

## **ANNUAL FRAUD REPORT**

### **Report of the Borough Treasurer**

#### **1. INTRODUCTION AND PURPOSE OF REPORT**

- 1.1 Like any organisation of significant size and complexity the Council is inherently vulnerable to risks of fraud and corruption. In response to these risks the Council has a range of mitigating controls including the Fraud and Irregularities Panel, specific and targeted audit work as directed by an annual fraud risk assessment of the Council's activities and through policies such as the anti-fraud and corruption policy and whistleblowing policy.
- 1.2 Furthermore, CIPFA guidance on delivering good governance and the new Public Sector Internal Audit Standards place certain duties on public bodies to ensure that the arrangements that they have in place to manage fraud risk are robust and are subject to regular review.

#### **2 OBJECTIVES OF AN ANNUAL FRAUD REPORT**

- 2.1 The production of this Annual Fraud Report (Appendix 10) will help the Council to demonstrate its commitment to identifying and managing fraud risk by outlining key activities, processes and findings from the previous year.
- 2.2 The purpose of this report is to present the work carried out during the past year to minimise the risk of fraud, bribery and corruption occurring in the Council. This supports the requirements of the Accounts and Audit Regulations (England) 2011, which state that the Council must have measures in place "to enable the prevention and detection of inaccuracies and fraud." In this context, we have taken fraud also to refer to cases of bribery and corruption.
- 2.3 The report also sets out planned work for 2017-18, highlights some of the current areas of fraud risk and provides a conclusion on the effectiveness of controls in place to minimise the risk of fraud occurring in the Council.
- 2.4 Such a report will provide a summary on the outcome of proactive and reactive anti-fraud and investigation work during the previous year, with a particular focus on the work delivered by Internal Audit. It will further outline some of the areas of emerging fraud risk and the Council's strategic and operational arrangements for managing these risks.

#### **3 CONCLUSIONS AND RECOMMENDATIONS**

- 3.1 That the Audit Committee considers and comments upon the annual fraud report as part of its monitoring role.

#### **BACKGROUND PAPERS**

## CIPFA: Code of Practice on Managing the Risk of Fraud and Corruption: Guidance Notes

Anyone wishing to inspect the above background papers or requiring further information should contact John Pearsall on telephone number Tel: 0161 474 4033 or alternatively email [john.pearsall@stockport.gov.uk](mailto:john.pearsall@stockport.gov.uk)