

**Report No.
CSD24069**

LONDON BOROUGH OF BROMLEY

PART 1 PUBLIC

Decision Maker: **AUDIT AND RISK MANAGEMENT COMMITTEE**

Date: 4th June 2024

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MATTERS ARISING.**

**Contact Officer: Stephen Wood, Democratic Services Officer
Tel: 020 8313 4316 E-mail: Stephen.Wood@bromley.gov.uk**

Chief Officer: **Tasnim Shawkat—Director of Corporate Services and Governance**

Ward: N/A

1. Reason for report

To update the Audit & Risk Management Committee on progress in dealing with matters that arose from previous meetings, and noting any matters that may still be outstanding.

2. **RECOMMENDATION(S)**

To note and comment on progress with matters arising from previous meetings.

To recommend any action as deemed appropriate with respect to matters that have not been resolved.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council—Managing Resources Well
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Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £402K
 5. Source of funding: Revenue budget
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Staff

1. Number of staff: 6 FTE
 2. If from existing staff resources, number of staff hours: Completion of “Matters Arising” reports for the Audit Sub Committee normally takes a few hours per meeting.
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Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable: This report does not require an Executive Decision
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of members of the Audit Sub-Committee so that Committee Members can monitor progress made on matters that are outstanding from previous meetings.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A
3. **COMMENTARY**

Attached is a schedule of matters outstanding from previous meetings of the Audit Sub Committee with a note of progress made. Most of these issues are taken up in more detail in the progress reports on the agenda (parts 1 and 2). Once an outstanding matter has been completed it will be removed from the schedule.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact officer)	Previous Minutes of the Audit & Risk Management Sub Committee. Previous Matters Arising Report.

Appendix 1

Issue & Date	Summary	Update and/or Action being taken.	Status
Min 36 28.05.24 Internal Audit Redacted Reports	<p>At the last Audit & Risk Management Committee it was agreed that the Head of Audit and Assurance would liaise with the Head of Shared Parking Services and provide an email response to Members' queries as to whether the cost of thefts from pay and display machines, and lost income from these broken machines, was born by the Council or the contractor.</p>	<p>On May 3rd, the following update was sent by email to Members:</p> <p>Since 1 April 2023, the only Pay and Display machines in the Borough are those in the Civic Centre Multi Storey car park.</p> <p>In the report to PDS in November 2019 (PROPOSAL TO REMOVE PAY AND DISPLAY MACHINES), it was stated that:</p> <p>4.2 The current parking contract has multiple Key Performance Indicators (KPIs) for machines breaking down. When all machines at a location are out of order, the machines have to be operational within 24 hours or a default of £150 per machine is triggered per 24 hours the machine is out of order.</p> <p>4.3 Whilst the KPIs are a safeguard to the Council, when all machines are out of order, the Council loses potential income from the lost parking sessions which in most cases will be more than the default that is applied. Due to parking sessions not being able to be purchased, no enforcement of the location can take place until the day after the machines have been fixed, and therefore the Council is also losing potential income from Penalty Charge Notices.</p> <p>All pay and display income was reconciled monthly and as per the contract; APCOA would pay the Council the income as per the audit report for each individual machine,</p> <p>therefore any money stolen from the machines was the responsibility of APCOA to replace and the Council did not financially lose any money that was physically stolen.</p> <p>As part of the contract monitoring, all KPIs are monitored on a monthly basis and where necessary, defaults are applied. Every month a report was</p>	Resolved

		<p>generated that listed every pay and display machine and any down time, a calculation would be made for every individual machine and an overall downtime of all machines across the Borough and the necessary default would be applied.</p> <p>However, as a direct result of the machine being broken into, the machine would be taken out of service, resulting in a loss of income from any more parking sessions that would have been purchased until the machine was in a working condition again.</p> <p>Removing the machines had a significant contract saving as there was no longer the need to pay for the maintenance, cash collections and officers to manage them, however an additional saving would have been the risk element that APCOA has calculated into their contract cost to cover the stolen money.</p> <p>All the above also provided a poor service to our customers and was another factor in removing the machines.</p> <p>Since 1 April 2023, the same report mentioned above to list downtime is run on a monthly basis just for the Civic Centre pay and display machines. These machines are still monitored by the monthly KPIs.</p> <p>In the last 6 months defaults of £250 have been applied for this car park. Fortunately, we have had no problems with these machines being broken into, however if this was to happen, APCOA would be responsible for paying back any lost income to the Council.</p>	
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