

## AUDIT & GOVERNANCE COMMITTEE

9th February 2017

### REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

#### FRAUD AND CORRUPTION UPDATE REPORT

##### EXEMPT INFORMATION

None

##### PURPOSE

To provide Members with an update of Counter Fraud work completed during the financial year 2016/17.

##### RECOMMENDATIONS

That the Committee:

- 1 Considers this report and raises any issue it deems appropriate;**
- 2 Endorses the Fraud & Corruption Risk Register Summary.(Appendix 1); and**
- 3 Endorses the Fraud Response Plan 2016/17 (Appendix 2).**

##### EXECUTIVE SUMMARY

The abolition of the National Fraud Authority in 2014 and the closure of the Audit Commission in 2015 saw professional counter fraud bodies, institutes and other concerned stakeholders from across the public and private sector including the former Counter Fraud Team of the Audit Commission come together to form 'The European Institute for Combating Corruption And Fraud' (TEICCAF). TEICCAF have carried on from the Audit Commission in the Protecting the Public Purse annual publications. The assessment against the checklist from the Protecting the English Public Purse 2015, was endorsed by this Committee on the 29<sup>th</sup> October 2015. In addition to this, CIPFA launched a Counter Fraud Centre and have recently increased their guidance material including checklists which they recommend that Authorities should measure against. The assessment against these guidance documents was endorsed by this Committee in July 2016.

In line with good practice, a Fraud Risk Register is maintained and reviewed on a quarterly basis. The latest Fraud Risk Register Summary is attached as **Appendix 1**.

A new data matching exercise through the National Fraud Initiative (NFI) is currently being completed. Data has been submitted for matching and the results will be available for investigation in February 2017.

Work continues in the counter fraud area to investigate potential frauds and the prevention of fraud. A fraud response plan is attached at **Appendix 2** which details the work plan for the financial year.

## **RESOURCES IMPLICATIONS**

None

## **LEGAL/RISK IMPLICATIONS BACKGROUND**

There is a risk that the Authority will not have sound governance processes in place.

## **SUSTAINABILITY IMPLICATIONS**

None

## **BACKGROUND INFORMATION**

None

## **REPORT AUTHOR**

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## **LIST OF BACKGROUND PAPERS**

None

## **APPENDICES**

<b>Appendix 1</b>	<b>Fraud &amp; Corruption Risk Register Summary</b>
<b>Appendix 2</b>	<b>Fraud Response Plan 2016/17</b>