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AUDIT COMMITTEE REPORT

Subject: National Fraud Initiative	**Purpose:** **For Approval** ☐ **For Discussion** ☐ **For Information** ☒
Prepared by: Peter D Smith, Vice Principal – Finance and Corporate Services	**Date:** 31 August 2018

Purpose: To advise the Committee of the College's inclusion in the UK Government's National Fraud Initiative.

Linked to Strategic Goal 5: Build Sustainability.

Executive Summary

The National Fraud Initiative (NFI) is a UK wide data matching exercise whose primary purpose is to help public sector bodies to prevent and detect fraud and error in their financial systems. The data matching exercise is led by the Cabinet Office. The latest report, published on 5 July 2018, describes how the NFI has helped to identify £18.6 million of fraud, overpayment and error in Scotland over the last two years, and the cumulative outcomes from the NFI in Scotland are now at £129.2 million.

The NFI has gradually rolled out across the public sector and Audit Scotland have advised me that Borders College is required to participate from 2018-19.

The exercise requires that a number of roles are identified within the College and these have been agreed as follows: -

- Senior Responsible Officer – Vice Principal – Finance and Corporate Services
- Key Contact – Head of Finance and Procurement
- Match Investigators – Finance Assistant (Sales Ledger) and Payroll Officer

The exercise entails the provision of specific data sets to the Cabinet Office, where they are matched across data provided by other public bodies, with any suspicious activity then investigated.

At this time we are not certain of the resource requirement to ensure compliance; however, participation should improve the College's ability to detect and respond to fraudulent activity.

Recommendation: Report is for information only.

Previous Committee Approvals: n/a

For publication ☒	**For publication with redactions** ☐	**Not for publication** ☐