

Audit Committee

27 March 2024

Counter Fraud Update 1 December 2023 to 31 January 2024

Report from: James Larkin, Head of Audit & Counter Fraud Shared Service
(Chief Audit Executive)

Summary

This report provides Members with an update on the work, outputs, and performance of the Counter Fraud Team for the period 1 December 2023 to 31 January 2024.

1. Recommendations

- 1.1. The Committee is recommended to note the outputs and performance of the Counter Fraud Team for Medway for the period 1 December 2023 to 31 January 2024 as detailed at Appendix 1.

2. Budget and policy framework

- 2.1. Council delegates responsibility for the oversight and monitoring the effectiveness of the Internal Audit and Counter Fraud Shared Service to the Audit Committee.

3. Background

- 3.1. The Internal Audit & Counter Fraud Shared Service reports periodically to senior management and the Audit committee, providing updates on progress against agreed workplans and the results of any investigative activity.

4. Counter Fraud Update Report

- 4.1. The report at Appendix 1 is the third and final update to be produced during 2023-24, ahead of the annual report: detailing the work undertaken by the Counter Fraud Team between 1 December 2023 to 31 January 2024 in relation to the agreed workplan.
- 4.2. It also provides a summary of the results of investigative activity and the savings achieved, as well as the outturns against the teams set performance measures.

5. Risk management

- 5.1. This report, summarising the work of the Counter Fraud Team, provides a key source of assurance for the council on the adequacy and effectiveness of its counter fraud arrangements.

6. Climate change implications

- 6.1. There are no climate change implications in this report.

7. Financial implications

- 7.1. An adequate and effective Counter Fraud function helps to identify fraud and error that could have an adverse effect on the financial statements of the Council.

- 7.2. The budgeted costs for 2023-24 for the Counter Fraud elements of the Shared Service are £324,967 with Medway's share of these costs being £236,815. Savings resulting from investigative activity during the reporting period total £3,963 (£367,798 year to date) providing good value for money.

8. Legal implications

- 8.1. The Section 151 Officer of a local authority is responsible for the proper administration of its financial affairs. The work of the Counter Fraud Team supports this responsibility by identifying and investigating alleged misuse of public money, applying sanctions, and seeking redress as appropriate.

Lead officer contact

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Appendices

Appendix 1 – Counter Fraud Update Report

Background papers

None