



Date: 19 December 2011

REF: H/CFAR2012

COUNTER FRAUD - ANALYTICAL REVIEW 2011-12

EXECUTIVE SUMMARY

Introduction

The Council's arrangements to manage its fraud risks are subject to a separate audit in which levels of testing will be designed to confirm compliance with policy. The likelihood of such compliance testing identifying fraudulent transactions is low. An analytical review, using IT tools to sample transactions in a selective manner is a better way of determining whether suspect transactions have taken place and allows for a focused investigation of any such transactions.

Overview

A review was undertaken of the Council's Payroll, Debtor and Creditor systems and all associated invoices and payments for the year 2010/11. Analysis of payments established that no fraudulent issues were found in relation to:

- illegitimate payments,
- duplication of payments,
- excessive amounts of payments or
- false authorisation of payments

As a result of these findings, the overall assurance rating is given below.

As no risks have been identified and no recommendations made, the assurance rating following this audit is

Good

Range 75+

Assessed Score 90

Acknowledgements

The help and co-operation of the Exchequer Services Assistant and Income Posting Officer was much appreciated by the Auditor.

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Internal Auditor

WELLAND INTERNAL AUDIT CONSORTIUM
Harborough District Council



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NOTES:

Action Plan Grade Classification:	H-High, M-Medium, L-Low	Order of Priority of Implementation. Please note that it will normally be expected that all recommendations will be implemented within 6 months.
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The range of Assurance ratings is as follows:

Audit Opinion:	Explanation:
GOOD	Minor risks have been identified.
SOUND	Some risks have been identified and some recommendations made.
MARGINAL	A number of risks have been identified and changes should be made.
UNSATISFACTORY*	Unacceptable risks have been identified and changes must be made.
UNSOUND*	Major risks exist and fundamental improvements are required.

A rating of "Unsatisfactory" or "Unsound" requires immediate management attention and arrangements will be made for a further review to be carried out at a later (agreed) date.