



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



## Officer Delegated Decision

14 October 2024

Richard Wyles, Deputy Chief Executive  
and Section 151 Officer

### Unit4 – Sundry Debtor Modules

To request authorisation to purchase additional Unit4 modules specifically for Sundry Debtor enhancements in order to provide an automated response to the November 2023 Sundry Debtor audit.

#### Contact

Claire Moses, Head of Service (Revenues, Benefits, Customer and Community)



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<b>Decision made by:</b>	Richard Wyles, Deputy Chief Executive and Section 151 Officer
<b>Decision:</b>	To purchase additional Unit4 modules specifically for Sundry Debtor enhancements
<b>Public or Exempt:</b>	Public
<b>Reasons for exemption:</b>	N/A
<b>Conflicts of interest:</b>	No
<b>Policy compliant:</b>	Yes
<b>Details of delegation:</b>	The Council's Procedure Spend Value allows for spend with a total value of up to £50,000 to be approved by the Director.

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance***

- 1.1 The budgets for the Unit 4 project are currently being reviewed and to future enhance the functionality and automation of the system it is recommended that additional modules are purchased prior to go live. These are set out at 2.7 and will be funded by the ICT reserve.

Completed by: Paul Sutton, Deputy s151 Officer

### ***Procurement***

- 1.2 Procurement spend value total is below £50k and quotation was sought under the auditor's recommendation and products need to be compatible with the current finance system. Therefore, recommend the award to Unit 4.

Completed by: Juan Lui

### ***Legal and Governance***

- 1.3 The enhancements are a requirement of the Sundry Debtor Audit undertaken by RSM in November 2023. Purchase of the modules will ensure compliance with the outcome of the audit.

Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer

## 2 The Purpose of the Report

- 2.1 In November 2023, RSM conducted a review of the debtors and debt recovery processes for the Council to provide assurance that the Council are invoicing for monies owed to them in a timely and accurate manner, and where these amounts are outstanding, these are being chased for payment. This is a key risk area for the Council as income received is used to support the public with services provided.
- 2.2 The Council had an audit conducted in 2022/23 for Accounts receivable which provided Low Assurance, as part of this review we reviewed all management actions listed as completed and reviewed the supporting evidence to determine if the status is being accurately reported.
- 2.3 The Revenues Team are responsible for the management and monitoring of debt. The Council use the finance system Efin, which has an in-built debt monitoring function which has different roles that provide different users different levels of access depending on their job role.

- 2.4 The Council are in the process of integrating a new finance system, Unit 4. As the new finance system has not been fully implemented yet we will be assessing the current controls in place within the Efin finance system, while remaining aware of the impending changes.
- 2.5 The audit concluded that there is an appropriate control framework in place (noting the current Efin system limitations) and the Council have been making good progress towards implementing the previously agreed management actions. However, the review identified areas where enhancements are required or controls are not being consistently adhered to in relation to new debtor creation and authorization, debt chasing, and access to the finance system.
- 2.6 The following actions are directly related to those controls identified:
- Management will ensure that for all new debtors, a new debtor form is completed and that the debtor details are correctly recorded on the Efin system
  - Management will ensure that for all invoices, approval is provided by the member of staff requesting the invoice via an ATR form
  - Management will ensure that all aged debts are chased in a timely manner

#### Unit4 Sundry Debtor Modules

- 2.7 The purchase of the following Unit4 modules are required to comply with the management actions as stated by RSM in their audit (paragraph 2.6).

Module ref	Module name	Total Cost	Details
48815	CCF-R2R and S2C-WS1-001- Report – age – debt by income Cost centre	£3,267.33	Ability to run aged debt report by cost centre
42894	S2C-WS1-080 – Debt Recovery – Amend Workflow process to meet SKDC process flow	£2,518.00	Ability to set workflow to current for reminders, final and move-on to next stage of recovery.
48801	S2C-WS2-004 – Sales order workflow – routing for AR Intervention.	£2,824.70	Ability to set workflow for sales orders.  This is the key outcome of the audit to remove the current manual process and ensure all service areas have their own responsibility for the stage of the orders, next steps etc.
48803	S2C-WS2-006 – PO Required for a set of Customers.	£1,770.67	To ensure Purchase Order number is reference on the sales order and it is linked to form in the PO system

42866	S2C-WS1-016 – Sales Invoice & Bar Code	£3,719.33	Sales Invoice needs to be rewritten. Invoice needs a unique bar code on the generated output to link up to all pay.
		<b>£14,100.03</b>	

### **3 Available Options Considered**

- 3.1 Option 1: Do noting – this would result in non-compliance with the November 2023 audit. Any actions which could be undertaken would be manual, creating additional workload for the Sundry Debtor Officer and Budget Holders.
- 3.2 Option 2: Purchase the modules as detailed in paragraph 2.7 to ensure future audit assurance and positive financial outcomes.

### **4 Preferred Option**

- 4.1 Option 2 is the preferred option for immediate purchase. The modules will be included as part of the testing and implementation of Unit4, with an effective date of 1 April 2025.

### **5 Reasons for the Decision (s)**

- 5.1 These are set out in the report.

### **6 Consultation**

- 6.1 There has been consultation with the Unit4 Project Team.

### **7 Appendices**

- 7.1 None.

Signed by: **Richard Wyles**

Dated: **15.10.24**