

Meeting	Policy & Finance Committee
Date	20 th July 2021
Report Title	Fraudulent Direct Debits
Agenda Reference	8D
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Officer's Recommendation

To note only.

Background

The Deputy Responsible Finance Officer discovered an unknown debit charge card during the end of month bank reconciliation. Enquiries were made of staff and the Editor to try to identify this transaction. No-one could through any light on this payment.

The Clerk, as an authorised signatory, contacted the bank in this connection several times but was unable to get through. Then, in May and June, further unknown direct debits were taken from Council's account – all small values and stating 'first payment direct debit'.

Eventually after several hours of waiting the items were queried on the 17th June 2021 and the transactions have been marked as fraudulent. The Fraud Department will investigate these further and process a refund in due course.

Total value under £150.00 up to 15th June 2021. These expenditures have been coded temporarily to Sundries (101 / 4999).

There have been no further instances of fraud since this date.

Remedial Action

HSBC has accepted that they should not have set up the direct debits without having received confirmation in writing from the Parish Council. It was acknowledged by them that the Council has the required due diligence in place. To mitigate against further fraud the bank will now require an approval phone call with an authorised bank user before a future direct debit is set up,