

RB27-2022 – Traveller Service – Site Allocation & Pitch Fee Collections

Audit Opinion	No Assurance
Prospects for Improvement	Uncertain

The last audit completed regarding the Gypsy and Traveller Service (GTS) was in 2014 and this identified several areas for improvement including inconsistent processing of pitch allocations and lack of central records being retained. In 2014, an audit opinion of Limited was assigned as significant issues were identified that could cause high risk to the Council.

The issues identified as a result of the current audit are identical to those that were highlighted 8 years ago.

Additionally, further significant issues have also been identified, such as the current GTS Policy being out of date, the new case management system not being used, and a high level of outstanding debts owed by pitch tenants with no debt recovery policy or procedure in place.

A case management system was implemented on 1st June 2021; however Internal Audit have identified that this does not hold up to date records and although there is some data on the system it is not possible to ascertain what or how much as the reporting functionality cannot currently be used.

There is also a historic undocumented agreement in place between KCC and water suppliers whereby KCC pays the water supply bills for the pitches managed and recover the debt from the tenants. This is administratively costly and has proved not to be effective as large amounts are owed to the Council by tenants for their water bills.

Furthermore, a project carried out by the GTS has identified that all tenants have been either over charged or undercharged for their water supply.

The weaknesses identified with the new case management system are perhaps more concerning, as GTS has invested in a system that is not being used effectively and has not been populated with the required data nearly a year after initial implementation.

Areas for Development

- The current GTS Policy is dated 2012 and is significantly out of date. The Policy was reviewed and updated in 2019, but the new version has not been agreed by the Environment & Transport Cabinet Committee and the service has been unable to move forward.
- The currently available process documents do not sufficiently outline the application, assessment and approval processes; including roles and responsibilities.
- The current pitch rental fees have not been formally agreed by the relevant Committee and fees have not been published in accordance with legislative guidance.
- The new case management system is not being used to its full potential.
- From the review of a sample of 12 applications across various sites, a high number of inconsistencies were identified in the records kept and the way applications have been assessed and scored.
- Staff have not received fraud awareness training or made any fraud referrals to the Counter Fraud Team.
- The current level of outstanding debt for pitch fees is £384,466 of which £323,031 (84%) is more than 60 days overdue. There is no debt recovery policy or procedure.
- The current agreement with water companies whereby KCC pays the water bills and recharges these costs to the pitch tenants is administratively costly and ineffective.
- There is currently £26,800 of funds that have been received from tenants and/or from other Local Authorities for those tenants in receipt of housing benefit but not allocated to the relevant invoice.

Prospects for Improvement

Our overall opinion of Uncertain for Prospects for Improvement is based on the following factors:

- Currently the post of Head of the GTS is vacant. Although action plans have been developed to address the issues raised in this report it is unclear whether they will be prioritised by the new post-holder or whether the timescales are realistic.
- It is unclear whether Case Management System that was purchased for the GTS is fit for purpose as a significant amount of work remains to implement it.

Internal Audit's overall Audit Opinion of No Assurance is based on the following Key Strengths and Areas for Development:

Key Strengths

- For a sample of tenants examined, Internal Audit established that accurate invoices had been raised for their pitch rental fees (this does not include water charges or the debt recovery of the invoices).

Summary of management responses

	Number of issues raised	Management Action Plan developed	Risk accepted and no action proposed
High Risk	8	8	0
Medium Risk	1	1	0
Low Risk	0	0	0