

**Council:** Causeway Coast & Glens      **Date:** 6<sup>th</sup> February 2019  
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Audit Inquiry	Council’s Response
<p><b>1 Council’s Approach to Fraud Risk</b></p> <p>What are the Council’s processes for:</p> <ul style="list-style-type: none"> <li>a) identifying fraud risks throughout the Council;</li> <li>b) responding to those fraud risks.</li> </ul> <p>Please outline current major fraud risks and how they are being managed?</p>	<p>Risks are identified and evaluated as part of Councils audit plan and high risk areas are given priority. The Audit Plan is presented to Audit committee and following approval the Audits are completed by both In house and co-sourcing arrangements.</p> <p>Council has also identified main Corporate and Departmental risks in accordance with Corporate Governance requirements. The Corporate Risk Registers are being updated quarterly by SMT and presented to Audit Committee, and where appropriate, include the risk of fraud.</p> <p>Council updated their Whistle Blowing Policy, Anti-Fraud, Corruption &amp; Bribery Policy which includes a Fraud Response Plan in 2015. Council updated their Risk Management Strategy in 2018 to reflect General Data Protection Regulations. In addition to the strategy Council has developed an Information Risk Management Policy to provide clarity and direction on current and future information risk management activity across the Council to ensure a consistent approach is taken to such risks.</p> <p>A number of Training and Awareness sessions were delivered during 2018 to both Members and Officers.</p>

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<p><b>2 Counter Fraud</b></p> <p>Please outline key elements of your strategies and policies in place to counter fraud e.g.</p> <ul style="list-style-type: none"> <li>- fraud policy;</li> <li>- fraud response plan; and</li> <li>- whistleblowing policy.</li> </ul> <p>If the elements are separate policies then please attach all of them. Also note when the policy/ policies was/ were last reviewed</p>	<p>Council has robust policies such as the Whistle Blowing Policy and an Anti-Fraud, Corruption &amp; Bribery Policy which includes a Fraud Response Plan. These were last reviewed in 2015. Council is committed to carrying out risk assessments to identify and prioritise the risks faced by Council.</p> <p>The Policies and Procedures will be reviewed in 2019-2020</p>	
<p><b>3</b> How does the Council encourage <b>whistleblowing</b>?</p> <p>For whistleblowing cases reported, how are they investigated, reported and recorded within the Council?</p>	<p>The Council's Whistle Blowing Policy was revised in 2015 to enable Council's partners or members of the public in addition to employees to raise concerns in relation to fraud. Procedures are outlined within the policy in relation to the necessary steps in dealing with whistleblowing cases. These procedures are in addition to the Council's complaints procedures and other statutory reporting procedures applying to Council.</p> <p>Whistleblowing is a standing agenda item on the Audit Committee and is reported on quarterly.</p> <p>Whistleblowing Policies and Procedures are available on Council's website.</p>	
<p><b>4</b> How does the Council communicate fraud matters to Members and Senior Management?</p>	<p>The Whistle Blowing Policy and the Anti-Fraud, Corruption &amp; Bribery Policy has been provided to all staff and are available on the staff portal and Council's website. These policies have been approved by both the Audit Committee and the Council. Quarterly Internal Audit reports are presented to Council's Audit Committee, which then feed through to full Council. Any instances of fraud</p>	

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<p>What training is provided by the Council on fraud awareness to:</p> <ul style="list-style-type: none"> <li>- Senior management, and</li> <li>- Members?</li> </ul>	<p>would be reported through Audit committee.</p> <p>Council rolled out a programme of training and awareness to Heads of Service (Tier 3 Management) during 2018. This included Risk Management and Internal Audit, and Anti-fraud, Corruption and Whistleblowing. This training, which was delivered by Moore Stephens, Council's co-sourcing partner, will be arranged and delivered to Tier 4 Management during 2019-2020, to further embed Audit, Risk and Governance within Council.</p> <p>Members received training in September 2018, also delivered by Moore Stephens. Copy of presentation attached.</p>
<p><b>5</b> How does the Council communicate fraud matters to its staff including its views on business practices, ethical behaviour and fraud policies/ fraud awareness / fraud response?</p>	<p>The Code of Conduct for Local Government Employees was adopted by Council and issued to all employees. All employees have signed a declaration that they have read, understood and adhere to the Code. In addition, a Form of Disclosure was also reissued to all employees. The Code of Conduct is available on Council's website, along with the training presentation. The Code of Conduct and Forms of Disclosure are also available on the Intranet.</p> <p>The Staff Newsletter will also be used during 2019-2020 to assist in this communication.</p>
<p><b>6</b> How does the Council communicate with ratepayers (or other key stakeholders) about fraud matters? For instance, the Council's attitude to counter fraud, what happens if fraud is uncovered and how a ratepayer should notify the Council if they suspect a fraud is taking place?</p>	<p>Council is committed to carrying out risk assessments to identify and prioritise the risks faced by Council. Council is committed to compliance with the Bribery Act 2010. Council's policies are up to date to reflect the Bribery Act legislation. The Whistle Blowing Policy and Anti-Fraud, Corruption &amp; Bribery Policies are widely available on Council's website and the staff portal.</p>

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7	<p>How has the Council embedded the <b>National Fraud Initiative</b> into its counter-fraud arrangements and how are outcomes reported within the organisation and to ratepayers or other key stakeholders?</p>	<p>Council is required to protect the public funds it administers. It may share information provided to it with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud. This is carried out via the National Fraud Initiative. Any instances of fraud identified would be reported through the Audit Committee and details would be placed on Council's website. In terms of the 2018/2019 exercise, all recommended matches have been investigated by Finance with no instances of fraud identified.</p>
8	<p>Does the Council have any knowledge of actual, suspected or attempted frauds affecting the organisation?</p> <p><b>NOTE: The LG Fraud Return form, 'Initial Notification of Frauds to the Local Government Auditor' (LGA), should be completed for suspected or actual frauds and sent to NIAO and copied to the Department for Communities.</b></p> <p>Please <b>confirm</b> whether all current actual, suspected and attempted frauds been notified to the LGA?</p>	<p>No</p>
9	<p>What is the Council's assessment of the risk that the financial statements may be materially misstated due to fraud?</p>	<p>Risk is minimal. Robust systems of internal control are in place and checked regularly by Internal and External Audit.</p>