

JOINT INDEPENDENT AUDIT COMMITTEE
1 FEBRUARY 2017

SUBJECT		UPDATE ON IMPLEMENTATION OF ANTI-FRAUD AND CORRUPTION WORKING GROUP (AFCWG) RECOMMENDATIONS
REPORT BY	OPCC CHIEF FINANCE OFFICER	
CONTACT OFFICERS	AUBREY WILLIAMS, RESEARCH AND PERFORMANCE OFFICER TEL: 01522 947230	
SUMMARY AND PURPOSE OF REPORT		
To review the 'recommendations' and actions arising from the meeting of the PCC and Force's joint anti-fraud & corruption group.		
RECOMMENDATION	That the actions and recommendations are reviewed, considered and noted.	

A. SUPPORTING INFORMATION

1. Members are invited to review the 'recommendations' and actions arising from the quarterly meetings of the Commissioner's and Chief Constable's Joint anti-fraud and corruption (AF&C) group.
2. **Anti-Fraud and Corruption Meetings**
 - 2.1 Representatives from the OPCC, the Force and Internal Audit continue to meet on a quarterly basis to discuss the current and emerging risks and issues in relation to anti-fraud and corruption, in accordance with the meetings terms of reference. Since March 2016 actions arising from the quarterly anti-fraud and corruption meetings are now recorded on an action log administered by the RPO.
 - 2.2 The meeting brings together the Internal Audit Manager (IAM), the PCC's Chief Finance Officer, the Head of the Professional Standards Department (HoPSD), the Force Chief Finance Officer(FCFO), the Deputy Chief Finance Officer (DCFO), the Research and Performance Officer (RPO) and representatives from the HR Department and Legal Services, to discuss any issues or concerns, updates on relevant cases, best practice/lessons learned, new initiatives/actions for improvements, national issues and other significant risks.
 - 2.3 The PCC Chief Finance Officer attends the Confidential Risk Board and raises/discusses issues relating to fraud and corruption as required.
 - 2.4 As a result of discussions at the quarterly anti-fraud and corruption meetings the Internal Auditors Mazars were commissioned to provide a survey to be issued electronically across the entire workforce. The aim of the survey was to provide an understanding of current fraud and bribery knowledge amongst the workforce. A written report, which provided analysis of the responses was received and a copy was provided to JIAC in October 2016. Following the report's circulation to AF&C group members an extended meeting of the group was held in late

December 2016. The action plan attached at **Appendix A** details the planned response to the 'recommendations' contained in the report.

2.5 Other key activity arising from the quarterly meetings has included:

- Identifying areas of business requiring internal audit / review - examples include; an internal review of the Travel Policy – The revised policy is now in the final stages of consultation with workforce representatives and has an anticipated publication date of 1 February 2017.
- The auditing of the handling of cash (large amounts seized by officers). This was included within the audit of Seized and Found property and a final report produced in September 2016 (Green / satisfactory level of assurance reported).
- The Co-ordination of complimentary work being undertaken by the internal auditors and the PSD, for example: the use of corporate credit cards, which will form part of the larger piece of work around the audit of creditors. This work is scheduled to commence on 16 January 2017.
- In October 2016 a meeting took place between the principal investigator from the Counter Fraud & Investigations Team at Lincolnshire County Council, and representatives of the AF&C group (HoPSD, Acting FCFO, DCFO and RPO attended). A brief presentation was given on the Council team's approach to counter-fraud activity. Issues also discussed included:
 - Ongoing contact – information sharing regarding fraud risks and awareness.
 - Potential Force use of E- learning materials currently under development by the Council (staff training module)
 - Fraud risks / awareness – 'self-assessment' and 'health check' documentation under development by the Council team.

Following the meeting it was agreed that contact with the Council's team should be maintained to further explore the suitability of their E-learning materials for use by the Force and the sharing of information relating to fraud risk assessment and awareness.

B. FINANCIAL CONSIDERATIONS

None.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

None.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(Including any impact or issues relating to Children & Young People)

No specific issues arising from this report. There is a joint Anti-fraud and corruption policy that applies equally to the PCC, OPCC, all Lincolnshire Police employees, commercial partners and all external persons with whom the PCC and Lincolnshire Police conduct business.

E. REVIEW ARRANGEMENTS

Each of the policies referred to in this report contain a stipulated review date. The scheduled review dates for the OPCC and Force's approach to anti-fraud and corruption are set out in the JIAC's forward plan.

F. RISK MANAGEMENT

Fraud and corruption can have a severe impact on the operation, status and reputation of the both the PCC and the Force. The anti-fraud and corruption working group and their quarterly meetings were established to share intelligence to serve to mitigate the risks of abuse of position, fraud and corruption. (Specific terms of reference for the group / meetings have been established).

G. PUBLIC ACCESS TO INFORMATION

Information in the report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.