

Accounts Commission Report
Safeguarding public money: are you getting it right?
Extracts from Checklists with council responses

(a) Fraud and Corruption

QUESTION	YES/NO/ PARTLY	RESPONSE
Does the council have a fraud and corruption strategy for all its business including its partnerships?	Yes	The council has a policy to combat fraud, theft, bribery and corruption. The policy covers all aspects of misuse of council funds and other resources although does not specifically refer to partnerships
Have cases of fraud and corruption been identified in each recent year?	Yes	Instances of fraud are relatively rare, corruption even more so, the council having an extensive range of governance policies procedures and practices to mitigate such risks. Only one fraud exceeding £50,000 in value has been identified since the inception of this council. Benefits Fraud was until 2015 investigated by a team of council officers; this responsibility then transferred to the Department for Work and Pensions (DWP), who liaise with the council on relevant cases.
Have there been successful prosecutions of fraud or other criminal behaviour?	Yes	In the major case referred to above police were involved a prosecution was taken the individual was convicted and the monies recovered. Each case or potential case presents different circumstances which are carefully considered in determining the way forward, with decisions regarding disposal taken by chief officers. Members are apprised of circumstances

		through reports to Audit and Scrutiny Committee.
Of the money lost to fraud and corruption what percentage has been successfully recovered?		Restitution is sought and is generally secured in each instance. A separate summary record of amounts recoverable in all cases is not held that would disclose percentages recovered.
Is the whistleblowing policy monitored for take up and are concerns acted upon?	Yes	The whistle-blowing policy is for staff use to raise concerns about any aspect of the Council's work without fear of victimisation, subsequent discrimination or disadvantage. There was one matter raised in 2018/19 and initial enquiries concluded that the issues raised were best dealt with under one of the Council's other HR policies. Typically issues raised relate to disparity of treatment. The Whistleblowing Policy is just one way in which concerns can be raised. There is a corporate Grievance Policy and Procedure and also the Corporate Complaints process that enables concerns to be raised by employees, service users and the wider public with the Whistleblowing Policy intended to cover major concerns that fall outside the scope of other procedures.
Are staff and other resources for fraud investigation proportionate to the risks the council faces?	Yes	The staff resource has been significantly reduced since the transfer of responsibility for Benefits Fraud to DWP. One staff member (a Corporate Investigations Officer) has been retained to act as a single point of contact with DWP, and support the council's participation in the National Fraud Initiative. (See below.) This officer also investigates potential misuse of the Scottish Welfare Fund and participates in the

		council's Integrity Group. The Integrity Group is supported by Police Scotland and promotes a range of anti-fraud measures. The Corporate Investigations Officer reports to the Internal Audit Manager to ensure any relevant information from investigations can be considered when developing the internal audit plan.
Are all allegations of fraud or corruption risk assessed and investigated accordingly	Yes	An evaluation of information received or identified is the first step when determining risk and action to be taken or not taken in each case. This has a particular significance when reviewing matches returned through the National Fraud Initiative, where many 'false positives' are disclosed.
Are fraud alerts and good practice shared among council services in a timely way	Yes	Yes there is information sharing across and within services including with Trading Standards, Environmental Health, Housing and Finance
Are there cost effective measures for recovering money lost to fraud and corruption	Yes	Each case is different, exceptionally in the major fraud outlined the employee made restitution from the sale of a property and by repaying monies from the local government pension fund – for smaller amounts recovery may be by instalments depending on an individual's ability to pay, or as per a ruling from the court.
Does the council actively take part in the National Fraud Initiative and act on its findings.	Yes	Participation is subject to regular reporting to Committee. Matches can be indicators of fraud but also highlight information held that is out of date or incorrect. In the latest round we identified a duplicate payment to a supplier that had been made in error. The money was recovered but only when requested by the council. This is viewed as an irregularity as

		opposed to fraud; a corrective action taken and the matter is concluded.
Is comprehensive information on fraud and corruption reported to a relevant committee?	Partly	There is a requirement to report all frauds and irregularities where the value exceeds £5000 individually to Audit Scotland and these along with any lower value or interesting cases are reported to Audit and Scrutiny Committee as they arise. There are plans to enhance reporting on other issues covered by the Corporate Investigations Officer.
Is there sufficient timely training and ongoing support for officers and councillors, including you?	Yes	The focus of training in this area tends to be around good governance and the systems and controls established to mitigate the risk of fraud or error occurring.

(b) Partnership Working

QUESTION	YES/NO/PARTLY	RESPONSE
Do the council's governance and internal controls mitigate partnership risks to the council?	Yes	Partnership working inherently carries greater risk as spans of control widen and accountabilities have the potential to become less clear. The council is directed through legislation to participate in partnership working and this creates additional challenges that need to be carefully managed.
Does the council have risk registers covering its various partnerships effectively?	Partly	Risks are identified in various documents but there is no single overarching process applicable to all partnerships. The council may look at external support to take this forward.
What resources (such as staff building and money) does the council contribute to partnerships?	-----	These are subject to council approval in all cases through consideration of budgets, use of assets etc.
Does each partnership have a clear purpose and explicit outcomes based	Yes	Purpose is generally directed externally and within an

objectives?		agreed regulatory framework the council has a role in developing partnerships with others that have a defined purpose, set objectives and work towards agreed outcomes.
Are governance arrangements for each partnership clearly documented and fit for purpose?	Yes	There are established arrangements in place for the growth deal, community planning and the IJB. Further work will be required in relation to leisure services and use of ALEOs when the future direction of leisure services is determined, and IJB governance arrangements will need reviewing when children's services are incorporated therein.
Does the council apply the code of practice on Following the Public Pound to each arms-length external organisation?	Yes	This was taken into account when the Leisure Centre ALEO was established and will need to be referenced in any future agreement reached.
Does the council have sound reasons for having a representative on a partnership's board?	Yes	All partnerships have elected member representation as determined by the Council.
If you sit on a partnership's Board do you appreciate what is required of you, and the linked risks?		Covered by the elected member's code of conduct and guidance for councillors and officials service on outside bodies
Is there good quality transparent and publicity accessible performance information?	Partly	This is an area where further review would be beneficial to ensure reporting evolves in line with developments in partnership working
Are concerns about risks posed by partnerships escalated suitably within the council?	Yes	In general terms this is covered by reports to the council or to relevant service committees.
Is there sufficient timely training and ongoing support for officers and councillors including you?		Training opportunities are made available to elected members; this will be covered in more detail at the next meeting of this committee when councillors' continuous personal development is considered.