



## **ANTI-FRAUD AND CORRUPTION POLICY & STRATEGY AND FRAUD RESPONSE PLAN**

### **SUMMARY**

- 1.1 This report contains the revised Anti-Fraud and Corruption Policy and Strategy and the Fraud Response Plan and seeks Committee approval to the adoption of the revised documents.

### **RECOMMENDATION**

- 2.1 To approve the revised Anti-Fraud and Corruption Policy and Strategy.
- 2.2 To approve the revised Fraud Response Plan

### **REASONS FOR RECOMMENDATION**

- 3.1 The terms of reference for the Audit and Accounts Committee state that it considers the council's arrangements for corporate governance and agrees necessary actions to ensure compliance with best practice. The Committee is also responsible for monitoring council policies on the anti-fraud and anti-corruption strategy.

### **SUPPORTING INFORMATION**

- 4.1 The Anti-Fraud and Corruption Policy and Strategy (see Appendix 2) is a mechanism for demonstrating that the Council is committed to dealing with fraud and corruption and that it will deal equally with perpetrators from inside (members and employees) and outside the authority. In addition, there needs to be no distinction made in investigation and action between cases that generate financial benefits and those that do not.
- 4.2 An effective strategy to combat fraud and corruption cannot be detached from other strategies needed to ensure that the Council's resources are properly managed; its services are of the highest possible quality; provide value for money; and it is fully accountable and open in everything it does.

- 4.3 The previous policy and strategy was approved by this Committee in October 2006. The Council needs to demonstrate that it is developing and implementing policies and strategies to prevent and detect fraud and corruption.
- 4.4 The revised document will need to be communicated to all Members and employees of the Council. This will be achieved by publicising it through the Council's internal communication channels and by including the document on the Council's intranet and website. All new starters should receive details of the Policy and Strategy in their induction pack.
- 4.5 The Head of Audit and Risk Management monitors compliance with the Policy and Strategy within the Annual Audit Plan, and will review the adequacy of the document on an annual basis. The Audit and Accounts Committee is responsible for approving the Policy and Strategy document and monitoring the effectiveness of its application throughout the Council.
- 4.6 The Fraud Response Plan (see Appendix 3) sets out how Council staff and others should report suspicions or allegations of fraud and corruption and how the Council will handle them.
- 4.7 Internal Audit is responsible for initiating and overseeing all fraud investigations and for subsequent follow-up work to be completed. Internal Audit will comply with the Fraud Response Plan to ensure that all investigations conform to the same standard and in accordance with legislation and Council policy and procedures.
- 4.8 A corporate prosecution policy is currently being drafted and will be brought to this Committee for approval.
- 4.9 It is the Council's responsibility to ensure that its affairs are managed in accordance with proper standards of financial conduct. These are reviewed annually by External Audit.

#### OTHER OPTIONS CONSIDERED

- 5.1 None considered.

**This report has been approved by the following officers:**

<b>Legal officer</b>	n/a
<b>Financial officer</b>	n/a
<b>Human Resources officer</b>	n/a
<b>Service Director(s)</b>	n/a
<b>Other(s)</b>	Chief Officer Group – 8 September 2010

<b>For more information contact:</b>	Richard Boneham 01332 255688 e-mail richard.boneham@derby.gov.uk
<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1 – Implications Appendix 2 – Anti-Fraud & Corruption Policy & Strategy Appendix 3 – Fraud Response Plan

<b>IMPLICATIONS</b>
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**Financial**

- 1.1 None directly arising

**Legal**

- 2.1 The proposed Corporate Prosecution Policy will be drawn up with the Legal Section.

**Personnel**

- 3.1 Both documents will be made available to staff via the Council's intranet.

**Equalities Impact**

- 4.1 None directly arising

**Health and Safety**

- 5.1 None directly arising

**Carbon commitment**

- 6.1 None directly arising

**Value for money**

- 7.1 None directly arising

**Corporate objectives and priorities for change**

- 8.1 The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.