

# Audit Committee

26<sup>th</sup> November 2018



**Report of:** Interim Chief Internal Auditor

**Title:** Internal Audit Half Year Investigation and Counter Fraud Update Report

**Ward:** N/A

**Officer Presenting Report:** Jonathan Idle – Interim Chief Internal Auditor

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## Recommendation

The Audit Committee note the Internal Audit Counter Fraud Update report for the period of 1<sup>st</sup> April to 31<sup>st</sup> October 2018.

## Summary

This Report provides the Committee with summary of the work undertaken by the Internal Audit – Counter Fraud team and the savings generated from counter fraud work.

## Significant Matters Arising:

Key messages arising from this report at Appendix A;

- The Internal Audit Counter Fraud team continues to identify potential savings which covers its costs.
- Delivery of the counter fraud team plan is on target.
- The team continue to investigate a variety of fraud types as well as undertaking proactive work to detect fraud.



**1. Policy**

Audit Committee Terms of Reference

**2. Consultation**

Internal – Corporate Leadership Board including S151 Officer, Cabinet Member for Governance, Resources and Finance.

External – N/A

**3. Context**

3.1 This is the half yearly update report outlining the Counter fraud work that has taken place in Bristol City Council. The report is provided to:

- Give an overview of the work of the Internal Audit – Counter Fraud and Investigations team and other anti-fraud work which has taken place within the Council;
- Present details of the savings identified through counter fraud work.
- Spotlight the volume and variety of investigation work that the Counter Fraud team undertakes and the competing priorities.

The full report can be found at Appendix A

3.2 Key points arising from the Fraud Update Report:

- The Internal Audit Fraud and Investigations team continues to pay for itself with cashable savings of £469K, notional savings of £1.5m and a weekly cost avoidance of £4k (as a result of cancellation of a benefit or other payment) to date in 2018/19.
- The team has a high volume of work with several on-going investigations of fraud or irregularity which compete for priority with fraud prevention and other proactive fraud work which generates savings.

**4. Proposal**

4.1 The Audit Committee considers the work of the Internal Audit – Counter Fraud and Investigations team during the period of 1<sup>st</sup> April to 31<sup>st</sup> October 2018, and the results there of.

5. **Other Options Considered – N/A**

**6. Risk Assessment**

The work of Internal Audit Counter Fraud team reduces fraud losses and increases the potential for prevention and detection of such issues.

## Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
  - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
    - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
    - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
    - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
  - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
    - tackle prejudice; and
    - promote understanding.
- 8b) No Equality Impact anticipated from this report.

## Legal and Resource Implications

Legal – N/A  
Financial – N/A  
Land – N/A  
Personnel – N/A

### Appendices:

**Appendix A – Internal Audit – Counter Fraud Update Report for period of 1<sup>st</sup> April to 31<sup>st</sup> October 2018**

### LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

#### Background Papers:

None.