

AUDIT COMMITTEE	AGENDA ITEM No. 12
22 JULY 2024	PUBLIC REPORT

Report of:	Cecilie Booth, Executive Director of Corporate Services and Section 151 Officer
Cabinet Member responsible:	Councillor Amjad Iqbal, Deputy Leader and Cabinet Member for Finance and Corporate Governance
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor

ANNUAL REPORT: FRAUD AND INVESTIGATIONS 2023 / 2024

R E C O M M E N D A T I O N S	
FROM: Executive Director of Corporate Services and Section 151 Officer	Deadline date: –
It is recommended that the Audit Committee:	
1. Receives, considers and endorses the attached annual report on the investigation of fraud within the Investigations Team during 2023 / 2024.	

1. ORIGIN OF REPORT

1.1 This report is submitted to Audit Committee following referral from the Executive Director of Corporate Services and s151 Officer as part of the Audit Committee annual work programme.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to present the work carried out during the past year to minimise the risk of fraud, bribery and corruption occurring in the Council.

2.2 This report is for the Audit Committee to consider under its Terms of Reference:

- 3.32: To review the assessment of fraud risk and potential harm to the Council from fraud and corruption.
- 4.3: To monitor council policies on “raising concern at work” and the anti-fraud and anti-corruption strategy and the Councils complaints process and review the assessment of fraud risk and potential harm from fraud and corruption.

3. TIMESCALE

Is this a Major Policy Item / Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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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 an Investigations team which is tasked with reviewing and investigating allegations of fraud and impropriety, breaches in codes of conduct and high level corporate complaints.
- 4.2 The Audit Committee in March 2022 received an update on the strategic approach adopted by the Council in relation to tackling fraud, together with a review of a number of the policies. The policies adopted have been regularly refreshed.
- 4.3 Throughout the year, works have been undertaken to tackle frauds on Peterborough City Council. These have covered such areas as:
- National Fraud Initiative;
 - Council Tax single person discounts;
 - Council Tax support;
 - Joint working with Department for Works and Pensions;
 - Blue badge misuse;
 - Staffing related issues
- 4.4 Many activities have been undertaken during the year to tackle frauds on Peterborough City Council. **Appendix A** provides an overview of the work undertaken during the year and provides an insight into how the Council will continue to operate, including the latest developments in relation to the National Fraud Initiative.
- 4.5 Further appendices are included which provide an assessment as to the potential types of fraud experienced (**Appendix B**) within a local authority and the controls and responses in place to reduce them together with an assessment of the counter fraud arrangements (**Appendix C**).
- 4.6 As part of activities proposed for the 2024/2025, the overarching Counter Fraud Framework and Strategy will be reviewed / refreshed in line with best practice and this will be submitted to Audit Committee later in the year.

5. CORPORATE PRIORITIES

Protection of the public purse is key to ensuring that the Council is able to deliver on its corporate priorities.

6. CONSULTATION

This report has been issued to the Director of Resources and Section 151 Officer for consideration.

7. ANTICIPATED OUTCOMES OR IMPACT

That the Audit Committee is informed of the 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.

8. REASONS FOR RECOMMENDATIONS

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

9 ALTERNATIVE OPTIONS CONSIDERED

The option is not to present a report into fraud activities. This is not seen as best practice and does not demonstrate to the public that the Council has a zero tolerance in relation to fraud.

10. IMPLICATIONS

Financial

- 10.1 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.

BACKGROUND DOCUMENTS

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

- 11.1 None.

APPENDICES

- 12.1 Appendix A: Annual Fraud Report 2023 / 2024
Appendix B: Fraud Risk Assessment
Appendix C: Counter Fraud Assessment

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