

**Report to:** Audit Committee

**Date of Meeting:** 25 January 2016

**Report Title:** Chief Auditor's Summary Audit and Risk Report

**Report By:** Tom Davies  
Chief Auditor

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### **Purpose of Report**

To inform the Audit Committee of the National Fraud Initiative exercise; Creditor, Payroll and Insurance matches.

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### **Recommendation(s)**

- 1. That the Audit Committee accepts the report.**

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### **Reasons for Recommendations**

To monitor levels of control within the organisation.

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## **Summary Report**

### **Report to Audit Committee**

#### **Introduction**

The National Fraud Initiative (NFI) is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. NFI was a branch of the Audit Commission but is now part of the Cabinet Office. It carries out a comprehensive data matching exercise every 2 years from datasets supplied to them. Matches are posted to the NFI system for councils to go in and investigate whether or not there is a potential fraud or a possible duplicate payment (>£1,000).

Datasets were submitted by Hastings between September 2014 – February 2015 and the matches were released for investigation in March 2015. Internal Audit investigated the matches for creditor payments, payroll and insurance claims.

#### **Audit Conclusion**

Overall Audit Assessment: A – Good.

Controls are in place and are working effectively. There are no significant audit concerns. There are no recommendations made.

#### **Key Findings**

62 creditor matches were checked against an advised 46 matches. No issues were found.

21 payroll matches were checked against an advised 5 matches. No issues were found.

2 insurance matches were checked against an advised 1 match. No issues were found.

#### **Management Response**

Noted.

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**Wards Affected**

None

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**Policy Implications**

Please identify if this report contains any implications for the following:

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|---------------------------------------|-----|
| Equalities and Community Cohesiveness | No  |
| Crime and Fear of Crime (Section 17)  | No  |
| Risk Management                       | Yes |
| Environmental Issues                  | No  |
| Economic/Financial Implications       | Yes |
| Human Rights Act                      | No  |
| Organisational Consequences           | No  |
| Local People's Views                  | No  |
| Anti-Poverty                          | No  |

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**Additional Information**

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**Officer to Contact**

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