

ITEM No ...8.....

REPORT TO: SCRUTINY COMMITTEE – 17 APRIL 2019

REPORT ON: CORPORATE INTEGRITY GROUP

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 155-2019

1 PURPOSE OF REPORT

This report is to inform the Scrutiny Committee of the remit and progression of the Council's officer Corporate Integrity Group, including membership, responsibilities, and outcome of cases referred to the Group.

2 RECOMMENDATIONS

It is recommended that the Committee notes this report.

3 FINANCIAL IMPLICATIONS

No direct implications.

4 BACKGROUND

- 4.1 In March 2017, a Corporate Integrity Group was set up involving officers from a number of different Council services. Its purpose is to improve the Council's resilience to crime, fraud and corruption. These matters may be brought to the attention of the group in the form of 'organisational alerts' and responses will be focused on implementing preventative measures.
- 4.2 Police Scotland's Public Sector Counter Corruption Unit (now known as Police Scotland's Safer Communities Division) suggest that the focus of the Integrity Group should be best aimed at key risk areas such as; staff vetting, information security, procurement/contracts, conflicts of interest, finance, physical security, discipline, communications and risk management. Themes are then developed to form an action plan based on the risk priority for each area.
- 4.3 Since the inauguration of the Integrity Group, the knowledge and experience of the Group has grown and members have developed skills that continue to improve the Council's response towards fraud, corruption and organised crime. Police Scotland's Public Safer Communities Divisional Officers are available to support the Group through investigations, as required, and occasionally attend Group Meetings.
- 4.4 The Head of Corporate Finance held a consultation meeting with key members of staff to discuss the membership of the Integrity Group. The Integrity Group is chaired by Head of Corporate Finance and membership currently consists of the Senior Manager Internal Audit, Senior Manager Procurement, Head of HR & Business Support, Head of Community Safety & Protection, Head of Democratic & Legal Services, Corporate Fraud Supervisor and the Executive Director of Corporate Services. The Group meet on a quarterly cycle and also meet as required in response to any organisational risk or threat which has been identified through an alert either organisational, media or another enforcement agency.

5 INTEGRITY GROUP RESPONSIBILITIES

- Carry out a fraud and corruption risk assessment to identify services where there is a higher risk of fraud & corruption and compile an integrity risk register
- Assist with developing, reviewing and communicating policies and procedures to mitigate the risk of fraud and corruption e.g. Whistleblowing Policy; Register of Interests; Gifts, Gratuities and Hospitality.

- Highlighting emerging risks, threats, vulnerabilities and related fraud and corruption opportunities.
- Receiving, considering and monitoring organisational vulnerability alerts / fraud and corruption flags, including alerts / flags identified via various internal and external sources.
- Developing appropriate mechanisms for reporting the above and communicating these as appropriate.
- Agreeing appropriate actions to mitigate the fraud and corruption risks identified, including sustainable preventative measures.
- Raising awareness of bribery, fraud and corruption in the Council as a method of prevention.
- Developing an action plan to implement / address the above. The action plan will help focus the work of the Corporate Integrity Group and keep the response proportionate to the risks.
- Develop appropriate Internal /External communication plan.

6 ALERTS

Various alerts were received which triggered ad-hoc meetings of the Group. After investigation and sharing of information, a variety of outcomes emerged. These ranged from suspension of staff and recovery of Council debt to identification of duplicate invoices and a review of procurement processes.

7 POLICY IMPLICATIONS

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues, although the Integrity Group does play an effective role in the Council's risk management arrangement.

8 CONSULTATION

The Council Management Team were consulted in the preparation of this report and agreed with its contents.

GREGORY COLGAN
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

19 MARCH 2019