



NOTTINGHAM CITY HOMES

APPRAISAL REVIEW OF THE GOVERNANCE ANTI FRAUD ARRANGEMENTS

Report issued:	September 2008
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Audit Plan:	2008/09
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The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Business Assurance

Appraisal Review of the Governance Anti Fraud Arrangements

- EXECUTIVE SUMMARY -

INTRODUCTION

1. TIAA has reviewed the Governance Anti Fraud arrangements at Nottingham City Homes. The review was carried out in April 2008 as part of the planned internal audit work for 2008/09.

SUMMARY

2. One Key Risk Mitigation Objective was tested and based on the findings from this work an overall evaluation of the overall adequacy of the corporate governance and risk management was established (figure 1 below).

Figure 1 - Evaluation of the Effectiveness of the Risk Mitigation Arrangements

Evaluation
Limited Assurance

KEY FINDINGS

3. The following significant matters were identified which need be addressed in order to strengthen further the control environment.
 - The draft Anti Fraud policy be completed and approved by the Board.
 - A risk register is be produced and approved by the Board.
 - There is no Anti Fraud Training and Awareness Policy in place.
 - There are no documented Fraud response instructions for managers.

MANAGEMENT RESPONSES

4. Recommendations for control improvements should be assessed by the Company for their full impact before they are implemented. The principal purpose of the review was to appraise the effectiveness of the arrangements in mitigating against the risk of delivering an inefficient service. The Operational Efficiency action points should not be considered exhaustive and these suggested improvements should be assessed by the Company for their full impact before they are implemented.



5. The table below sets out the history of this report.

Date draft report issued:	30 th May 2008
Date management responses recd:	22 nd September 2008
Date final report issued:	22 nd September 2008



MANAGEMENT ACTION PLAN

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.1	The draft Anti Fraud policy be completed and approved by the Board.	2	<i>An Anti-Fraud Policy has been drafted and will be presented to the Board pending review.</i>	<i>End of December 2008</i>	<i>Darren Phillips Head of Finance (Company)</i>
14.2	Financial Regulations be amended to explicitly cover the matters identified as key risk areas of: - <ul style="list-style-type: none"> • Payments (New supplier details independently checked by Finance prior to any payments being made, Payments checked & released by person independent of the payments team, Regular bank reconciliations, Periodic check on change in payment profiles to suppliers). • Income (Significant changes in actual to expected income reviewed, Regular bank reconciliations). • Payroll (Regular reconciliation to HR records, Periodic check on large adjustments (e.g. overtime). • Procurement (Periodic checks of the tendering & quotation register). ▪ ICT (Periodic checks that staff only allocated access rights to systems required for their day-to-day duties). 	2	<p><i>Consideration to be given to which Internal Audit recommendations should be addressed in the Financial Regulations and which in procedural documents.</i></p> <p><i>All proposed amendments to the Financial Regulations are maintained on a summary register within finance and the Company's Standing Orders will be revised in 2009.</i></p>	<p><i>Update of the Company's Financial Regulations – End of May 2009.</i></p> <p><i>Finalisation of financial procedures – December 2008.</i></p>	<i>Darren Phillips Head of Finance (Company)</i>
14.3	The Financial Regulations be amended to refer to the Company ensuring that a procedure for whistle blowing is in place and operating effectively.	2	<i>As above.</i>	<i>As above.</i>	<i>As above.</i>

PRIORITY GRADINGS

1	URGENT	fundamental control issue on which action should be taken immediately.
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2	IMPORTANT	control issue on which action should be taken at the earliest opportunity.
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3	ROUTINE	control issue on which action should be taken.
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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.5	<p>The a Whistle Blowing policy be amended to include reference to: -</p> <ul style="list-style-type: none"> • Staff having access to confidential advice from an independent body, • Providing for a confidential hot-line for persons to use to report concerns • Contacting a person who is independent of the Company. 	2	<p><i>The recommendations are noted however staff to be advised to raise any issues with the Company Secretary and/or the Chief Executive in the first instance.</i></p> <p><i>If the issue is serious then there are appropriate external agencies which staff can contact e.g. police</i></p>	End of December 2008	<p>Alison Mapp</p> <p>Company Secretary / Solicitor</p>
14.6	<p>The disciplinary policy be amended to make reference to: -</p> <ul style="list-style-type: none"> • Actions that will be taken when a member of staff is suspended (e.g. return all keys, return property held off site, not to enter premises or talk to staff other than the designated person), • That the contents of desk and files (manual and computer) may be searched subsequent to the person being suspended, • That any breach of the terms of suspension will be treated as a serious act of misconduct, • Action that may be taken to members of staff who are related to a person who is suspended, • Action that may be taken in the event of the person who is subject to disciplinary action being on sick leave. 	2	<p><i>The disciplinary policy is currently being revised with the trades unions. These recommendations will be Incorporated into the document for final agreement.</i></p>	End of October 2008	<p>Mary Mayes</p> <p>Head of HR</p>

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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.8	A risk register be produced and approved by the Board.	2	COMPLETE <i>Corporate Risk Register was approved by the Board in May.</i>	<i>Implemented</i>	<i>Darren Phillips Head of Finance (Company)</i>
14.9	An Anti Fraud Training and Awareness Policy be produced. The following points should be considered for inclusion: <ul style="list-style-type: none"> The induction process should include the raising of awareness of the anti-fraud policy and associated policies. Senior Managers should be given training on the action to be taken if they suspect a fraud. Board members should be given training on their role and the opportunities to detect fraud, particularly in relation to asking for additional information and/or advising the Chair. Have staff responsible for co-ordinating complaints been provided with training on how to assess whether the complaint may be alluding to an irregularity/fraud and if so does it include setting out the actions they are to take on the receipt of such a complaint. The anti-fraud and disciplinary policies are reviewed after each actual or attempted fraud. 	2	<i>Board members training to be organised in accordance with the Board members development training plan.</i> <i>Company awareness and training to be co-ordinated by the Head of HR (Mary Mayes)</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>

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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.17	<p>Fraud response instructions for managers be documented. These should make reference to: -</p> <ul style="list-style-type: none"> To whom the fraud or suspicion of fraud should be reported in the first instance (e.g. senior managers, personnel or internal audit) How the organisation should investigate fraud How to secure evidence in a legally admissible form When and how to contact the police. 	2	<i>To be included in the Anti-Fraud Policy – see 14.1 above.</i>	<i>End of December 2008</i>	<i>Darren Phillips Head of Finance (Company)</i>
14.19	<p>The chair of the audit committee has not been provided with advice on their role regarding: -</p> <ul style="list-style-type: none"> The audit committee has an important role in overseeing the reporting and investigation of suspected or actual fraud or impropriety. To ensure that all significant losses have been properly investigated and that the Internal and External Auditors are notified. 	2	<i>Training to be provided by the Company.</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>
14.4	All of the Company's staff be informed of how to view the Policies and Financial Regulations, including intranet access being extended to scheme staff and caretakers.	3	<i>To be completed following approval of the Anti-Fraud policy by the Board.</i>	<i>End of January 2008</i>	<i>Darren Phillips Head of Finance Martin Valentine Head of Marketing</i>

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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.10	The staff member Code of Conduct Policy be amended to make reference to the Nolan Principles.	3	<i>To be completed following the review of the disciplinary policy by the Head of HR.</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>
14.11	The Code of Conduct Policy be amended to include reference to action that may be taken if a member of staff fails to declare an interest or fails to complete a declaration of interest form.	3	<i>As 14.10 above</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>
14.12	Reference be included within the Code of Conduct to which posts are subject to Criminal Records Bureau (CRB) checks.	3	<i>As 14.10 above</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>
14.13	The code of conduct for suppliers does not provide for a confidential hot line for suppliers to use to report concerns.	3	<i>The recommendations are noted however suppliers to be advised to raise any issues with the Company Secretary and/or the Chief Executive in the first instance.</i>	<i>End of December 2008</i>	<i>Alison Mapp Company Secretary / Solicitor</i>
14.16	Consider taking part in the National Fraud Initiative.	3	<i>Further information will be obtained and brought back to Audit Committee for them to consider</i>	<i>End of December 2008</i>	<i>Director of Finance, ICT & Governance</i>
14.18	Leavers be asked at exit interviews whether they are aware of any fraud, other irregularities, or controls breakdown.	3	<i>The new exit interview questionnaire will include a question asking if they are aware of any fraud within the company.</i>	<i>End of October 2008</i>	<i>Mary Mayes Head of HR</i>

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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.20	<p>The audit committee to carry out a self assessment to confirm that it is satisfied that the following arrangements would occur in the event that the suspected fraud was detected: -</p> <ul style="list-style-type: none"> • The board should ensure that there is a clear and well-communicated policy covering prevention, detection and reporting of fraud, and the recovery of the assets. • Management should report to the board all cases of fraud and attempted fraud, detailing the nature and extent of the fraud and any implications for the Company's internal control system. • Companies should maintain a record of all incidents of fraud and attempted fraud. The board should regularly review the register • Boards should have approved procedures in place, in case fraud or attempted fraud is discovered or fraudulent activity suspected. • When internal or external audit report instances of serious control failure/weakness it is ascertain the extent to which the Company has been exposed to the risk of material fraud. <p>Losses (over a predetermined financial threshold) arising from theft are reported to the audit committee in the same manner as other instances of fraud.</p>	3	<p><i>Company Secretary in conjunction with the Director of Finance to review procedures and make recommendations.</i></p>	<p><i>End of December 2008</i></p>	<p><i>Alison Mapp</i> <i>Company Secretary / Solicitor</i></p>

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Appraisal Review of the Governance Anti Fraud Arrangements

Para Ref.	Recommendation	Priority	Management Comments	Implementation Timetable	Responsible Officer
14.21	All fraud issues be recorded in the fraud register.	3	<i>Register currently updated once reports received by the Governance Team.</i>	<i>Implemented</i>	<i>Alison Mapp Company Secretary / Solicitor</i>

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OPERATIONAL EFFICIENCY MATTERS

Para ref	Item	Management Comments	Audit Commission KLOE Reference
	No recommendations.		

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of the procedures, rather than on an one-by-one basis

- DETAILED REPORT -

SCOPE AND LIMITATIONS OF THE REVIEW

6. The review appraised the robustness of the Company's Anti-Fraud policy and associated policies in providing mitigation against fraud and/or the impact of fraud.
7. The scope of the review did not include carrying out testing to provide assurance that all instances of fraud have been detected by the Company.
8. The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.
9. For the purposes of this review reliance was placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

KEY RISK MITIGATION OBJECTIVE

10. Details of the Key Risk Mitigation Objective that was reviewed and the individual assessment of the effectiveness of the arrangements are shown below (figure 2 below).

Figure 2 - Summary of the Key Risk Mitigation Objective

Risk	Mitigation	Assurance Assessment
Failure to operate the process in an efficient and effective manner.	Arrangements in place provide for the efficient operational delivery of the required service.	Limited Assurance

11. This review identified the practices that are being operated by the Company and an assessment of the effectiveness of the arrangements in meeting the Key Risk Mitigation Objective is provided. The assessments, which are based solely on the review work carried out, are:

Substantial Assurance	The arrangements are designed to meet the organisation's objectives and they accord with expected practice.
Reasonable Assurance	There are generally sound arrangements designed to meet the organisation's objectives. However, some expected practices were not present which may result in the continuous and effective achievement of the organisation's objective not being achieved all the time.
Limited Assurance	There is considerable risk that the arrangements will fail to meet the organisation's objectives as the practices in place are not sufficient to ensure the continuous and effective achievement of the organisation's objective.
No Assurance	The arrangements are insufficient to ensure that activities and procedures are operating to achieve the organisation's objective.

BACKGROUND

12. The term 'fraud' is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. "Fraud " is usually used to describe depriving someone of something by deceit, which might either be straight theft, misuse of funds or other resources, or more complicated crimes like false accounting, misuse of computer records and the supply of false information.

Risk	Failure to operate the process in an efficient and effective manner.		
Risk Control Objective	Arrangements in place provide for the efficient operational delivery of the required service.	Evaluation	From the review of the documentation and tests carried out the Control Evaluation is: <u>Limited Assurance</u>

13. The following matters were identified in reviewing the Key Risk Control Objective:
- 13.1 There is no Anti Fraud Policy in place. It is currently being drafted and it is anticipated that it will be presented to the Board in May 2008. An example of an anti-fraud policy is included (Appendix A). (Recommendation 14.1 refers).
- 13.2 The Financial Regulations in place were approved by the Board in July 2007. These are being amended and are due be presented to the Board in May 2008.
- Although arrangements are in place for monitoring arrangements for those areas of its operations that have been identified as being most susceptible to fraud the current Financial Regulations do not explicitly cover the matters identified as key risk areas of:
- Payments (New supplier details independently checked by Finance prior to any payments being made, Payments checked & released by person independent of the payments team, Regular bank reconciliations, Periodic check on change in payment profiles to suppliers).
 - Income (Significant changes in actual to expected income reviewed, Regular bank reconciliations).
 - Payroll (Regular reconciliation to HR records, Periodic check on large adjustments (e.g. overtime).
 - Procurement (Periodic checks of the tendering & quotation register).
 - ICT (Periodic checks that staff only allocated access rights to systems required for their day-to-day duties).
- (Recommendation 14.2 refers).
- 13.3 The Financial Regulations do not refer to the Company ensuring that a procedure for whistle blowing is on place and operating effectively. (Recommendation 14.3 refers).
- 13.4 The Senior Governance Officer holds a Fraud and Whistleblowing register. The Fraud Register is one of the standing items on the agenda of the audit committee.
- 13.5 All of the Company's policies are contained within the staff induction folder. Some of the Company's policies are held on the intranet and are accessible by all permanent and temporary staff. Some housing scheme staff, including caretakers, do not currently have passwords to allow access to the intranet. There is no reference in

documentation provided to new staff of how they can access the Financial Regulations. (Recommendation 14.4 refers).

- 13.6 There is a Whistle Blowing policy in place, however it does not include reference to: -
- Staff having access to confidential advice from an independent body,
 - Providing for a confidential hot-line for persons to use to report concerns,
 - Contacting a person who is independent of the Company.
- (Recommendation 14.5 refers).
- 13.7 There is a disciplinary policy in place, however it does not include reference to: -
- Actions that will be taken when a member of staff is suspended (e.g. return all keys, return property held off site, not to enter premises or talk to staff other than the designated person),
 - That the contents of desk and files (manual and computer) may be searched subsequent to the person being suspended,
 - That any breach of the terms of suspension will be treated as a serious act of misconduct,
 - Action that may be taken to members of staff who are related to a person who is suspended,
 - Action that may be taken in the event of the person who is subject to disciplinary action being on sick leave.
- (Recommendation 14.6 refers).
- 13.8 Investigatory interviews are referred to within the disciplinary procedures, however they do not detail: -
- The need for a suspended person to confirm attendance at the meeting,
 - Whether the meeting may be recorded for evidential purposes,
 - Holding the meeting off-site, if appropriate,
 - What action will be taken if the person fails to attend,
 - That a friend/representative may attend but as a witness only and cannot actively participate in answering the questions raised.
- (Recommendation 14.7 refers).
- 13.9 There is no risk register in place. (Recommendation 14.8 refers).
- 13.10 There is no Anti Fraud Training and Awareness Policy in place, which, if in place, would raise awareness of fraud throughout the Company. The following points should be considered for inclusion:
- The induction process should include the raising of awareness of the anti-fraud policy and associated policies.
 - Senior Managers should be given training on the action to be taken if they suspect a fraud.
 - Board members should be given training on their role and the opportunities to detect fraud, particularly in relation to asking for additional information and/or advising the Chair.
 - Have staff responsible for co-ordinating complaints been provided with training on how to assess whether the complaint may be alluding to an irregularity/fraud and if

so does it include setting out the actions they are to take on the receipt of such a complaint.

- The anti-fraud and disciplinary policies are reviewed after each actual or attempted fraud.

(Recommendation 14.9 refers).

- 13.11 Board members code of conduct Policy is included in the Standing Orders approved in June 2007, and makes reference to the Nolan Principles. However the staff member's Code of Conduct Policy in place does not. (Recommendation 14.10 refers).
- 13.12 A requirement that Board members complete a declaration of interest statement is recorded in the Financial Regulations and this states that interest will be disclosed via completion of an annual return and within Board and Committee meetings where company business is being contracted.
- 13.13 The policy states that staff members are required to make all relationships of a business or private nature with external contractors, or potential contractors, known to the employee's Executive Director. Any personal interests, financial or otherwise, must be registered when they could reasonably be deemed to potentially conflict with any work undertaken by employees in the course of their duties. Each Executive Director will be responsible for ensuring that all employees in their Directorates are aware of the need to register personal interests in accordance with this section. The policy does not make reference to action that may be taken if a member of staff fails to declare an interest or fails to complete a 'declaration of interest' form. (Recommendation 14.11 refers).
- 13.14 There is no reference within the Code of Conduct for which posts are subject to Criminal Records Bureau (CRB) checks. (Recommendation 14.12 refers).
- 13.15 The code of conduct for suppliers does not provide for a confidential hot line for suppliers to use to report concerns. (Recommendation 14.13 refers).
- 13.16 There is a Fidelity insurance policy in place. This requires that losses must be discovered within 24 months of the termination of the employment of the person defrauding NCH.
- 13.17 There is no Access to Records Policy in place which explicitly explains to staff that the Company reserves the right to monitor all e-mails and computer records that have been created on the Company's computer systems. Failure to make this declaration could result in the Company not being able to view these documents as part of an investigation. Additional information, which should be considered for inclusion, is detailed below:
- That in the event of being suspended pending an investigation access will be gained to lockers and work station drawers should the need arise.
 - As a condition of employment, staff consent to the examination of the use and content of all data/information processed and/or stored by the staff member on the Company's systems as required.
 - All information/data held on the Company's system's is deemed the property of The Company.
 - That the Company retains the right to access and view all emails sent and received by the Email system. This right is exercised solely through the ICT Department/ICT Services Provider on the instructions of a member of senior management.
 - That the Company retains the right to monitor Internet usage by staff. This right is exercised solely through the ICT Department/ICT Services Provider and, where

relating to a specific member of staff, only on instructions from a member of Directorate.

- As a condition of employment all staff consent to the examination of the use and content of their Internet activity as required.
- Make reference to the any manual documents, whether business or personal, held at the premises may be examined for the purposes of an investigation, without the prior approval of the member of staff.
- Make relevant reference to the Computer Misuse Act, Data Protection Act or Copyright Design and Patents Act.

(Recommendation 14.14 refers).

13.18 The Company has had no involvement in the National Fraud Initiative. (Recommendation 14.15 refers).

13.19 There are no documented fraud response instructions available for managers. These should make reference to: -

- To whom the fraud or suspicion of fraud should be reported in the first instance (e.g. senior managers, personnel or internal audit),
- How the organisation should investigate fraud,
- How to secure evidence in a legally admissible form,
- When and how to contact the police.

(Recommendation 14.16 refers).

13.20 It is not made clear within the documented procedures and policies that the following principles are to be followed when investigating a potential fraud: -

- That documentary & electronic records secured at the earliest opportunity,
- Recognising that the fraud should not disrupt the continued delivery of the services,
- Establish what went wrong,
- Keeping senior management continually updated on progress with the investigation,
- Need to establish likely financial loss at earliest opportunity in order that management can take decision regarding informing insurers, police, external audit etc.
- Liaising with external agencies to prevent any failures in the legal process,
- Minimising staff involvement to prevent unauthorised disclosure.

(Recommendation 14.17 refers).

13.21 The Company is currently not conducting exit interviews; therefore leavers are not asked whether they are aware of any fraud, other irregularities, or controls breakdown. (Recommendation 14.18 refers).

13.22 The chair of the audit committee has not been provided with advice on their role regarding: -

- The audit committee has an important role in overseeing the reporting and investigation of suspected or actual fraud or impropriety.
- To ensure that all significant losses have been properly investigated and that the Internal and External Auditors.

- As such exceptional events are likely to occur without warning it will usually be the audit committee chair that is consulted in the first instance. The chair needs to see that management has taken appropriate action and that action was taken in a timely and diligent manner. The chair should summon a special meeting of the audit committee if the matter is significant.

(Recommendation 14.19 refers).

13.23 The audit committee has not carried out a self assessment to confirm that it is satisfied that the following arrangements would occur in the event that the suspected fraud was detected: -

- The board should ensure that there is a clear and well-communicated policy covering prevention, detection and reporting of fraud, and the recovery of the assets.
- Management should report to the board all cases of fraud and attempted fraud, detailing the nature and extent of the fraud and any implications for the Company's internal control system.
- Companies should maintain a record of all incidents of fraud and attempted fraud. The board should regularly review the register.
- Boards should have approved procedures in place, in case fraud or attempted fraud is discovered or fraudulent activity suspected.
- When internal or external audit report instances of serious control failure/weakness it should be ascertained the extent to which the Company has been exposed to the risk of material fraud.
- Losses (over a predetermined financial threshold) arising from theft are reported to the audit committee in the same manner as other instances of fraud.

(Recommendation 14.20 refers).

13.24 A theft of £1,715 cash from the Southglade office occurred on 20th November 2007. This was reported to and investigated by Internal Audit and the Police at the time, however this has not been recorded in the fraud register. (Recommendation 14.21 refers).

14.	Recommendations:	Priority
14.1	The draft Anti Fraud policy be completed and approved by the Board.	2
14.2	The Financial Regulations be amended to explicitly cover the matters identified as key risk areas of payments, income, payroll, procurement and ICT.	2
14.3	The Financial Regulations be amended to refer to the Company ensuring that a procedure for whistle blowing is on place and operating effectively.	2
14.4	All of the Company's staff be informed of how to view the Policies and Financial Regulations, including intranet access being extended to scheme staff and caretakers.	3
14.5	The Whistleblowing Policy be amended and approved.	2
14.6	The Disciplinary Policy be amended and approved.	2

14.7	The section on investigatory interviews within the disciplinary procedures be amended.	3
14.8	A risk register be produced and approved by the board.	2
14.9	A Training and Awareness Policy be produced and approved.	2
14.10	The staff member Code of Conduct Policy be amended to make reference to the Nolan Principles.	3
14.11	The Code of Conduct Policy be amended to include reference to action that may be taken if a member of staff fails to declare and interest or fails to complete a declaration of interest form.	3
14.12	Reference be included within the Code of Conduct for which posts are subject to Criminal Records Bureau (CRB) checks.	3
14.13	The code of conduct for suppliers does not provide for a confidential hot line for suppliers to use to report concerns.	3
14.14	An Access to Records Policy be produced and approved.	2
14.15	Consider taking part in the National Fraud Initiative.	3
14.16	Fraud response instructions be documented.	2
14.17	Documented policies and procedures be amended to include reference to the fact that the principles of securing evidence, minimising business disruption, communication and confidentiality are to be followed.	3
14.18	Leavers be asked at exit interviews whether they are aware of any fraud, other irregularities, or controls breakdown.	3
14.19	The chair of the audit committee be provided with advice on their role.	2
14.20	The audit committee to carry out a self assessment to confirm that it is satisfied that the appropriate arrangements would occur in the event that the suspected fraud was detected.	3
14.21	All fraud issues be recorded in the fraud register.	3
