



UPDATED CORPORATE ANTI-FRAUD POLICY
REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE
DIRECTION)

WARDS AFFECTED: ALL WARDS

1. **PURPOSE OF REPORT**

To present the updated Corporate Anti-Fraud Policy ("The Policy"). This Policy has been refreshed following publication of the Audit Commission's report on "Protecting the Public Purse" in November 2013 and a fraud awareness workshop with officers conducted by the Council's External Auditors (PricewaterhouseCoopersLLP).

2. **RECOMMENDATION**

That the revised Policy is adopted

3. **BACKGROUND TO THE REPORT**

3.1 The Audit Commission's publication "Protecting the Public Purse" (2013) indicated that fraud costs the UK Public Sector more than £20billion per year and local government more than £2billion.

3.2 The Policy outlines the Council's approach towards fraud and actions that will be taken to investigate and deal with potential fraudulent activity from officers or members. The Policy has been reviewed and updated to reflect changes in process and legislation. The Policy has also been reviewed by the Council's External Auditors (PricewaterhouseCoopersLLP) to ensure it is robust and fit for purpose.

3.3 As a general comment, all references to policies, job titles and legislation have been reviewed and amended as required. In addition, the following specific changes have been made for note:

- Reference to all relevant Council policies including the Equality and Diversity Policy and ICT Acceptable Usage Policy
- Extension of the examples of fraud to cover corruption, bribery and money laundering
- Identification of the Council's Anti-Money-Laundering Officer – This role is undertaken by the Deputy Chief Executive (Corporate Direction)
- Inclusion of a clear message that "Whilst the organisation holds trust in employees, this belief must be based in assurance and, as such, checks may be performed on data (e.g. mileage claims) and procedures (e.g. through audit processes) to obtain this assurance."
- Inclusion of the statement that "Individuals should not commence employment with the Council until satisfactory references are obtained and reviewed"
- Expansion on the role of the External Auditor in reporting on fraud and the controls in place to prevent and detect fraud

3.4 In order to raise awareness around fraud and corruption, a training session was held with all members of the middle manager group and run by the Council's External Auditors. Outcomes of this meeting were also included within the Chief Executive's briefing agenda to ensure that all officers are aware of their role in preventing and detecting fraud. A further update on this and the outcomes of the Audit Commission's publication will be provided to the Finance, Audit and Performance Committee on 31ST March 2014.

4. **FINANCIAL IMPLICATIONS [KP]**

The additional work performed by PwC on fraud awareness was conducted outside of the audit plan and cost £1,000.

There are no other direct financial implications arising from this report, though any fraud will inevitably have a financial impact for the Council.

5. **LEGAL IMPLICATIONS [MR]**

- 5.1 The Audit Commission Act 1998 and the Audit and Account (England) Regulations 2011 make the Council responsible for ensuring that the financial management of the Council is adequate and effective and that the Council has a sound system of internal control

6. **CORPORATE PLAN IMPLICATIONS**

The prevention of fraud and corruption will ensure the achievement of all Corporate Plan objectives.

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

None

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications

- Voluntary Sector

Background papers: "Protecting the Public Purse"

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