

# ANTI-FRAUD AND CORRUPTION POLICY AND STRATEGY

<b>Cabinet Member</b>	Councillor Jonathan Bianco
<b>Cabinet Portfolio</b>	Finance, Property and Business Services
<b>Officer Contact</b>	Helen Taylor, Central Services
<b>Papers with report</b>	Anti-Fraud and Corruption Policy Anti-Fraud and Corruption Strategy Whistleblowing Policy

## HEADLINE INFORMATION

<b>Summary</b>	The report contains the revised Anti-fraud Strategy and a new Anti-Fraud Policy to be approved by Cabinet. These documents are necessary to reinforce our Anti-Fraud measures and ensure that we have processes in place to fully defend any possible corporate offences introduced by the Bribery Act 2010.
<b>Contribution to our plans and strategies</b>	This policy contributes to the Council's overall aim of 'putting residents first' by setting a strategy for reducing fraud and corruption to a minimum and thereby protecting the resources of the Council for those who really need them.
<b>Financial Cost</b>	There are no costs to implementing this policy.
<b>Relevant Policy Overview Committee</b>	Corporate Services and Partnerships
<b>Ward(s) affected</b>	All.

## RECOMMENDATION

**That Cabinet approve the Anti-Fraud and corruption Policy and the Anti-Fraud and Corruption strategy.**

## INFORMATION

### Reasons for recommendation

The Council currently has an Anti-Fraud and Corruption Strategy but not a formal policy. The strategy needed to be updated to accommodate the requirements of the Bribery Act 2010, which was expected to be implemented on 1 April 2011. Though implementation of that Act has now been delayed pending a wider consultation by the current government, the opportunity has been taken to formalise a policy. The Bribery Act creates a corporate offence of failing to prevent bribery. In approving the Anti-Fraud Policy and Strategy Cabinet will be demonstrating

its commitment to preventing all types of fraud, including bribery, which will mitigate the risk of any legal action.

### **Alternative options considered / risk management**

The alternative was not to have a policy and not to review the strategy which would leave the council exposed to prosecution when the bribery act comes into force.

### **Comments of Policy Overview Committee(s)**

None at this stage but the policy and strategy will be brought to the attention of the Audit Committee at the next available opportunity.

### **Supporting Information**

1. The Council currently has an Anti-Fraud and Corruption Strategy but no formal policy. The Bribery Act 2010, which was expected to be enacted on 1 April 2011, creates a corporate offence of failing to prevent bribery. The Council needs to ensure it protects itself against the possibility of any such prosecution. Although the implementation of the Act has been delayed, putting in place an appropriate policy and strategy will ensure that the Council is protected when the act is eventually implemented.
2. The opportunity has been taken to separate out the policy from the strategy and to completely revise the wording and format. The policy also clearly documents high level officer and Member responsibilities.
3. A further document, the Fraud Response Plan details how incidences of fraud and corruption will be managed at officer level. This plan will be approved by Corporate Management Team to underline their commitment to ensuring an anti-fraud culture.
4. The Whistleblowing Policy, referred to in the above Plan/Strategy is attached for information.

### **Financial Implications**

There are no direct financial cost implications of approving this policy.

### **EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

#### **What will be the effect of the recommendation?**

Although incidences of fraud and corruption are rare, residents need to feel sure that when they do occur the council has a robust policy and strategy for dealing with them. Putting residents first means protecting resources for the benefit of those who genuinely need them, whether this is financial resources, officer time or privileges such as blue badge parking.

#### **Consultation Carried Out or Required**

No consultation was carried out because the Policy and Strategy do not fundamentally change the Council's approach to fraud and corruption but formalise processes and procedures which are largely in place.

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report and is satisfied that there are no direct financial implications resulting from the implementation of this policy.

### **Legal**

The Cabinet Member has before them a recommendation seeking authority to:

- (a) Revise the existing Anti-fraud strategy ;
- (b) Authorise a new Anti-fraud policy.

Under Article 7.08 (d) of the Council's Constitution Cabinet Members have a general delegation to agree service specific strategies and action plans and to agree proposals for enhancements and alterations to service provision within their portfolio area subject to being in-line with the Council's policy framework and costs being contained within agreed budgets (where such strategies, plans and service changes cover more than one-portfolio, to also be agreed with the relevant cabinet member and the Leader of the Council)

The Recommendation (a) above falls within the Cabinet Member's delegation.

Under Article 7.08 (e) of the Council's Constitution it is within the Cabinet Member's delegation, in consultation with the appropriate portfolio holder, to monitor the implementation of changes made as a result of recommendations from Internal Audit.

Under Article 7.08(c) of the Council Constitution, Cabinet as a whole has overall responsibility for proposing policy development, changes and new policy.

Recommendation (b) above must be authorised by Cabinet or the Leader of the Council.

### **Corporate Landlord**

Not relevant.

### **Relevant Service Groups**

Where reports span across other service areas relevant service Groups should be consulted.

## **BACKGROUND PAPERS**

Fraud Act 2006

Bribery Act 2010

All council policies and procedures related to conduct of both officers and members.