

Regulatory and Other Committee

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

Report to:	Audit Committee
Date:	30 March 2015
Subject:	Counter Fraud and Investigations Work Plan 2015/16

Summary:

The Council's counter fraud arrangements demonstrate its continued commitment to strong governance and best use of resources. Our response to Central Government's expectations for tackling fraud and corruption is reflected in the draft 2015/16 Counter Fraud Plan. It is important we maintain our counter fraud response and resilience as the changes to Council service delivery continue to evolve.

Recommendation(s):

To review and approve the Counter Fraud Work Plan for 2015/16.

Background

- 1 In response to central government's expectations for tackling fraud and corruption, we aim to continue to focus on our prevention, detection and investigation work.
- 2 During 2014 CIPFA has issued a Counter Fraud Code of Practice which sets out the good practice on managing the risk of fraud and corruption. The key principles of the code covers:
 - Acknowledging responsibility
 - Identify risks
 - Develop a strategy
 - Provide resources
 - Take action
- 3 During the year we will review the Council's Counter Fraud policy and arrangements to ensure that we comply with the code of practice.

- 4 Our whistleblowing and counter fraud awareness activity will continue throughout 2015/16 and we plan for more engagement with managers, members and staff.
- 5 We will continue to use our data analytics expertise to enhance our analysis and fraud & error testing across key financial systems, as well as carrying out discrete pieces of work in areas carrying a higher fraud risk. We will update the Council's fraud risk assessment.
- 6 Our pro-active work will also cover analysing and investigating the results of the National Fraud Initiative and we will review the Council's exposure to any areas of emerging fraud risk that may be highlighted nationally.
- 7 Action plans resulting from our proactive and investigation work will focus on recovery action (where loss through fraud & error is identified) and recommendations to improve systems, process or policy to prevent reoccurrence.
- 8 The conflict between our planned proactive work and the investigation demand will remain – we do our best to balance this within our Work Plan and manage it throughout the year.
- 9 The Council is the Accountable Body for the Lincolnshire Counter Fraud Partnership. We were allocated £200,000 from central government to assist and improve how Lincolnshire local authorities work together to tackle high risk areas of corporate fraud. The last few months has focussed on setting up the project management arrangements and recruiting resources to support delivery of the work plan. Most of the planned work is scheduled for 2015/16 - with progress and delivery being monitored by the Chief Finance Officer Group.

Conclusion

10. Resilience to fraud is essential when public funds are under so much pressure.
11. The Council's Counter Fraud Work Plan for 2015/16 provides a robust response to Central Government's expectations for tackling fraud and corruption. This demonstrates the Council's continued commitment to ensuring good governance during a period of significant change to service delivery.
12. The Audit Committee plays a key role in monitoring the effectiveness of Council policies on confidential reporting code, anti-fraud and anti-corruption policy and the Council's complaints process. In considering the proposed Counter Fraud work plan the Committee should be able to:
 - Gain assurance that the Council has effective arrangements in place to fight fraud locally

- Confirm that counter fraud resources are targeted to the Council's key fraud risks.

Consultation

a) Policy Proofing Actions Required

n/a

Appendices

These are listed below and attached at the back of the report	
Appendix A	Draft Counter Fraud Work Plan 2015/16

Background Papers

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

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