

Board/Committee:	Audit Committee	
Date:	27 September 2012	
Paper title:	Anti fraud, bribery and corruption report	
Author:	Richard Flatman – Executive Director of Finance	
Executive sponsor:	Richard Flatman – Executive Director of Finance	
<b>Recommendation by the Executive:</b>	The Executive recommends that Audit committee note the position as reported below.	
Aspect of the Corporate Plan to which this will help deliver?	Creating an environment in which excellence can thrive.	
Matter previously considered by:	Audit Committee	At each meeting
Further approval required?	N/A	
Communications – who should be made aware of the decision?	N/A	

### **Executive summary**

This paper is presented to each meeting of Audit Committee to alert members to any instances of fraud, bribery or corruption arising in the period since committee last met.

No instances of fraud, bribery or corruption have occurred since the last meeting in June.

At the last meeting it was reported that an erroneous gross payment of £138,669.31 had been made to a member of staff in the University's March payroll. The money has subsequently been recovered and a full investigation carried out by our internal auditors, a copy of which has been submitted to HEFCE. Whilst the root cause of the erroneous payment could not be established, a typographical error when inputting adjustment start dates was considered to be a potential likely cause rather than fraud or malicious intent.

Appropriate action has now been taken against the staff concerned as follows:

#### Senior Payroller

The senior payroller who had been suspended has subsequently left the University and no further action was taken. Formal written confirmation was provided to him to confirm that given the alleged breaches to security requirements it was likely that he would have had to attend a hearing to consider the matter further had he remained in the University's employment. However, given that there was no allegation of fraud or deceitful action on his part and because he has subsequently left the University, no further action was taken.

#### Assistant Payroll manager

The Assistant Payroll Manager attended a disciplinary hearing under stage 4 of the University's disciplinary procedure on 15 August. Whilst there was no allegation of fraud, there were a number of control issues arising and the allegations were as follows:

- Failure to follow agreed payroll checking procedures
- Breach of ICT security policy
- Deliberate falsification of a payroll record.

All allegations were proven. However, it was felt that the evidence was not sufficiently strong to warrant dismissal, particularly as there was no evidence of fraud. The Assistant Payroll Manager has been given a final written warning.

#### The Lecturer

The specific management charge against the Lecturer is that (given the scale of the overpayment to her) she failed to adequately communicate with University staff and alert them to the fact that she had received > £70,000 to which she was not entitled. Disciplinary proceedings are scheduled for October.