

ESPO FINANCE AND AUDIT SUBCOMMITTEE – 18 FEBRUARY 2013

AGENDA ITEM NO 4

EXTERNAL AUDIT PLAN 2012/13 – MITIGATION OF RISK OF FRAUD

REPORT OF THE CONSORTIUM TREASURER

Purpose of the Report

1. To ask the Subcommittee to consider questions arising from the External Audit Plan 2012/13 on the mitigation of the risk of fraud.

Background

2. At its meeting on 6 December 2012 the Management Committee considered the External Audit Plan 2012/13.
3. Within the External Audit Plan 2012/13 a number of questions were posed by the External Auditor to members about how risk of fraud could be mitigated.
4. The Finance and Audit Subcommittee was requested to consider these questions and report back to a future meeting of the Management Committee.

Questions

5. The questions put to the Management Committee in the External Audit Plan were:-

We enquire of the Management Committee:

- (i) *Whether you have knowledge of fraud, either actual, suspected or alleged, including those involving management?*
- (ii) *What fraud detection or prevention measures (e.g. whistleblower lines) are in place in the entity?*
- (iii) *What role you have in relation to fraud?*
- (iv) *What protocols / procedures have been established between those charged with governance and management to keep you informed of instances of fraud, either actual, suspected or alleged?*

Recommendation

6. That the Subcommittee consider the questions raised by the External Auditor and the responses provided.

Background Papers

Report to the Management Committee 6 December 2012 on the External Audit Plan 2012/13

Equal Opportunities Implications

None arising from this report.

Officer to Contact

Mr B Roberts – Treasurer to the Consortium (Tel: 0116 305 7831)

Appendices

External Audit Plan 2012/13