

Wednesday, 15 November 2023

Report of the Audit Manager

Counter Fraud Update

Exempt Information

None.

Purpose

To provide Members with:

- An update of counter fraud work completed this financial year, including an updated fraud action and fraud risk register;
- A refreshed and updated Counter Fraud & Corruption Strategy;
- A refreshed and updated Whistleblowing Policy; and
- A refreshed and updated Anti Money Laundering Policy.

Recommendations

It is recommended that the committee:

1. Endorses this update report including the updated fraud action plan at **Appendix 1** and the fraud risk register at **Appendix 2**.
2. Endorse the refreshed Counter Fraud & Corruption Policy Strategy at **Appendix 3**.
3. Endorse the refreshed Whistleblowing Policy at **Appendix 4**.
4. Endorse the refreshed Anti Money Laundering Policy at **Appendix 5**.
5. Provide delegation to the Audit Manager to make minor changes to the above policies in respect of minor job title changes.

Executive Summary

Counter Fraud Update

Counter fraud work this year financial year, April to September 2023 has included counter fraud checks involving work on the National Fraud Initiative (NFI), the Cabinet Office's national data matching service. During 2022/23 there was an exercise on; Council Tax Single Person Discount, Council tax Reduction, Electoral Register, Payroll Data, Housing Tenant's Data, Trade Creditors and Taxi Driver Licencing. These were submitted within the required timeframes and refreshes of data on; Council Tax Single Person Discount and Electoral Register will be uploaded between the end of November 2023 and January 2024. Data matches from the NFI exercise are reviewed by the Counter Fraud Officer and discrepancies investigated.

Routine counter fraud work including NNDR, Council Tax reduction, Single Persons Discount, illegal sub-letting and non-residence of council housing has continued. This has included where appropriate 'home visits' and further investigations.

	Number of cases investigated	Number of cases proven	Value
Council Tax reduction	7	4	£9,864.32
Revenues – Single Person Discount (SPD)	3	0	0
Housing - sublet	7	0	0
Housing – non residence	2	0	0
NFI SPD check – NFI Dataset	186*	18	£9,292.68
NFI – Other dataset	48*	0	0
Total		8	£19,157.00
Notes * relate to reviewed and closed dataset matches			

In addition to the above, proactive checks have been undertaken on 39 housing related applications (33 Right to Buy, 3 waiting list, 1 false application and 2 credit checks) at application stage.

As the Committee is aware, in line with good practice, a fraud response plan and fraud risk register is maintained and reviewed on a regular basis. The latest Fraud Action Plan is detailed at **Appendix 1** and the Fraud Risk Register at **Appendix 2**.

Counter Fraud & Corruption Policy Strategy, Whistleblowing Policy and Anti Money Laundering Policy

All policies are contained within **Appendices 3, 4 and 5** to this report. Minor changes only are highlighted in these policies for the current financial year 2023/24. As only minor changes are required to these policies (job title, Leader signature), committee is requested to give the Audit Manager delegated authority to update these policies annually and only bring procedural and policy/strategy changes to committee for approval.

Options Considered

None.

Resource Implications

None.

Legal/Risk Implications Background

Without sufficient counter fraud arrangements in place, the risk of fraud/corruption is increased. This can lead to a loss of Council assets/resources/fines and associated reputational damage.

Equalities Implications

None.

Environment and Sustainability Implications (including climate change)

None.

Background Information

None.

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List of Background Papers

Appendices

- Appendix 1** Fraud Action Plan 2023/24
- Appendix 2** Fraud Risk Register
- Appendix 3** Counter Fraud & Corruption Strategy
- Appendix 4** Whistleblowing Policy
- Appendix 5** Anti Money Laundering Policy

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