

Somerset West and Taunton Council

Audit and Governance Committee – 12 September 2022

SWAP Internal Audit – Baseline Fraud Maturity Report 2022

This matter is the responsibility of the Portfolio Holder for Communications and Corporate Resources, Cllr Benet Allen

Report Author: David Warren, Principal Investigation Officer, SWAP

1 Executive Summary / Purpose of the Report

- 1.1 The purpose of this report is to provide the Committee with an update on the baseline assessment of organisational maturity in relation to fraud.
- 1.2 This assessment reviewed where the Council was at the time of the last assessment in March 2021 and gives a picture of current performance.

2 Recommendations

- 2.1 Members are asked to note further information provided on the Baseline Assessment of Maturity in relation to Fraud Report 2022.

3 Risk Assessment

- 3.1 Any large organisation needs to have a well-established and systematic risk management framework in place to identify and mitigate the risks it may face. SWT has a risk management framework, and within that, individual internal audit reports deal with the specific risk issues that arise from the findings. These are translated into mitigating actions and timetables for management to implement.

4 Background and Full details of the Report

- 4.1 Local authorities have responsibilities for the effective stewardship of public money and for safeguarding against losses due to fraud and corruption. The Audit and Governance Committee should have oversight of the authority's counter fraud strategy, assessing whether it meets recommended practice and governance standards and complies with legislation such as the Bribery Act 2010.
- 4.2 To assist in this oversight a baseline assessment was completed at Somerset West and Taunton Council in March 2021, in line with requirements of the Fighting Fraud and Corruption Locally Strategy. Each of the 27 requirements were given a red, amber or green, rating based on a corporate view across the organisation.

- 4.3 The assessment was presented to the Audit and Governance Committee at their meeting on 13 September 2021.
- 4.4 Key officers have engaged with the initial findings and ensured that most of the actions have been implemented, resulting in significant progress in addressing the actions identified in the baseline assessment. This is demonstrated by the number of assessments that have moved to green in comparison to the 2021 review and is an indicator of the improved maturity across the council in relation to fraud risk.

5 Links to Corporate Strategy

- 5.1 Delivery of the corporate objectives requires strong internal control, which include adequate measure to deter, detect and respond to any frauds identified. Incidents of fraud can reduce the available resources for front line services and corporate priorities. Ultimately this may impact on the Council being able to deliver its Corporate Strategy

6 Finance / Resource Implications

- 6.1 There are no specific finance issues relating to this report, other than ensuring that robust anti-fraud arrangements are in place to safeguard Council finances and resources.

Unitary Council Financial Implications and S24 Direction Implications

- 6.2 None arising from this report

7 Legal Implications

- 7.1 None arising from this report

8 Climate, Ecology and Sustainability Implications

- 8.1 None arising from this report

9 Safeguarding and/or Community Safety Implications

- 9.1 None arising from this report

10 Equality and Diversity Implications

- 10.1 None arising from this report

11 Social Value Implications

- 11.1 None arising from this report

12 Partnership Implications

- 12.1 None arising from this report

13 Health and Wellbeing Implications

- 13.1 None arising from this report

14 Asset Management Implications

14.1 None arising from this report

15 Data Protection Implications

15.1 None arising from this report

16 Consultation Implications

16.1 None arising from this report

Democratic Path:

- **Audit and Governance Committee – Yes, 12 September 2022**
- **Executive – No**
- **Full Council – No**

Reporting Frequency: Annually

List of Appendices (background papers to the report)

Appendix A	SWT Baseline assessment for Fraud Report 2022
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