BROMSGROVE DISTRICT COUNCIL

Overview and Scrutiny Board

15th September 2026

Review of Direct Debit Collection Process

Relevant Portfolio Holder		Cllr Simon Nock
Portfolio Holder Consulted		Yes
Relevant Assistant Director		Debra Goodall Assistant Director Finance and Customer Services
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Wards Affected		All
Ward Councillor(s) consulted		No
Relevant Council Priority		
Non-Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

1. RECOMMENDATIONS

The board is asked to RESOLVE to NOTE

a) The findings of the investigation into the early collection of Direct Debit payments.
b) The actions to be taken to improve the collection process, as outlined in the investigation findings.

2. BACKGROUND

2.1 Following a request from the Chairman of the Overview and Scrutiny Board, this report explains the circumstances surrounding the collection of Direct Debits on 14th August 2026, rather than the relevant instalment date of 15th August 2026. The report outlines the findings in internal department investigations, and details planned actions to improve the Direct Debit Collection process.

2.2 The council collects Direct Debit payments from 35,532 council tax accounts, and 5,436 taxpayer accounts have collections that are due to be taken on the 15th day of the month. The administration of Direct Debit collections is undertaken by the Revenue Services section using the council's revenue service system, and BACS payment system.

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2.3 In August 2026, the instalment date of 15th fell on a Saturday, which is a BACS non-processing day, the collection date for file was amended incorrectly, resulting in payments being collected on Friday 14th August 2026.

2.4 An internal department investigation was undertaken using the Revenues Services *Learning from Errors and Failure Framework* (Appendix 1). The framework was developed by the Revenues Service to ensure a consistent approach to investigating errors and service failures. Its purpose is to identify the root causes of issues, support learning and ensure accountability is considered fairly.

2.5 The investigation found no evidence of deliberate wrongdoing, or a lack of competence, the officer intended to follow the documented procedures.

2.6 Several contributory factors were identified that contributed to the error:

- The Direct Debit procedure was set out in a narrative format and did not sufficiently highlight critical decision points within the process.
- A key control, namely the review of the AccessPay submissions summary report, was not operating effectively. As a result, the error was not identified on the day the payment file was input into AcccessPay, and prior to BACS processing, when corrective action could still have been taken.
- System validations that may have prevented the error are not currently available. The BACS payment files are created with the council's revenues software; these payment files are then loaded into the AccessPay system for BACS processing. AccessPay can be configured to validate the processing date, and service user number (SUN) where this information is included within payment files. Automated system validation can remove the need for manual amendments and reduce the risk of human error. Further investigation is required to determine the feasibility, cost and impact of implementing these validation controls.
- Temporary staffing pressures reduced resilience within the team and may have contributed to oversight of required checks.

2.7 The investigation concluded that the primary cause of the error was a weakness in process design and effectiveness of the controls. The failure was categorised as a process inadequacy with elements of process complexity and inattention.

2.8 Notwithstanding the seriousness of the error the impacts on those affected appear to have been minimal. Customer contact remained low, fewer than five complaints have been identified. One customer requested financial charges of less than £2.00, which the council will reimburse.

2.9 The investigation, completed in week ending 4th September 2026, has identified several immediate actions to be implemented to reinforce existing controls and raise staff awareness. The actions are scheduled to be completed in the week commencing 7th September 2026 and include:

- Briefing relevant officers on the outcome of the investigation.
- Re-emphasising the requirement to complete and evidence submission checks.
- Providing staff with a schedule on BACS non-processing days and the required adjustments to collection days.

2.10 In the longer term the service will undertake further work to:

- Review Revenues System and BACS payment system functionality. The direct debit collection process has remained static since the implementation of AUDDIS (automated direct debit instructions). System developments now enable DD collections to be managed automatically through AccessPay using Application Programming Interfaces (APIs). As a minimum, AccessPay can be configured to validate processing dates when payment files are uploaded. A review of the functionality will identify opportunities to strengthen the end-to-end DD collection process, increase automation, and introduce enhanced controls. Initial liaison with software suppliers will be completed by 31st December 2026 and opportunities for improvements to process identified.
- Improve procedural documentation and introduce formal document control arrangements. Existing procedures will be reviewed and updated to ensure they are subject to version control and set out in accessible formats. To be completed by 30th September 2026.
- Redesign the DD procedure. The procedure will be revised to clearly identify the critical processing steps, and mandatory checks, ensuring controls are consistently applied. To be completed by 31st October 2026

2.11 The investigation notes are attached as Appendix 2

2.12 The occurrence of this error presents the council with the opportunity to undertake a full review of the direct debit collection process, and to consider opportunities for improvements to the process and for process automation.

3. OPERATIONAL ISSUES

3.1 The investigation report highlights operational issues relating to:

- The reduced effectiveness of process controls which were caused by a *normalisation of deviance* where there has been a gradual departure from the agreed process and controls because previous occasions where controls were not applied did not result in any obvious errors.
- Temporary pressures relating to staff absences which placed remaining team members under an increased pressure to complete scheduled tasks.
- Weaknesses in the format and layout of procedures which did not clearly note critical steps in the process and distinguish the difference in the process to other similar payment tasks.

3.2 Actions to address weaknesses are highlighted at 2.9 and 2.10 and within the investigation notes.

4. FINANCIAL IMPLICATIONS

4.1 The direct financial impact was negligible. The principal financial risk was the potential for reimbursement of bank charges or other losses incurred by residents and the time costs required to investigate the incident.

5. LEGAL IMPLICATIONS

5.1 None

6. OTHER - IMPLICATIONS

Local Government Reorganisation

6.1 None

Climate Change Implications

6.2 None

Equalities and Diversity Implications

6.3 None

7. RISK MANAGEMENT

7.1 The incident highlighted risks relating to reputational harm and financial exposures. The investigation recommends immediate corrective action to the process controls and longer-term actions to review the collection process.

7.2 Implementation of the action plan will reduce the likelihood of a reoccurrence and strengthen the assurance over Direct Debit collection process.

8. APPENDICES and BACKGROUND PAPERS

Appendix 1: Learning from Errors and Failure Framework
Appendix 2: Direct Debit Collection Error Investigation Notes

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Simon Nock	04/09/2026
Lead Director / Assistant Director	James Walton Director of Finance and 151 Officer	04/09/2026
Financial Services	James Walton Director of Finance and 151 Officer	04/09/2026
Legal Services		