



2023/24 Annual Fraud Report

30 July 2024

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Introduction

Following an internal audit report on anti-fraud arrangements in 2022/23, the Constabulary produces a report at the end of each financial year which sets out the actual and suspected fraud against the organisation. This report provides an overview for the awareness of Chief Officers, senior management, and the Joint Audit Committee (JAC).

Fraud Against the Constabulary

In respect of cases of fraud against the organisation based on conduct and anti-corruption intelligence for 2023/24 there has been only one potential case of alleged fraud – a reduction on the prior year where 2 conduct cases and 9 intelligence reports were recorded.

The case in 2023/24 relates to one intelligence report recorded under the sub-allegation of 'Fraud (Includes Expenses)'. This report is regarding a staff member not working their contracted hours, which was passed to line management for performance issues. No further fraud against the constabulary from intelligence reports were recorded and no conduct cases relating to fraud were identified.

Intelligence reports are submitted to the Anti-Corruption Unit from a range of sources. This may include members of the public, line managers, peers, through proactive analysis of data (such as work phone usage, overtime) or anonymous reporting.

This is a low level of suspected fraudulent activity with no actual fraud to date being identified and requiring action.

Changes to Controls / Procedures

Given the low level of suspected fraud within the Constabulary no immediate changes have been made or are required at this time. The Chief Finance Officer and Head of Finance are progressing the other recommendations from the 2022/23 internal audit report including:

- Development of a Central Fraud Register – the Head of Finance working with the Professional Standards Department (PSD) has developed the register, which will be added to and refined.
- Fraud training – the CFO has identified fraud e-training provided by CIPFA which is available through the Constabulary's Achieving Finance Excellence in Policing (AFEP) subscription. During 2023/24 17 individuals were signed up to and completed the training. Those attending were from finance, financial transactions, payroll, business support, human resources transactions and uniform stores teams.

Further training is being explored to provide a mandatory training session for new starters. The CFO has been in discussion with Organisational Learning and Development to commission a suitable course / material, which is planned to be progressed in 2024/25.

- Reports have been extracted by the Anti-Corruption Unit (ACU) to enable the finance team to review declarations of interest against accounts payable (AP) data. This is initially a very manual process and continues to be developed to enable periodic checks of accounts payable data to check for potential irregular activity or payments where officers and staff have declared a business interest.

In addition, the ACU and Payroll team undertake joint working to share top overtime claimant data where the ACU review the information to identify fraud and/or financial vulnerability concerns. Expenses data is being received monthly by the ACU and is being reviewed for high claimants and individuals with repeatedly rejected expense claims. Work is also planned with payroll on the biennial National Fraud Index data, which should help to identify undeclared interests such as company directorships to enhance the identification and understanding of potential fraud risk.

Fraud Risk Assessment

The Constabulary has in 2023/24, following a fraud workshop held in June 2023, developed a fraud risk register. This involved key business areas to capture the key areas of potential fraud, understand the level of risk, exposure and potential impact and map any controls and mitigations in place.

The fraud risk register was presented to the Risk Review Board during the year and further enhancements to the control environment in relation to fraud will be kept under review as part of the monitoring processes.

Recommendation

The JAC is asked to note the contents of the report.