

REPORT TO: Audit and Governance Committee

MEETING DATE: 25 March 2025

BY: Service Manager – Internal Audit

SUBJECT: Counter Fraud Annual Plan 2025/26

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of Counter Fraud operational plan for 2025/26.

2 RECOMMENDATION

- 2.1 The Audit and Governance Committee is asked to approve the Counter Fraud Plan for 2025/26.

3 BACKGROUND

- 3.1 The purpose of this report is to gain approval from the Audit Committee for the proposed Counter Fraud Annual Plan 2025/26. In accordance with the Council's Strategy for the Prevention and Detection of Fraud and Corruption.
- 3.2 The Counter Fraud Annual Plan 2025/26 (Appendix 1) sets out the planned counter fraud activity to support the approach and culture of the Council in tackling fraud and corruption. This will enable the Council to demonstrate commitment to tackling fraud and reflects the Council's assessment of counter fraud controls.
- 3.3 Having robust fraud risk management prevention and investigation arrangements in place contributes to safeguarding the Council's financial resources, for delivery of services, as part of protecting public funding. A focus on enhancing fraud prevention and detection to improve East Lothian Council's resilience to the risk of fraud, theft, corruption and crime, and ensure these are embedded preventative practices.

3.4 The Counter Fraud Officers key areas of fraud investigation are identified within the Counter Fraud Annual Plan, being:

- Completion of National Fraud Initiative Investigations, and coordinating responses from other Council services;
- Reviewing Whistleblowing and social housing enquiries and completing investigations when appropriate; and
- Completing Fraud Risk Assessments in order to improve the preventative controls within the Council

4 POLICY IMPLICATIONS

4.1 None

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial – None

6.2 Personnel – None

6.3 Other – None

7 BACKGROUND PAPERS

7.1 None

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DATE	14 March 2025

Ref	Category	Activity	Number of Days	Commentary
1.	Compliance	Corporate Fraud Enquiries	20	Respond to whistleblowing notifications.
2.	Data Match	National Fraud Initiative	100	Co-ordinate the NFI exercise across Council services, investigate data matches from 2024/25 exercise, coordinate and provide update of data matches reviewed for 2024/25 exercise.
3.	Compliance	Social Housing	20	Social Housing enquiries and investigations.
4.	Compliance	Council Tax	10	Council Tax enquiries and investigations.
5.	Other	Corporate Fraud Policy Framework	10	Review the Council policies and procedures, update and communicate as appropriate.
6.	Other	Fraud Risk Assessments	40	Develop a risk assessment process and support operational Service Managers to assess fraud risks and develop improved mitigating controls in preparation for the implementation of UK government guidance on the Crime of Failure to Prevent Fraud. This will include undertaking training on appropriate fraud risk assessment techniques.
Corporate Fraud Total			200	