

**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY  
AUDIT COMMITTEE**

**DATE: 3 July 2023**

**REPORT TITLE: FRAUD RISK REGISTER AND RISK MANAGEMENT  
UPDATE**

**DIRECTOR: STEPHEN FITZGERALD**

**AUTHOR: MARK WAKEFIELD,  
HEAD OF CHIEF EXECUTIVE'S OFFICE**

#### **Purpose of Report**

- 1 To present the current Fraud Risk Register.

#### **Recommendation**

- 2 For Audit Committee to note and comment on the Fraud Risk Register and framework

#### **Background / Issues for Consideration**

- 3 At the Audit Committee held in March 2023, a timetable for regular review of selected risk registers was approved for consideration at future Audit Committee meetings.
- 4 The forward timetable is as follows:
  - 2023 Q2 – Fraud Risk Register
  - 2023 Q3 – Climate Risk Register
  - 2023 Q4 – Business & Skills Risk Register
  - 2024 Q1 – Strategy & Innovation Risk Register
- 5 Regular review of directorate risk registers takes place and informs updates to the mitigation activity underway.
- 6 Further refinement of governance and risk management arrangements are underway through the corporate governance board. This work will lead to proposals to update the risk management framework, establishing our risk appetite and refreshing the corporate risk register.

#### **Fraud Risk Register**

- 7 As agreed in March, the fraud risk register is brought for review and is attached at Appendix A.

- 8 Current most significant /active risk/mitigations/notables are:
- a. The risk of data fraud is being mitigated further with the appointment of a data protection officer. Internal Audit are undertaking a cyber security review in the autumn.
  - b. This audit will be an opportunity to identify additional mitigations to address the risk of cyber-crime. Business continuity reviews by all service areas are also planned in 2023/24.
  - c. Monthly meeting of the officer Corporate Governance Board to rapidly identify and address changes to risks across the organisation.

### **Consultation**

- 9 The risk registers are produced in consultation with risk and mitigation owners. Escalation follows project and programme reviews of the risks and mitigations, into the directorate risk registers and the corporate risk register.

### **Other Options Considered**

- 10 None, Audit Committee have asked to be kept informed.

### **Risk Management/Assessment**

- 11 Without a formal risk management framework and processes we will be unable to anticipate and take preventative action to avoid risk and will instead incur time and additional cost in managing the consequences of unplanned events.

### **Public Sector Equality Duties**

- 12 There are no equality implications arising directly from this report.

### **Finance Implications, including economic impact assessment where appropriate:**

- 13 The monitoring and evaluation framework provides assurance that limited resources will be utilised to their best effect to ensure activity is appropriate and proportionate.

Advice given by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services

### **Legal Implications:**

- 14 The Accounts and Audit (England) Regulations 2015 state that "A relevant authority (the Council) must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk". The risk management framework meets this requirement and is an essential part of good governance for the Combined Authority.

Advice given by: Stephen Gerrard, Interim Director of Legal and Democratic Services

### **Climate Change Implications**

- 15 There are no specific climate implications arising directly from this report.

### **Land/property Implications**

- 16 n/a

**Human Resources Implications:**

- 17 None arising from this report. If specific workforce risks are identified they will be managed in line with policy and best practice in consultation with the Human Resources Team.

Advice given by: Alex Holly, Head of People and Assets

**Appendices:**

Appendix A – West of England Combined Authority Fraud Risk Register

**Background papers:** n/a

**West of England Combined Authority Contact:**

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