

Audit and Governance Committee

26 April 2010

Report of the Assistant Director of Customer & Business Support Services
(Customer Service & Governance0)

Protecting the Public Purse – Self Assessment Checklist

Summary

- 1 The purpose of this report is to provide members with the results of a self assessment of the council's counter fraud arrangements following the publication of the Audit Commission's national report '*Protecting the Public Purse – local government fighting fraud*' in September 2009.

Background

- 2 The Audit Commission's report '*Protecting the Public Purse*' considered the key fraud risks and pressures facing councils. The report acknowledged that local councils have, since the 1990s, put in place a range of strategies to minimise the risk of fraud, including:
 - (a) developing a zero tolerance approach towards fraud
 - (b) adopting good practice in managing the risk of fraud, and
 - (c) creating strong counter-fraud cultures and implementing counter fraud policies and procedures.
- 3 The report describes in detail some of the current and emerging fraud risks that councils face, such as benefit fraud and housing tenancy fraud. The report also outlines the actions that all organisations should take to minimise the risk of fraud and improve detection. Specific recommendations include councils reviewing their involvement in counter-fraud partnerships; improving staff awareness of money laundering regulations and setting clear targets and expected outcomes for the work of counter-fraud teams. The report also included a checklist to help those responsible for governance in each council assess their organisation's counter fraud arrangements against the good practice highlighted by the Audit Commission.
- 4 Details of the report were presented to this committee in February. Members requested that the self assessment checklist should be completed and the resulted reported back to this meeting.

Counter Fraud Checklist

- 5 Annex 1 shows the results of the completed self assessment. The council's overall arrangements are judged to comply with best practice guidance in most areas. However, a few areas require further action to improve the existing control framework so as to ensure that potential fraud risks are minimised.

Consultation

- 6 Not relevant for the purpose of the report.

Options

- 7 Not relevant for the purpose of the report.

Analysis

- 8 Not relevant for the purpose of the report.

Corporate Priorities

- 9 This report contributes to the council's overall aims and priorities by helping to ensure probity, integrity and honesty in everything it does. In doing so it also contributes to the Effective Organisation corporate objective.

Implications

- 10 There are no implications to this report in relation to:

- **Finance**
- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**

Risk Management Assessment

- 11 The council will fail to comply with best practice guidance in respect of its counter fraud arrangements and hence its Use of Resources score in the CAA assessments could be adversely affected.

Recommendation

- 12 Members are asked to note the results of the completed self assessment and the actions being taken to further improve the council's counter fraud arrangements.

Reason

To ensure that the council maintains effective counter fraud arrangements and complies with relevant best practice to minimise risk.

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Report Approved



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Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All



For further information please contact the author of the report

Background Papers

Annexes

Annex 1 – Audit Commission counter fraud checklist for those responsible for governance