

## ROTHERHAM BOROUGH COUNCIL – REPORT TO AUDIT COMMITTEE

1.	<b>Meeting:</b>	<b>Audit Committee</b>
2.	<b>Date:</b>	<b>23<sup>rd</sup> July, 2014</b>
3.	<b>Title:</b>	<b>Audit Commission Fraud Survey: KPMG Analysis</b>
4.	<b>Directorate:</b>	<b>Environment and Development Services</b>

### 5. Summary

This report outlines the findings from a summary of comparative 2013/14 fraud activity, produced by KPMG.

Rotherham had the highest level of detected fraud amongst the authorities submitting data, primarily due to its exceptional achievement in identifying and recovering council tax single persons' discount overpayments.

### 6. Recommendations

**The Audit Committee is asked to note the analysis produced by KPMG.**

## 7. Proposals and Details

Each year the Audit Commission requires local authorities to submit details of identified fraud. This is then summarised nationally and used in the production of the Audit Commission's publication *Protecting the Public Purse*.

For this year, our external auditor; KPMG, has had access to the data submitted by local authorities and has produced some comparative information.

KPMG's presentation of its analysis, attached at **Appendix 1**, shows Rotherham Council's position on a number of key indicators relative to other metropolitan borough councils.

Overall, the analysis demonstrates RMBC takes a strong line against fraud. The main headlines from the analysis are:

- Rotherham MBC achieves the highest overall level of detected fraud cases and 3<sup>rd</sup> highest value (slide 7)
- The main reason for the overall position above is the Council's exceptionally high relative level of detected council tax discounts fraud, where RMBC achieves substantially more than any other metropolitan authority (slide 9)
- RMBC detects an average number and value of other Benefits Fraud (slide 8).
- RMBC detected no social housing fraud (tenancy fraud) (slide 10)
- RMBC detected 13 blue badge frauds in the year, which is equivalent to the average number of cases per Northern Metropolitan Councils (slide 13).

During 2014/15 Internal Audit plans to carry out selected further tests in fraud risk areas to assess the likelihood and extent of fraud and, where appropriate, take any follow up action.

## 8. Finance

There are no specific financial implications arising from this report.

## 9. Risks and Uncertainties

The actions taken in response to the analysis assist the Council to address the risk of fraud, bribery and corruption in its operations and to reduce their impact.

## 10. Policy and Performance Agenda Implications

The effective countering of the risk of fraud, bribery and corruption helps preserve the Council's assets and resources to achieve the objectives the Council has set.

## 11. Background Papers and Consultation

RMBC - Anti-fraud and Corruption Policy and Strategy.

**Contact Names:**

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**Appendices:**

**Appendix A – Protecting the Public Purse Fraud Briefing 2013**