

Audit Committee

21st November 2022



Report of: Chief Internal Auditor

Title: Counter Fraud Update

Ward: Citywide

Officer Presenting Report: Simba Muzarurwi – Chief Internal Auditor

Recommendation

The Audit Committee note the Counter Fraud Update report for the period of 1st April to October 2022 and approve the revised Fraud Policy and Strategy.

Summary

This Report provides the Committee with summary of the work undertaken by the Internal Audit – Counter Fraud team during April 2022 to October 2022.

Significant Matters Arising:

The key messages arising from this report are;

- Counter-fraud work in key fraud risk areas continues to contribute significant benefits across the Council in the fight against fraud. The report details these benefits and advises how key fraud risks to the council are being tackled.
- The National Fraud Initiative (NFI) fraud hub has now been implemented enhancing the Council's arrangements for detecting and investigating fraud.
- Whistleblowing referrals have increased from previous levels which might indicate increased confidence by staff in using the procedure.
- High level details of outcomes from all completed investigation during the period under review are included in the report.
- The Fraud Policy and Strategy document has been revised to include fraud response plan and a new section on fraud prevention.

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:

- provide an overview of the work and results of the Counter Fraud and Investigation team during the period 1st April 2022 to 31st October 2022;
- demonstrate how the Council is dealing with some of the fraud risks it is subject to;

3.2 The full report can be found at Appendix A

3.3 Key points arising from the Fraud Update Report:

- The team has delivered 18 positive housing outcomes (*for example a property recovered for re-let or false housing application cancelled*)
- Through the tenancy fraud work the team has achieved notional savings of £1.2m and recoverable savings of over £50k
- Cancellation of 318 blue badges and 1040 concessionary travel passes preventing fraudulent misuse and incorrect renewals of badges and passes.
- Identification of recoverable savings of £156k through other fraud work.
- The Fraud Awareness Week provides the opportunity for the team to undertake a number of awareness initiatives across the Council.
- A total of 12 whistleblowing cases have been closed during the period while 10 are currently in progress.

4. Proposal

4.1 The Audit Committee notes the work of the Internal Audit – Counter Fraud and Investigations team during the period of covered by the report 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

- 7a) 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.
- 7b) 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** – Counter Fraud Update Report

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: