



Committee	Audit and Governance Committee
Date	08/07/2024
Subject	Corporate Fraud Annual Report 2023/24
Cabinet Member	Councillor Vince Langdon-Morris, Cabinet Member with responsibility for Resources and Value for Money. Councillor Tim Wilson, Assistant Cabinet Member with responsibility for Resources and Value for Money.
Report Author and Head of Service	Siobhan Martin Head of Internal Audit siobhan.martin@eastsoffolk.gov.uk
Chief Executive	Chris Bally Chief Executive chris.bally@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	This report is to be considered during the OPEN part of the Agenda.
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Purpose/Summary

To provide the Corporate Fraud Annual Report for the 2023/24 financial year to be commented upon and noted by the Audit and Governance Committee. These results are as a result of the Corporate Fraud Business Plan agreed by the same Committee in March 2023.

To ensure the Audit and Governance Committee fulfils its terms of reference to 'Monitor the counter-fraud strategy, activity and resources'.

Recommendation(s)

That the Audit and Governance Committee comment upon and note the Corporate Fraud Annual Report 2023/24.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	See Our Foundations below
Sustainable Housing	The Corporate Fraud Service undertakes due diligence on Right to Buy applications, as well as investigating suspected tenancy fraud. Both activities help the Council achieve its Sustainable Housing theme by ensuring the Council's housing stock is used for its proper purpose.
Tackling Inequalities	See Our Foundations below
Thriving Economy	See Our Foundations below
Our Foundations / governance of the organisation	The Corporate Fraud Service supports the Council's governance by providing a route for all services to mitigate the risk of fraud or error. Although predominantly financial in nature, fraud can also constitute obtaining non-financial benefits through deceit or omission, or causing another person or organisation to lose a benefit they were otherwise entitled to receive. Any activity where the Council interacts with individuals or other entities must take into account the risk of fraud or error in its decision-making. The Corporate Fraud Service provides a framework to support services in managing fraud risk in all four Corporate Themes.

Justification for recommendations

1. Background

- 1.1. This Council maintains a zero-tolerance approach towards fraud and corruption, and the existence of a professional Corporate Fraud Service demonstrates the Council's commitment to this objective.

2. Introduction

- 2.1. The Council's Corporate Fraud Business Plan 2023/24 was approved in March 2023. This set out the Council's approach to combatting the financial, social, and personal cost of fraud to the Council, economy, and local community.
- 2.2. It is a key element in the Council's governance framework, designed to reduce the risk of fraud, corruption, and abuse in the delivery of local services.
- 2.3. Fraud is an act of deception carried out for personal gain or to cause loss, or a loss to another party. In the Public Sector fraud can be committed internally by workers or externally by suppliers, contractors', partnerships and members of the public. Fraud covers a wide spectrum of activities and can involve/affect all departments.
- 2.4. The Corporate Fraud Service is overseen by the Audit and Governance Committee.

3. Report Detail

- 3.1. The report highlights the fraud areas that have been investigated with results throughout the financial year 2023/24, in line with the approved Fraud Business Plan 2023/24.

4. Financial Implications

- 4.1. The report highlights the financial impact of the Corporate Fraud Service in both preventing financial losses and identifying expenditure that has been fraudulently misappropriated. The Corporate Fraud Service continues to secure financial benefits significantly above its direct costs.

5. Legal Implications

- 5.1. The Council has a duty to achieve Best Value under the Local Government Act 2003. The Corporate Fraud Service directly supports the prevention, detection and recovery of funds lost to fraud, contributing to the Council's legal responsibilities. When prosecuting offences Fraud Investigators comply with all relevant legal guidelines.

6. Risk Implications

- 6.1. Fraud risk is an ongoing concern that can affect any activity delivered by the Council. This report is to advise the Audit and Governance Committee of the activities of the Corporate Fraud Service in mitigating fraud risk over the 2023/24 financial year.

7. Options

- 7.1. There are no options to be considered in relation to this report.

8. Recommendations

That the Audit and Governance Committee comment upon and note the Corporate Fraud Annual Report 2023/24.

9. Reasons for Recommendations

9.1. To fulfil the terms of reference of the Audit and Governance Committee to ‘Monitor the counter-fraud strategy, activity and resources’.

10. Conclusions/Next Steps

10.1. The Head of Internal Audit is responsible for promoting the Corporate Fraud Service and their results.

Areas of consideration comments

Section 151 Officer comments:

Not applicable

Monitoring Officer comments:

Not applicable

Equality, Diversity and Inclusion/EQIA:

Not applicable

Safeguarding:

Not applicable

Crime and Disorder:

The Corporate Fraud Service has direct responsibility to investigate and prosecute the crime of fraud. This involves working with other Council Services, neighbouring Councils, Partners, Anglia Revenues etc to investigate financial crime in order to protect the public purse.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

Corporate Services may be asked to support the Corporate Fraud Team in individual cases. There are no Corporate Service implications specific to this report.

Residents and Businesses consultation/consideration:

Not applicable

Appendices:

Appendix A | Corporate Fraud Annual Report 2023/24

Background Reports:

None