



**TO: Audit & Governance Committee**

**FROM: Head of Audit & Assurance**

**DATE: 29 July 2020**

**PORTFOLIOS AFFECTED: All**

**WARDS AFFECTED: All**

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**TITLE OF REPORT Counter Fraud Annual Report 2019/20**

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**1. PURPOSE**

- 1.1 To inform the Audit & Governance Committee of the results of the counter fraud activity that has been carried out during the year ended 31 March 2020 to minimise the risk of fraud, bribery and corruption occurring in the Council, and the outcome of investigations carried out into potential or suspected fraud or irregularities.

**2. RECOMMENDATIONS**

- 2.1 The Committee is asked:
- to consider the Counter Fraud Annual Report (as set out in Appendix A) as part of its monitoring role.

**3. BACKGROUND**

- 3.1 The Council is committed to the principles of good governance and recognises the importance of operating in an open and accountable manner, whilst demonstrating high standards of conduct. The Council expects all its stakeholders (including its councillors, employees, partners and contractors) to act honestly, with integrity and to safeguard the public purse. The Council does not accept any fraud or corruption and any identified case will be thoroughly investigated and appropriately dealt with.
- 3.2 The Audit & Governance Committee has a role in helping the Council to implement the values of good governance, including effective arrangements for countering fraud and corruption risks. To achieve this the Committee's terms of reference include responsibility to ensure that the Council maintains a robust counter fraud culture via the implementation of the Counter Fraud Strategy. The Strategy is backed up by effective controls and procedures, which define the respective roles of management and Audit & Assurance.
- 3.3 The Council's Counter Fraud Strategy was reviewed and updated in 2016 to ensure that it provided an effective structure and approach to ensure that the

counter fraud arrangements in place within the Council reflected latest guidance and best practise and are embedded into the everyday processes of financial management activity and decision making within the Council.

- 3.4 The Strategy includes a requirement that an annual fraud report is prepared that includes and evaluation of the success of the strategy in achieving its objectives.

#### **4. RATIONALE**

- 4.1 The Annual Counter Fraud Report provides the Committee with assurance on the effectiveness of the counter fraud arrangements in place within the Council in its roles of reviewing the assessment of fraud risks and potential harm to the Council from fraud and corruption and ensuring the Council maintains a robust counter fraud culture via the implementation of the Counter Fraud Strategy.

#### **5. KEY ISSUES**

- 5.1 It is one of the requirements of the Accounts and Audit (England) Regulations 2015 that the Council must have measures in place 'to enable the prevention and detection of inaccuracies and fraud'.
- 5.2 The attached report (see Appendix A) provides a summary of the work undertaken during the year which supports the overall conclusion on the measures in place relating to this area.

#### **6. POLICY IMPLICATIONS**

- 6.1 This report is part of the requirements of the Counter Fraud Strategy. These requirements are periodically reviewed and updated to reflect the changes that have taken place in respect of the counter fraud arrangements within the Council.
- 6.2 It is also contributor to the Annual Governance Statement, which assesses the effectiveness of the Council's own management of its policy objectives.

#### **7. FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications arising as a result of this report.

#### **8. LEGAL IMPLICATIONS**

- 8.1 There are no direct legal implications from this report.

#### **9. RESOURCE IMPLICATIONS**

- 9.1 There are no resource implications arising as a result of this report.

#### **10. EQUALITY IMPLICATIONS & HEALTH IMPLICATIONS**

- 10.1 There are no equality or health implications arising as a result of this report.

## **11. CONSULTATIONS**

11.1 This report has been discussed with the Council's Primary Assurance Group.

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Date: 17 July 2020  
Background Papers: Counter Fraud Strategy 2016/20