

Counter Fraud update report

Date: 26th November 2021

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

This report includes information on the counter fraud activities undertaken by the Internal Audit service between the period April 2021 and September 2021.

Recommendations

Members are requested to

- Consider and note the assurances set out in this report.
- Endorse the Counter Fraud and Corruption Strategy and Response Plan and note that the Policy Statement on Fraud and Corruption will be discontinued.
- Endorse the Whistleblowing Policy and note that the Raising Concerns Policy will be discontinued.
- Endorse the role of a Counter Fraud and Corruption Champion and that the whips appoint to the role.

Why is the proposal being put forward?

- 1 This is a bi-annual update report providing assurance as to the control environment in respect of counter fraud and corruption activity. The Whistleblowing Policy has been reviewed against best practice and legislation and has been updated. The Counter Fraud and Corruption Strategy and Response Plan has been developed following a self assessment of our arrangements against the CIPFA Counter Fraud Assessment Tool. We would like to strengthen our counter fraud arrangements by having a Counter Fraud and Corruption Champion.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 2 The assurance set out in this report will inform the annual audit opinion given by the Head of Internal Audit, and provide evidence of the ongoing review of the Council's arrangements for internal control supporting the Council's Annual Governance Statement. The Whistleblowing Policy and the Counter Fraud and Corruption Strategy and Response Plan are part of the comprehensive policies and procedures forming the Council's counter fraud arrangements.

What consultation and engagement has taken place?

- 3 The suite of work undertaken within counter fraud forms part of the consultation which takes place in developing the risk based Internal Audit plan.
- 4 The Whistleblowing Policy and the Counter Fraud and Corruption Strategy and Response Plan have been discussed with members during a Counter Fraud and Corruption Workshop. They have also been discussed with Trade Unions.

What are the resource implications?

- 5 The work undertaken to satisfy the counter fraud and corruption requirements of the internal audit plan do so from within existing resources.
- 6 The two update reports to be received by committee each year provides assurance that effective arrangements are in place to combat the risk of fraud and corruption within the council.

What are the legal implications?

- 7 The Local Government Act 1972 (s. 151) requires local authorities to make arrangements for the proper administration of their financial affairs.

What are the key risks and how are they being managed?

- 8 The report at Appendix 1 references the work being undertaken to mitigate the fraud and corruption risks to the authority.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 9 Arrangements in respect of counter fraud and corruption support the ongoing delivery of the council's key objectives.

Options, timescales and measuring success

What other options were considered?

- 10 Details of the consideration and development of the Council's arrangements are included in the attached appendix.

How will success be measured?

- 11 A successful counter fraud and corruption environment will protect the Council's resources, underpin the successful delivery of the Council's strategic objectives, and contribute to the value for money conclusion of the Council's external auditor when reviewing the statutory statement of accounts.

What is the timetable for implementation?

12 Work is ongoing as set out in the appendix attached.

Appendices

13 Appendix 1 Counter Fraud update report.

14 Appendix 2 Counter Fraud and Corruption Strategy and Response Plan.

15 Appendix 3 Whistleblowing Policy.

Background papers

16 None.