

Regulatory and Other Committee

Open Report on behalf of Pete Moore, Executive Director of Finance and Public Protection

Report to:	Audit Committee
Date:	22 June 2015
Subject:	Counter Fraud Annual Report 2014/2015

Summary:

This report provides information on the overall effectiveness of the Authority's arrangements to counter fraud and corruption and reviews the delivery of the 2014/15 counter fraud work plan.

Recommendation(s):

To consider the overall effectiveness of the Council's arrangements to counter fraud and corruption and the progress made to implement policy.

Background

The Counter Fraud Annual Report provides an overview of the fraud proactive and investigation work completed over the year. This summary provides information to enable the Committee to review the outcomes and overall effectiveness of the Council's arrangements. The progress reports submitted throughout the year and this annual report are the key sources of assurance on the adequacy of Council's counter fraud activities.

Conclusion

The Council's counter fraud commitment and arrangements remain strong – in recent years we have achieved excellent results in terms of recovering fraud losses and whilst we haven't had the same levels of recovery in 2014/15, we have been able to realise other outcomes from our investigations and apply appropriate and robust sanctions in line with our Counter Fraud Policy. These include successful prosecutions, dismissal and/or resignations. We have recovered £25.5k in year and expect a further £28.8k shortly.

During 2014/15, the Council has increased the emphasis on its fraud awareness activities to ensure it maintains a strong counter fraud response. Our promotion campaign has been aimed at developing general awareness and knowledge of fraud but it has also been targeted at specific areas of high fraud risk – for example social care, procurement and contract fraud.

The newly formed CIPFA Counter Fraud Centre recently developed and produced a Code of Practice on Managing the Risk of Fraud and Corruption. There are 5 key principles within the code and these build upon the main themes previously identified within the Local Government Fraud Strategy (Fighting Fraud Locally):

- Acknowledge responsibility of the governing body for countering fraud and corruption
- Identify the fraud and corruption risks
- Develop an appropriate counter fraud and corruption strategy
- Provide resources to implement the strategy
- Take action in response to fraud and corruption

The Counter Fraud and Investigation Team can assist the audit committee through a regular programme of self-assessment to ensure that the Council's counter fraud arrangements continue to conform with the principles contained within the code. CIPFA are due to produce an assessment tool to support this process.

Consultation

a) Policy Proofing Actions Required

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Counter Fraud Annual Report

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge, who can be contacted on 01522-553692 or lucy.pledge@lincolnshire.gov.uk.