revenue Group leaders were not listed as being able to authorise credits.

No	Recommendation	Priority	Manager	Target Date
14	The authorised signatories system should be updated to include authorising credits on the Council Tax system and authorisation should be given to appropriate employees.	Medium	Revenues Services Manager	31/10/14

9.   Finance Management System

9.1.   Council Tax Income Reconciliations

Income collected is recorded on the cash receipting system (ICON) and there is an automated interface between ICON and the Council Tax system. When a customer pays their Council Tax, a reference number is used which automatically allocates the payment to the customer's Council Tax account. If an incorrect Council Tax reference is used then the payment will be recorded in the Council Tax suspense account.

Internal Audit tested a month's reconciliation to ensure they were undertaken on a daily basis and although no errors were detected, it was found that the reconciliations had not been signed resulting in a lack of audit trail detailing who had undertaken the reconciliation. Management reported that the new PTC system (a third party consolidation system) now undertakes the reconciliations and checks are only undertaken when an error is reported. It has been reported that it will be documented who has carried out the checks.

No	Recommendation	Priority	Manager	Target Date
15	ICON reconciliations reports should be checked and signed when there is a discrepancy.	Medium	System Group Leader	Complete

9.2.   Rejected payments letters

9.2.1. *Direct debit failures*

A list of unpaid direct debits report is obtained from the BACS website and is posted through the cash receipting system (ICON). Revenues Securities and System Section manually dispatch failure letters and cancel direct debits on the system. It was noted that recovery letters do not document the facility to make payments via the Council's website and it was not recorded which employee had checked the BACS failure report and issued the failure letters.

Management indicated that a project to automate direct debit failure letters is underway. This means that letters will be dispatched earlier and payments will be collected earlier which will improve recovery rates. However, manual checks will still be required for those customers set up on special payment arrangements and when 'payer deceased' notification is received.

No	Recommendation	Priority	Manager	Target Date
16	It should be documented which employees have checked the BACs failure reports and issued the direct debit failure letters. Management Comment The employee generating the recovery letters will print their name on the BACS failure report to provide a suitable audit trail.	Medium	Systems Group Leader	Complete

9.2.2. Unpaid cheques

Unpaid cheques are debited from the Council's bank account and failure letters are issued by the Collection and Enquiry section. A sample of unpaid cheques was tested and it was found that letters were not addressed to both liable account holders and again did not list the ability to pay via the Council's website. Also they had not been created on the Council's Comino system (document management system) but were instead filed in the section. Therefore, Contact Centre employees cannot easily view these letters when they are discussing accounts with customers.

As at July 2014, management reported that the Collection and Enquiry team now create letters on Comino.

No	Recommendation	Priority	Manager	Target Date
17	Cheque failure recovery letters should be addressed to both liable account holders (where applicable) and should be generated on the Comino system.	Medium	Collection and Enquiry Controller	Complete
18	Cheque and direct debit failure recovery letters should document the facility to make payments via the Council's website.	Low	Systems Group Leader	Complete

9.3.   Collecting Council Tax payments via payroll

The Council offers a variety of methods for paying Council Tax but does not currently provide an option for employees to pay their Council Tax bills through the payroll system. It was noted that East Lothian Council provide this payment option for employees for Council Tax and other debts (eg Council House Rents). Providing additional facilities for paying Council Tax may improve collection performance. Management have advised that this is not currently feasible although there is potential to provide this facility to employees who are in arrears with the Council.

No	Recommendation	Priority	Manager	Target Date
19	Management should consider providing the option for employees in arrears to pay Council Tax (and other payments) via the payroll system.	Medium	Revenues Services Manager	31/03/2015

10. System Issues

The audit found the following system issues:

a. It was found that exemption reports, which flag up when discounts and exemptions are due for review, did not include student exemption codes. Audit testing identified 2 accounts which had been incorrectly set up with student exemptions resulting in a total underpayment of £2,778 (for 2012/13 and 2013/14). The correct bills have since been issued (on 10/04/14)

b. The password controls for logging into the Council Tax and Comino systems are not compliant with the Council's standard password requirements. Management reported that the password requirement is set by the supplier's requirement which is out of our control. However, users are required to change passwords after every 90 days;

c. Employees are set up on a security group profile and each profile has a different level of access to the Council Tax system. Employees have access to more than one

system security group profile which is required for job purposes but this is not recorded on the risk register. Management has agreed to acknowledge the risk on the service risk register and review the security group profiles on an annual basis;

d. The System Group leader reported that leavers are checked against the Council Tax system on a monthly basis but we found that this process is not documented.

No	Recommendation	Priority	Manager	Target Date
20	Exemption reports should include student exemptions to highlight when exemptions have / are due to expire. Management Comment We will investigate whether it is possible to insert a 'review date' on the system to enable exemptions that are due to expire to be identified and highlighted in the exemption reports.	High	Revenues Services Manager	31/10/2014
21	A review of the system group profiles should be conducted on an annual basis.	Medium	System Group Leader	30/06/15
22	The process to check the Council Tax system on a monthly basis for leavers should be documented.	Medium	System Group Leader	31/10/14

11. Service Risk Register

Risk registers are reported to the Council's Performance Review and Scrutiny Committee on a quarterly basis. The risk relating to the backlog of cases affecting the maintenance of Council Tax accounts was not documented in the service risk register.

No	Recommendation	Priority	Manager	Target Date
23	Service risk registers should be regularly updated and management should record the risks identified in the audit. Management Comment Risk registers are currently being realigned to services as a result of the Management review. This risk register will be updated once this exercise has been completed.	Medium	Revenues Services Manager	31/03/15