

THURSDAY, 26 OCTOBER 2017

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

COUNTER FRAUD UPDATE

EXEMPT INFORMATION

None

PURPOSE

To provide Members with an update of Counter Fraud work completed during the financial year 2017/18 to date.

RECOMMENDATIONS

That the Committee:

- 1 Considers this report and raises any issue it deems appropriate.**
- 2 Endorses the Fraud & Corruption Policy Statement, Strategy & Guidance Notes. (Appendix 1).**
- 3 Endorses the Whistleblowing Policy (Appendix 2).**
- 4 Endorses the Fraud Risk Register Summary (Appendix 3)**

EXECUTIVE SUMMARY

The Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes has been reviewed and updated in line with best practice and is attached as **Appendix 1**. There have been no significant changes to the Policy. Within the Strategy, there is the Counter Fraud Work Plan which has been updated for the 2017/18 financial year.

In addition, and in line with best practice, the Whistleblowing Policy has been reviewed and updated and is attached as **Appendix 2**. The review has not identified any significant changes.

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 3**.

Work has progressed on the data matches identified through the National Fraud Initiative (NFI) in the 2016/17 run which was released in February 2016. In total, 1562 matches were identified with 444 of these being recommended for investigation. So far, 1102 of the matches have been processed and cleared and 7 errors have been identified with a total error cost of £4,337 which is being recovered.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

None

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

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LIST OF BACKGROUND PAPERS

APPENDICES

Appendix 1 Fraud & Corruption Policy Statement, Strategy & Guidance Notes

Appendix 2 Whistleblowing Policy

Appendix 3 Fraud Risk Register Summary