

Fraud Transparency

We are required by the Local Government Transparency Code 2015 to publish the following:

Information to be published	Somerset County Council response
Number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers.	This is not directly applicable to Somerset County Council as we are not a housing authority. These powers have therefore not been used.
Total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud	<p>Somerset County Council has externalised its internal audit function to the South West Audit Partnership (SWAP), and buys 1,400 “audit days” back from this local authority owned not-for-profit company. It therefore does not have any staff employed specifically for this work.</p> <p>However:</p> <ul style="list-style-type: none"> • Within the internal audit plan 2017/2018, there are a number of audits included which have a direct link to fraud and governance. Auditors are always mindful of potential fraud risks on every audit they undertake. • As and when a potential fraud needs investigating, days are drawn down from SWAP as and when required. • Under the current bi-annual round of the National Fraud Initiative (NFI) scheme, relevant officers in payroll, pensions, accounts payable, accounts receivable, blue badges, insurance, VAT and concessionary fares have already reviewed over 6,800 data “matches”, where NFI work suggested potential irregularities. It is not possible to quantify the FTE involved, but this is a significant amount of work. • The latest NFI data “matches” were received in January 2017 and officers will continue the exercise with the new data.
Total number (absolute and	No staff – see above for details. SWAP has a number of suitably qualified counter fraud specialists that are engaged as and when

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full time equivalent) of professionally accredited counter fraud specialists.	required.
Total amount spent by the authority on the investigation and prosecution of fraud	As above – not possible to quantify the NFI activity in particular.
Total number of fraud cases investigated	Six new local cases of potential fraud or irregularity have been investigated in 2017, together with further work on previously identified concerns. Some have been closed as unsubstantiated, and some are with the Police or Crown Prosecution Service.
Total number of cases of irregularity investigated	Some 6,800 data “matches” (as above) have been examined in the last Calendar year. Six new fraud / irregularities have been investigated, with fraud specialist, legal and police advice as appropriate.
Total number of occasions on which a) fraud and b) irregularity was detected	Depends on outcome of active cases.
Total monetary value of a) the fraud and b) the irregularity that was detected	Depends on outcome of active cases.
Total monetary value of a) the fraud and b) the irregularity that was	None yet for these cases. NFI work on the last bi-annual round also detected c£31,800 of genuine errors to date that are all in the process of being recovered.

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recovered	
Useful links to further information	
Internal Audit Plan 2017/2018	http://democracy.somerset.gov.uk/ieListDocuments.aspx?CIId=160&MIId=199&Ver=4
Audit Committee annual report on anti-fraud and corruption work	http://democracy.somerset.gov.uk/ieListDocuments.aspx?CIId=160&MIId=586&Ver=4
Contact details for further information	
Chief Internal Auditor	Martin Gerrish Strategic Manager – Financial Governance mgerrish@somerset.gov.uk 01823 355303
South West Audit Partnership	http://www.southwestaudit.co.uk/