

REPORT TO: AUDIT COMMITTEE

DATE: 31 JULY 2019

REPORT TITLE: COUNTER FRAUD STRATEGY

**DIRECTOR: MALCOLM COE, DIRECTOR OF INVESTMENT &
CORPORATE SERVICES (s73 OFFICER)**

AUTHOR: MALCOLM COE

Purpose of Report

- 1 The West of England Combined Authority, (WECA), is regularly reviewing and enhancing its corporate governance arrangements. In response to a recommendation by Internal Audit, we are proposing that the Audit Committee endorse the adoption of a Counter Fraud Strategy as detailed as Appendix 1 to this report.

Recommendation

- That the committee endorse the attached Counter Fraud Strategy for WECA.

Background / Issues for Consideration

- 2 The Internal Audit Plan, as agreed by Audit Committee on 26/04/2018, identified Counter Fraud Arrangements as a priority for review in 2018/19. A number of recommendations were subsequently made through this audit, one of which was for WECA to develop, and adopt, a Counter Fraud Strategy.
- 3 Compared to the operations of a unitary council, the risk of fraud occurring through WECA's activities is relatively low (not being responsible for multiple front-facing public services). However, it is envisaged that WECA will progress over the coming months to be much more involved in the client management and delivery of multi-million pound capital projects. As such, it is important to have a robust and transparent Counter Fraud Strategy in place.

Consultation

- 4 We have utilised Counter Fraud strategies across the region to adapt the proposed strategy for WECA. Consultation has taken place with Internal Audit, the WECA Monitoring Officer and WECA (S73) Statutory Finance Officer. The draft strategy was

also reviewed and enhanced by the WECA Senior Management Team prior to submission to the Audit Committee.

Risk Management/Assessment

- 5 Robust Corporate Governance arrangements are essential for the effective management of organisational risks. The Counter Fraud Strategy is the latest addition to the suite of corporate governance documents that WECA has developed, and implemented, over the last two years.

Public Sector Equality Duties

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- 6.1 The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

- 6.3 There are no direct implications arising from this report.

Finance Implications, including economic impact assessment where appropriate:

- 7 There are no direct financial implications arising from this report. However, by its very nature, a Counter Fraud Strategy is a core document which is designed to protect the public purse.

Advice given by: Malcolm Coe

Appendices:

Appendix 1 – Draft WECA Counter Fraud Strategy

Background papers:

None

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk