

MAIDSTONE BOROUGH COUNCIL

AUDIT COMMITTEE

28 NOVEMBER 2011

REPORT OF HEAD OF AUDIT PARTNERSHIP

Report prepared by Brian Parsons

1. PROTECTING THE PUBLIC PURSE

1.1 Issue for Decision

1.1.1 To note the recently published report from the Audit Commission, 'Protecting the Public Purse'; and that a future report will be provided to the Committee setting out the Council's response to the issues raised within the publication.

1.2 Recommendation of the Head of Audit Partnership

1.2.1 That the Committee note the publication by the Audit Commission 'Protecting the Public Purse' and that a report will be provided to a later meeting of the Committee setting out the Council's arrangements for fighting fraud.

1.3 Reasons for Recommendation

1.3.1 The Audit Commission publishes an annual report on 'Protecting the Public Purse'. The report brings together information compiled by the Commission nationally, relating to fraud against local government. One of the key sources of information is the National Fraud Initiative.

1.3.2 The most recent report was published on the 11 November 2011, and shows some alarming trends in terms of fraud, not least the significant increase in the value of fraud by staff.

1.3.3 The Audit Commission report is provided to enable the Committee to be aware of some of the key fraud areas that are of concern nationally to local government at the present time. The report is shown at Appendix A.

1.3.4 A report will be provided to a future meeting of the Committee setting out the Council's arrangements for managing the risk of fraud and tackling fraud where it exists.

1.4 Alternative Action and why not Recommended

1.4.1 It is appropriate that the Audit Committee, as the Committee charged with governance, has an appreciation of the issues facing local government in terms of the fight against fraud. No other action could be recommended.

1.5 Impact on Corporate Objectives

1.5.1 The issues raised within the publication reflect on the Council's responsibility to ensure proper financial administration.

1.6 Risk Management

1.6.1 Some of the risks to financial administration are set out in the 'Protecting the Public Purse' publication. A future report to the Committee will set out how those risks are managed at Maidstone.

1.7 Other Implications

1.7.1

1.	Financial	X
2.	Staffing	X
3.	Legal	X
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	
9.	Asset Management	

1.7.2 Fraud needs to be addressed in order to protect the Council's financial position.

1.7.3 Staff are a key element in the fight against fraud.

1.7.4 Fraud and theft are criminal offences.

1.8 Relevant Documents

1.8.1 Appendices: 'Protecting the Public Purse 2011 – fighting fraud against local government' – the Audit Commission.

1.8.2 Background Documents: None

IS THIS A KEY DECISION REPORT?

Yes

No

If yes, when did it first appear in the Forward Plan?

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This is a Key Decision because:

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Wards/Parishes affected:

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