

31ST OCTOBER 2013

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 to date during the financial year 2013/14.

RECOMMENDATIONS

That the Committee endorses:

- 1. The updated Counter Fraud Work Plan (Appendix 1)**
- 2. The Fraud Risk Register (Appendix 2)**
- 3. The Counter Fraud & Corruption Policy Statement, Strategy Guidance Notes (Appendix 3)**
- 4. The Whistleblowing Policy (Appendix 4)**

EXECUTIVE SUMMARY

At its meeting of the 31st May 2012, this Committee endorsed the Counter Fraud and Corruption Policy Statement, Strategy and Guidance Notes which included a specific Internal Audit Counter Fraud Work Plan. As part of the strategy, progress against the plan is to be reported to this committee on a regular basis. The work plan has been updated to reflect the actions proposed for 2013/14 financial year (**Appendix 1**).

The Fraud Risk Register is reviewed quarterly and the latest version is attached as **Appendix 2**. There are no significant fraud risks to the Authority.

Work is progressing with data matches identified through the National Fraud Initiative (NFI) in the data matching exercise completed recently.

In line with good practice, the relevant counter fraud policies have been reviewed. The Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes is attached at **Appendix 3** and the Whistleblowing Policy is attached at **Appendix 4**. The main changes to the policies take into account the changes required under the Enterprise & Regulatory Reform Act 2013 which states that any disclosure made using the Whistleblowing Policy, within reasonable belief of the worker making the disclosure will only be protected if it is made in the public interest.

As the policies affect employees, they need to be consulted on with the Unions and be approved by the Appointments and Staffing Committee. Consultation is currently underway with the Trade Union Liaison Group and the policies will be reported to the next Appointments & Staffing Committee. If any changes to the policies are required, they will be reported back to this Committee before being presented to full Council.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

None

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 – Audit Counter Fraud Work Plan

Appendix 2 – Fraud Risk Register

Appendix 3 – Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes

Appendix 4 – Whistleblowing Policy