

AUDIT COMMITTEE: 27 MARCH 2018

FRAUD, BRIBERY & CORRUPTION POLICY

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 10.4

Reason for Report

1. The purpose of this report is to present the Fraud, Bribery & Corruption Policy for the Audit Committee to consider and comment.

Background

2. This policy was last reviewed and updated in 2015.
3. The new policy has been reduced in size and supplementary documents have been produced in order to assist officers who may wish to report concerns.
4. Clear definitions have been introduced and more information in respect of Bribery and Corruption have been added.
5. Members will be aware from regular reports received from the Audit Manager that the Council does deal with a number of cases of suspected fraud and financial impropriety and that there has been an increase in the number and complexity of these in recent times. This has emphasised the importance of having a policy in place which is fully understood and implemented consistently across the Council.

Issues

6. The Policy sets out how the Council will prevent, detect and investigate any suspicions of fraud or financial impropriety from within and through referrals received from outside the Council, setting in place a framework to ensure a consistent approach. The opportunity has been taken to set out clearly the expectation of officers working within the Council and those who have dealings with the Council, in terms of our “zero tolerance” approach to this type of activity.
7. The Internal Audit Investigation Team plays a key role supporting the Corporate Director, Resources with their responsibility for the proper administration of the Council’s financial affairs.
8. In accordance with the Council’s Financial Procedure Rules, Audit are required to be involved with investigations in all suspected cases of fraud, bribery and financial impropriety. The Internal Audit Investigation Team are professionally trained in undertaking civil and criminal investigations including PACE interviewing, surveillance etc.

9. The policy highlights the procedures to be followed in respect of prevention, detection, reporting and investigation, to ensure that all cases are appropriately considered, undertaken to professional standards and in a consistent manner.
10. The procedures do recognise the role of Senior Management in terms of their responsibility for financial control and the actions of their members of staff, but with the requirement that Internal Audit has to oversee and be content with how the investigation is undertaken and reported.
11. For further information in respect of identifying fraud, bribery and corruption, refer to Appendix B.
12. Appendix C, Fraud Response Plan, sets out how suspicions of fraud will be considered and investigated.

Reason for Recommendations

13. To receive and comment upon the updated Policy.
14. To enable the Section 151 Officer to approve future minor amendments to the Policy, substantive amendments to be considered by the Audit Committee.

Legal Implications

15. There are no direct legal implications arising from this report.

Financial Implications

16. There are no direct financial implications arising from this report.

Recommendation

17. To consider and comment on the policy update as considered appropriate.
18. To delegate authority to the Section 151 Officer to approve minor amendments to the Policy.

**CHRISTINE SALTER
CORPORATE DIRECTOR RESOURCES**

The following Appendices are attached:

Appendix A – Fraud, Bribery & Corruption Policy
Appendix B – Counter Fraud Toolkit
Appendix C – Fraud Response Plan