



GAS Committee Scrutiny report: Anti-Fraud and Corruption

1 Report objectives

The aim of this project was to firstly prepare two members of the GAS Committee to undertake their new responsibilities with regards to Anti-Fraud and Corruption scrutiny and secondly to reassure the HFA that the Anti-Fraud and Corruption policies and procedures in place manage the risks across the organisation.

2 Process

The following internal documents were considered:

- HFRS Anti Money Laundering Policy (July 2016);
- HFRS Anti-Bribery Policy (July 2016);
- The MIAA audit report on Counter Fraud Arrangements 2016/17;
- HFRS Anti-Fraud and Corruptions Statement 2016/17;
- Information from the GAS Committee Counter Fraud Workshop (April 2017).

The policies of most Fire and Rescue Services are readily available on line and desk research was undertaken into a sample of these. The sample included documentation from Greater Manchester, North Yorkshire, Avon and Shropshire & Wrekin Fire and Rescue Authorities. The approaches taken by different Services varies and includes policies, strategies and statements. The most useful of the documents was considered to be the 'Anti fraud and Anti corruption strategy and response plan' from the Avon Fire Authority, as it presented all the key information in one document.

A series of meetings have been held to consider different aspects of the Anti-Fraud and Corruption policies and these have included discussions with the Executive Director of Service Support - Kevin Wilson, Head of Corporate Support - Simon Rhodes and the Counter Fraud Specialist - Shaun Fleming and Dave Lofthouse regarding the National Fraud Initiative. (The Service participates in the National Fraud Initiative which is administered by the Cabinet Office and provides a degree of external independent scrutiny and liaison with other public services.)

In addition, KPMG presented to GAS on 29th January 2018, highlighting their responsibilities in their Financial Statement Audit Planning and giving consideration to potential fraud risks.

All of these meetings were very informative and gave assurance that the policies and procedures were robustly applied across the Humberside Fire and Rescue Service.

3 Key findings

The Anti-Fraud and Corruption policies compare well with the sample of those from other Authorities.

The policies appear to be well communicated across the organisation through a variety of means including information in staff pay slips, training opportunities (for example with the CMT and related to the MIAA audit report) and the relevant documents are available on the website.

The procedures appear to be robust within the Service and associated activities adequately resourced. Issues with potential high fraud risk were considered in the meetings, including time sheet manipulation, procurement favouritism, company card spending, petty cash irregularities and procedures for asset end of life disposal. The Service has adopted a range of good business practices, examples of which are:

- i. Transparency on the Humberside portal;
- ii. Appropriate scales of authority;
- iii. Monitoring systems in place for procurement cards;
- iv. Division of duties to investigate reports from the National Fraud Initiative.

It was concluded that the procedures were satisfactory to deal with the eventualities considered.

4 Conclusion

To conclude, the preparation of this report was excellent experience for the two members of the GAS Committee with new responsibilities with regards to Anti-Fraud and Corruption and the time, knowledge and understanding shown by the officers on this subject who were involved in this scrutiny topic was appreciated.

Secondly, the GAS members involved are confident to echo the significant assurance given in the MIAA report that the Anti-Fraud and Corruption policies and procedures in place manage the risks appropriately across the organisation.

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