

COUNTY COUNCIL

Date of Meeting	Tuesday, 10 th December 2019
Report Subject	Anti-Fraud and Corruption Strategy and Fraud Response Plan
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

The Corporate Anti-Fraud & Corruption Strategy is written for the benefit of employees, members, the public, organisations and businesses dealing with the Council who are also expected to act with integrity. The strategy outlines the Council's commitment to the prevention and detection of fraud and its zero tolerance of such acts of fraud and corruption.

The Fraud and Irregularity Response Plan underpins the Corporate Anti-Fraud & Corruption Strategy to provide guidance and outline the actions that should be taken if an individual suspects a fraud or corrupt act, what will happen after they have passed on their suspicion and the action that may be taken.

RECOMMENDATIONS

1	County Council is requested to consider and approve the revised Corporate Anti-Fraud and Corruption Strategy.
2	County Council is requested to consider and approve the revised Fraud Response Plan.

REPORT DETAILS

1.00	EXPLAINING THE CORPORATE ANTI-FRAUD AND CORRUPTION STRATEGY AND FRAUD RESPONSE PLAN
1.01	<p>The Corporate Anti-Fraud & Corruption Strategy and Fraud & Irregularity Response Plan has been in use within the Council since 2002 and were last updated and approved by Audit Committee in 2014. There is a need to review them periodically to ensure they reflect any changes in working practice, legislation and other regulations. The two documents have been updated by Internal Audit and reviewed by Democratic Services, Chief Officers, Governance and People and Resources.</p>
1.02	<p>The Corporate Anti-Fraud & Corruption Strategy has been reviewed alongside CIPFA's Code of Practice on Managing the Risk of Fraud. Published strategies from other Councils have also been considered.</p>
1.03	<p>The Corporate Anti-Fraud & Corruption Strategy states the Council has a zero tolerance for fraud and corruption, defines fraud and corruption and outlines the culture within the Council to address this. It outlines prevention, deterrence, detection, and investigation measures in place and lists the roles and responsibilities of individuals and groups both within and external to the Council.</p>
1.04	<p>The Fraud and Irregularity Response Plan defines the responsibilities for action and provides guidance to the workforce, managers and third party individuals outside of the Council in the event a suspected fraud or other irregularity.</p>
1.05	<p>The review of both the Corporate Anti-Fraud & Corruption Strategy and the Fraud and Irregularity Response Plan resulted in few changes being made; apart from bringing both documents up to date to reflect current terminology and positions within the Council.</p> <p>Both the Corporate Anti-Fraud & Corruption Strategy and the Fraud and Irregularity Response Plan were expanded to reflect the Council's commitment to Welsh Government's Ethical Procurement Practices ensuring there is an appropriate route for individuals to report any concerns they have and to reflect the comments made by the Audit Committee, Trade Unions and Constitution & Democratic services Committee. These changes can be found in:</p> <p>Corporate Anti-Fraud & Corruption Strategy</p> <ul style="list-style-type: none"> • Inclusion of third party individuals within the strategy (section 2.5); • Outlines the responsibilities of these individuals to report any concerns (section 7); • Enhance the policy to confirm members are included within the policy (section 2.5 of the policy); • Include 'Volunteers' as an example of a Third Party Individual (sections 2.5 and 7 of the policy); • Signpost to other related policies e.g. Whistleblowing Policy and Fraud & Irregularity Response Plan (sections 2.8 and 11.3 of the policy) and

	<ul style="list-style-type: none"> Define Irregularity (section 3.5 of the policy); <p>Fraud and Irregularity Response Plan</p> <ul style="list-style-type: none"> Inclusion of third party individual's responsibilities to report any suspicions of fraud or corruption whether this is against the Council or the supplier / contractor (section 4.10); Enhance the policy to confirm members are included within the policy (sections, 4.1, 4.8, and 4.9 of the policy); Include 'Volunteers' as an example of a Third Party Individual (sections 1.1 and 4.10 of the policy); Signpost to other related policies e.g. Whistleblowing Policy and Corporate Anti-Fraud & Corruption Strategy (section 9.2 of the policy); Define of Irregularity (section 4.2 of the policy); and Include adult and children safeguarding referral numbers (section 1.3 of the policy).
1.06	Both the Corporate Anti-Fraud & Corruption Strategy and Fraud & Irregularity Response Plan refers to the Whistleblowing Policy which has been updated alongside these policies.
1.07	<p>To aid clarity and transparency two copies of the Corporate Anti-Fraud & Corruption Strategy and Fraud & Irregularity Response Plan are included:</p> <ul style="list-style-type: none"> Appendix A – shows where the changes have occurred, with the tracked changes to the Corporate Anti-Fraud & Corruption Strategy; Appendix B – shows the revised Corporate Anti-Fraud & Corruption Strategy without the changes tracked; Appendix C – shows where the changes have occurred, with the tracked changes to the Fraud & Irregularity Response Plan; and Appendix D – shows the revised Fraud & Irregularity Response Plan without the changes tracked.
1.08	The Corporate Anti-Fraud & Corruption Strategy and the Fraud and Irregularity Response Plan both form part of Section 29 of the Council's Constitution. County Council is asked to consider the proposed changes to the Corporate Anti-Fraud & Corruption Strategy and the Fraud and Irregularity Response Plan, as agreed by the Audit Committee and the Constitution and Democratic Services Committee. If approved, the Council's Constitution will be updated.
1.09	It is intended to publicise the Strategy and Response Plan to all employees and members. The Strategy and Response Plan will also be made available on both the Council's website and Infonet and shared with suppliers and contractors as part of future procurement exercises.

2.00	RESOURCE IMPLICATIONS
2.01	None from the report itself.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultation of the revised Corporate Anti-Fraud & Corruption Strategy and the Fraud and Irregularity Response Plan has been undertaken with Constitution and Democratic Services Committee, Audit Committee members, the Chief Executive, the Council's Monitoring Officer and Chief Officer, Governance, Trade Unions and the Senior Manager, Human Resources and Organisational Development.

4.00	RISK MANAGEMENT
4.01	None from the report itself.

5.00	APPENDICES
5.01	Appendix A – Corporate Anti-Fraud & Corruption Strategy (with changes tracked) Appendix B – Corporate Anti-Fraud & Corruption Strategy (without changes tracked) Appendix C – Fraud & Irregularity Response Plan (with changes tracked) Appendix D – Fraud & Irregularity Response Plan (without changes tracked).

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None. Contact Officer: Lisa Brownbill, Internal Audit Manager Telephone: 01352 702231 E-mail: Lisa.brownbill@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
	<p>Corporate Governance: the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Risk Management: the process of identifying risks, evaluating tier potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p>

Internal Control: appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.

Financial Management: the planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.