

<b>AUDIT COMMITTEE</b>	<b>AGENDA ITEM No. 8</b>
<b>26 JUNE 2017</b>	<b>PUBLIC REPORT</b>

Report of:	John Harrison, Corporate Director: Resources	
Cabinet Member responsible:	Councillor Seaton, Cabinet Member for Resources	
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor	Tel. 384 557

## **FRAUD AND INVESTIGATIONS ANNUAL REPORT 2016 / 2017**

<b>RECOMMENDATIONS</b>	
<b>FROM : Corporate Director: Resources</b>	<b>Deadline date : N/A</b>
The Audit Committee is asked to:	
1. Receive, consider and endorse the attached annual report on the investigation of fraud during 2016 / 2017.	

### **1. ORIGIN OF REPORT**

- 1.1 This report is submitted to Audit Committee as a scheduled report on fraud and irregularity in accordance with the established Work Programme.

### **2. PURPOSE AND REASON FOR REPORT**

- 2.1 The Terms of Reference for the Audit Committee (agreed at Full Council) set out the key roles of the Committee including the following "2.2.1.13: *To monitor council policies on "raising concern at work" and the anti-fraud and anti-corruption strategy and the Council's complaints process*".

### **3. TIMESCALE.**

Is this a Major Policy Item / Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	–
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### **4. BACKGROUND**

- 4.1 The public is entitled to expect the Council to conduct its affairs with integrity, honesty and openness and demand the highest standards of conduct from those working for it. In addressing this expectation, the Council has shown its commitment with a dedicated Investigations team which is tasked with reviewing and investigating all allegations of fraud and impropriety, breaches in codes of conduct and high level complaints.
- 4.2 The attached report demonstrates the success of the team and provides an insight into how this service will continue to operate.

## **5. CONSULTATION**

- 5.1 This report has been issued to the Director of Governance and Service Director Financial Services for consideration.

## **6. ANTICIPATED OUTCOMES**

- 6.1 That the Audit Committee is informed of the proactive measures taken across the organisation to tackle and prevent fraudulent activity. Furthermore, this will assist in the development of future policies and procedures and allow the Committee to support this important function.

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 To enable the Audit Committee to continue to monitor the Council's approach to the areas dealt with by the team.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 The option is not to present a report into fraud and the activities undertaken. This could result in a lack of awareness.

## **9. IMPLICATIONS**

- 9.1 The Council will become more fraud aware and will continue to consider the risks and consequences. Fraud is unacceptable and requires a well thought through approach. The presumption must be about preventing fraud by designing systems to stop it happening in the first place but where it occurs, there should be an equal presumption that its perpetrators will face tough action. This can only serve to increase the standards of conduct across the Council.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- None

## **11. APPENDICES**

Appendix A: Annual Fraud report 2016 / 2017