



Audit Scotland Report: Fraud and Irregularity Update 2018/19

Purpose

1. The purpose of this paper is to provide the Committee with the recent Audit Scotland Report: Fraud and Irregularity Update 2018/19 and an SFC paper detailing recent frauds which took place at Scottish FE colleges.

Background

2. Audit Scotland issued a report providing a summary of cases of fraud and other irregularities in public bodies reported by external auditors for Financial Year 2018-19 (Annex 1).

Action

3. SFC considered the weaknesses in internal control that facilitated cases in this report and concluded that our existing arrangements are sound.
4. SFC issued a paper providing a summary of recent frauds which took place at Scottish FE Colleges (Annex 2) and sent this to all colleges along with a copy of the Audit Scotland report.
5. Colleges were encouraged to consider whether the weaknesses in internal control that facilitated the cases referred to in the SFC paper might also exist in their own policies and procedures and, where appropriate, take the necessary mitigating action.

Recommendations

6. The Committee is invited to note the Audit Scotland report and the SFC college fraud paper.

Publication

7. The paper will be published on the Council website.

Further information

8. Contact: Fiona O'Neill, Assistant Director, Finance, tel: 0131 313 6525, email: foneill@sfc.ac.uk.

