



AUDIT & GOVERNANCE COMMITTEE
26th July 2023

ITEM 10

Report sponsor: Director of Finance
Report authors: Head of Internal Audit, Head of Legal, Insurance & Information Governance Services and Senior Counter Fraud Investigator

Counter Fraud Annual Report 2022/23

Purpose

- 1.1 The purpose of this report is to present the work carried out during the past financial year to minimise the risk of fraud, bribery and corruption occurring in Derby City Council and to Derby residents and other stakeholders. This supports the requirements of the Accounts and Audit Regulations 2015, which state that the Council must have measures in place “to enable the prevention and detection of inaccuracies and fraud.”

Recommendations

- 2.1 To note the Counter Fraud Annual Report 2022/23.

Reasons

- 3.1 One of the key roles of the Audit and Governance Committee is to seek assurance that fraud risks are being properly mitigated.

Supporting information

- 4.1 Fraud is a significant risk to the public sector. Financial loss due to fraud can reduce a council's ability to support public services and can cause reputational damage.
- 4.2 The Annual Report attached at Appendix 1 outlines the counter fraud work undertaken around the key elements of the Council's current counter fraud framework.

Public/stakeholder engagement

- 5.1 None

Other options

- 6.1 None

Financial and value for money issues

7.1 None

Legal implications

8.1 None

Climate implications

9.1 None

Socio-Economic implications

- 10.1 Fraud is the most commonly experienced crime in the UK. Fraud costs the UK many billions of pounds every year. The impact of fraud and related offences can be devastating, ranging from unaffordable personal losses suffered by vulnerable victims to impacting the ability of organisations to stay in business.
- 10.2 Victims of fraud range across vulnerable individuals, major corporations, smaller businesses, as well as the public sector. The 2017 Annual Fraud Indicator estimates fraud losses to the UK at around £190 billion every year. The public sector may be losing more than £40 billion a year. Aside from the financial costs, being a victim of fraud can cause serious reputational damage for public sector organisations.

Other significant implications

11.1 None

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal Finance Service Director(s) Report sponsor Other(s)	Alison Parkin, Director of Finance	17 th July 2023
Background papers:	Counter Fraud Update Reports to Committee	
List of appendices:	Appendix 1 - Counter Fraud Annual Report 2022/23	