



# ANTI-FRAUD, BRIBERY & CORRUPTION STRATEGY

## 2025 -2028

### Document History

Version & Date Reviewed	Revised By	Description	Date Approved
0.1	PB / KK	Revision of previous strategy to acknowledge recent legislation changes and agree action plan.	

## **Anti-Fraud, Bribery and Corruption – Chief Executive’s Statement**

This Anti-Fraud Strategy is an essential component of our Corporate Plan priority of *doing our core work well* - delivering good quality, high value-for-money services with good control and compliance with statutory obligations.

Huntingdonshire District Council fully recognises its responsibility for protecting the public purse and making the best use of public money and assets. An essential aspect of this is the prevention, detection and investigation of fraud, bribery and corruption which we are dedicated to undertaking.

Fraud against local government is more widespread than just a financial threat. It undermines the trust our communities place in us and diverts vital resources away from the services people rely on. The threat of fraud is evolving, and the Council is committed to continuously reviewing and improving its resilience to these risks and other forms of financial irregularity or error. This helps to protect the public purse from specific threats and associated harm that the Council may be exposed to.

The Council will not tolerate fraud, bribery or corruption committed by any party, whether that is by service users, employees, members, suppliers, contractors, or partners. We are committed to supporting everyone to raise concerns safely, and will take adequate steps to investigate allegations and, where appropriate, pursue sanctions.

This strategy sets out the Council’s approach to preventing, detecting and responding to the risk of fraud, bribery and corruption, alongside planned actions over the short to medium-term to further build resilience, underpinned by strong governance and effective internal controls.

An effective anti-fraud culture is vital to the organisation but is dependent on the vigilance, integrity and shared responsibility of every officer, elected member, stakeholder and supplier. Embedding this strategy into our every-day work will help us to mitigate the risk of fraud, bribery and corruption, protecting the vital services that our communities depend on.



Michelle Sacks

Chief Executive, June 2025

## **CONTENTS**

1. Introduction.....	3
2. Definitions and Legal Position.....	4
3. Roles and Responsibilities.....	7
4. Strategic Objectives.....	8
5. Embedding the Strategy.....	8

## **APPENDICES**

Appendix A - Anti-Fraud and Corruption Strategy Action Plan.....	9
Appendix B – Investigative Overview.....	11

# 1. INTRODUCTION

- 1.1 Fraud is an evolving pressure on public sector organisations, with those engaged in fraudulent activity seeking out new opportunities to exploit system weaknesses. It is the Council's duty to ensure that the risk of fraud is understood, proportionate preventative measures put in place, and appropriate action taken against those who commit fraud.
- 1.2 Fraud diverts resources away from essential services and can erode public confidence. Tackling fraud is crucial to maintaining public trust, ensuring the efficient use of taxpayer funds, and safeguarding vital public services. The Council will not tolerate any form of fraud or corruption either from external sources, or from within.
- 1.3 Taking action to prevent and detect fraud fully supports the Council's corporate priorities of:
- Improving quality of life for local people
  - Creating a better Huntingdonshire for future generations
  - Delivering good quality, high value-for-money services, with good control and compliance with statutory obligation
- 1.4 The Council's approach to effectively managing the risk of fraud and corruption against the Authority is set out within this strategy, which has been developed with reference to with the principles outlined in the *Fighting Fraud and Corruption Locally Strategy 2020*, an approach developed by local authorities and counter-fraud experts and supported by CIPFA, which are as follows:



- 1.5 This strategy forms part of a wider group of interrelated policies and procedures that support anti-fraud and corruption activity. These include the Whistleblowing policy, Sanctions Policy, Employee Handbook, Code of Conduct for Members, financial regulations and procurement procedures.
- 1.6 The strategy applies to the following stakeholders:
- Employees, including agency staff and volunteers, Elected Members and any other persons that provides services for or on behalf of the Council;
  - The Council's shared services;
  - All Council suppliers, contractors and consultants; and
  - All Council service users, residents and businesses.
- 1.6 By taking pro-active approach to addressing fraud and corruption, the Council strengthens its financial integrity and supports good governance.

## 2. DEFINITIONS AND LEGAL POSITION

### FRAUD

- 2.1 Fraud can be broadly described as, someone acting dishonestly with the intention of making a gain for themselves or another or inflicting a loss (or a risk of loss) on another.
- 2.2 Examples of fraud include, but are not limited to the following offences within this strategy:
- False Accounting (Theft Act 1968, s.17)
  - False statements by company directors (Theft Act 1968, s.19)
  - Fraud by false representation (Fraud Act 2006, s.2)
  - Fraud by failing to disclose information (Fraud Act 2006, s.3)
  - Fraud by abuse of position (Fraud Act 2006, s.4)
  - Participation in a Fraudulent Business (Fraud Act 2006, s.9)
  - Obtaining services dishonestly (Fraud Act 2006, s.11)
  - Fraudulent Trading (Companies Act 2006, s.993)
  - Cheating the public revenues (Common law)
  - Or aiding, abetting, counselling or procuring the commission of one of the above offences

### BRIBERY

- 2.3 The Bribery Act 2010 came into force in the UK on 1 July 2011. All associated persons need to be aware of their obligations under this Act, which sets out offences of accepting and giving bribes. This applies to both individuals and the Council corporately.
- 2.4 The Bribery Act creates the following offences:

- “Active bribery” - promising or giving a financial or other advantage;
  - “Passive bribery” - agreeing to receive, or accepting an advantage, financial or otherwise;
  - Bribery of foreign public officials; and
  - The failure of commercial organisations to prevent bribery by an associated person (corporate offence).
- 2.5 The penalty under the Bribery Act is an unlimited fine and/or imprisonment up to a maximum of 10 years.
- 2.6 In addition, the Act also creates the Corporate Offence of “failing to prevent bribery on behalf of a commercial organisation” (corporate liability). To protect itself against the corporate offence, the Act requires organisations to have “adequate procedures in place to prevent bribery”.
- 2.7 This strategy, alongside the Council’s Codes of Conduct (Employees and Members) and the Council’s Confidential Reporting Procedure (Whistleblowing) are designed to meet that requirement.

## **CORRUPTION**

- 2.8 Corruption is the deliberate misuse of position for the offering, giving, soliciting, or acceptance of an inducement or reward, or showing any favour or disfavour, which may influence any person to act improperly. It is primarily an offence under the Bribery Act 2010, although there are other related offences under the Prevention of Corruption Act 1906.

## **FAILURE TO PREVENT FRAUD: ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023**

- 2.9 The failure to prevent fraud offence has arisen from The Economic Crime and Corporate Transparency Act 2023 and is intended to hold large organisations to account if they profit from fraud committed by their employees/ associated persons. The offence comes into force on 1<sup>st</sup> September 2025.
- 2.10 Huntingdonshire District Council falls within the scope of the legislation as a large company. A “large organisation” is defined in section 201 as meeting two or three out of the following criteria:
- More than 250 employees
  - More than £36 million turnover
  - More than £18 million in total assets.
- 2.11 This legislation brings fraud in line with the requirements of the Bribery Act 2010 by introducing a Corporate Offence which holds organisations to account for fraud committed by employees, agents, subsidiaries or other “associated persons” who provide services for or on behalf of the organisation, where the fraud ***was committed with the intention of***

***benefiting the organisation or their clients.***

- 2.12 An employee, an agent or a subsidiary of the relevant body is automatically an “associated person” for the purposes of this offence. A person who provides services for or on behalf of the relevant body is also an associated person while they are providing those services.
- 2.13 Companies within the Council’s supply chain are not associated persons unless they are providing services for or on behalf of the Council. These include
- an employee of a council subsidiary company, regardless of being considered a ‘large organisation’; or
  - a sole contractor/employee of a contracted business delivering a service on behalf or for the council (for example, transportation, leisure and recreation, and outreach services).
- 2.14 The term “providing services” does not include providing goods or services to the Council. Thus, persons providing services to the Council (for example, commercial cleaning, valuers, accountants or engineers) are not acting “for or on behalf” of the Council and so would not be associated persons for the purposes of the offence.
- 2.15 The intention to benefit the organisation does not have to be the sole or main motivation for the fraud. The offence can apply where a fraudster’s primary motivation was to benefit themselves, but where their actions will also benefit the organisation. It does not need to be demonstrated that the organisation’s senior managers or directors ordered or knew about the fraud for there to be liability.
- 2.16 If convicted, the organisation would receive a fine, the amount of which would be determined by the courts in line with sentencing guidelines.
- 2.17 The Council has a defence if it has reasonable procedures in place to prevent fraud, or, if it can demonstrate to the satisfaction of the court that it was not reasonable in all the circumstances to expect it to have any prevention procedures in place. “Reasonable procedures” are set out within the guidance to mean:
- Top-Level Commitment
  - Risk Assessment
  - Proportionate, risk-based prevention procedures
  - Due diligence
  - Communication (including training)
  - Monitoring and review
- 2.18 Further information regarding the Council’s planned activities to evidence these procedures is detailed in Appendix A.

### 3. ROLES AND RESPONSIBILITIES

3.1 Whilst the Council has a Corporate Fraud Team tasked with undertaking counter-fraud activities and investigations, the responsibility to be alert to the risk of fraud and to take reasonable preventative measures requires a “whole organisation” approach, as demonstrated below.

MITIGATE	EVALUATE	INVESTIGATE
<ul style="list-style-type: none"><li>• Managers and teams should identify fraud risks to their services and apply appropriate controls.</li><li>• Details of identified risk and mitigations should be recorded on the Council's risk management system</li></ul>	<ul style="list-style-type: none"><li>• Internal Audit will evaluate the effectiveness of controls, and provide assurance on the adequacy of the Councils anti-fraud and corruption arrangements, working closely with the Corporate Fraud Team as required</li></ul>	<ul style="list-style-type: none"><li>• The Corporate Fraud Team will investigate all cases of suspected fraud, whilst also undertaking proactive fraud detection activities</li></ul>

3.2 As with any risk faced by the council, it is the responsibility of managers and officers to ensure that the risk of fraud is adequately considered. In making this assessment it is important to consider the opportunities for where fraud, bribery or corruption could occur, as well as reviewing any actual incidences of fraud that may have occurred in the past. Once the fraud risk has been evaluated, appropriate action should be taken to mitigate those risks on an ongoing basis.

3.3 It is particularly important to revisit this assessment of risk where any changes in operations or business environment arise, for these may impact on the opportunity or likelihood of fraud, bribery or corruption occurring.

3.4 Good governance procedures are a strong safeguard against fraud and corruption. Adequate supervision, recruitment and selection, scrutiny and healthy scepticism should not be viewed as distrust but as good management practice, shaping attitudes and creating an environment opposed to fraudulent activity.

- 3.5 Whilst all stakeholders in scope have a part to play in reducing the risk of fraud, Elected Members, the Corporate Leadership Team, and the wider management team are ideally positioned to set the tone of the organisation in fostering a culture of high ethical standards and integrity.

## 4. STRATEGIC OBJECTIVES

- 4.1 This strategy aims to embed good practice in counter fraud into all areas of the Council, limiting the opportunity for instances of fraud or corruption across the organisation, providing assurance to Elected Members and Senior Managers that the Council's exposure to fraud risk is minimised.
- 4.2 The objectives of this strategy are to:
- Ensure all staff are aware of their responsibilities to prevent fraud, bribery and corruption by communicating the Council's approach to countering the risks
  - Reinforce the Council's "zero tolerance" culture across the whole organisation from the top down
  - Raise awareness to limit the opportunity for fraud, bribery and corruption via effective preventative measures, minimising the risk of financial loss and reputational damage
- 4.3 In support of these strategic objectives, an action plan has been developed, and this is detailed in Appendix A. It should be noted that further actions may arise from the activities planned, with areas of focus being aligned to outputs from the risk assessment work. An overview of the Investigative procedure is provided in Appendix B.

## 5. EMBEDDING THE STRATEGY

- 5.1 Information on the Council's approach to combating fraud, bribery & corruption and the related procedures will be regularly communicated with all council staff. Clear lines of communication are available for staff and residents to ensure there are no barriers to raising concerns about fraud, bribery or corruption. These include:
- Dedicated report fraud telephone hotline;
  - A fraud reporting form available to members of staff and members of the public via the Council's website and internally on the intranet;
  - Anti-Money Laundering reporting with clear guidance for staff on when to report; and
  - Fraud Awareness e-Learning package – required for all new employees and annually for existing employees.
- 5.2 All officers are required to report suspected fraud, corruption and/or money laundering under all circumstances. Failure to do so may be considered a

breach of the staff Code of Conduct and could lead to action under the Council's Disciplinary Procedure.

**APPENDIX A - Anti-Fraud, Bribery and Corruption Strategy Action Plan**

<b>Theme 1 (Fighting Fraud and Corruption Locally)</b>	<b>Theme 2 (Failure to Prevent Fraud / Bribery Offences)</b>	<b>Activity</b>	<b>Evidenced by:</b>	<b>Responsibility / Lead</b>	<b>Target date</b>
Protect	Top-Level Commitment	Take steps to protect the Council and the public funds it administers from risks relating to fraud and corruption	The adoption of an Anti-Fraud, Bribery and Corruption Strategy	Corporate Leadership Team, Corporate Governance Committee	September 2025
Govern	Top-Level Commitment	Communicate the Council's commitment to the prevention and detection of fraud, supporting a culture where fraud is not tolerated	The adoption of an Anti-Fraud, Bribery and Corruption Strategy	Corporate Leadership Team, Corporate Governance Committee	September 2025
	Top-Level Commitment		Report counter-fraud activity and any instances of fraud or corruption to the Corporate Governance Committee on an annual basis	Corporate Fraud Team	BAU - July each year
	Communication		Commitment to providing regular awareness training to all employees	Corporate Fraud Team	September 2025
Acknowledge	Risk Assessment	Identify and assess all potential risks of fraud and corruption	Entries in the risk management system	All Managers	December 2025
Prevent	Proportionate risk-based prevention procedures	Implement proportionate prevention procedures where fraud risks are identified	Internal Audit reviews of service controls	S.151 officer	BAU –periodic audits
	Proportionate risk-based prevention procedures	Undertake an assessment of the Council's response against the checklist in the Fighting Fraud and Corruption Locally Strategy 2020	Record of assessment and any resulting actions	Corporate Fraud Team	December 2025

<b>Theme 1 (Fighting Fraud and Corruption Locally)</b>	<b>Theme 2 (Failure to Prevent Fraud / Bribery Offences)</b>	<b>Activity</b>	<b>Evidenced by:</b>	<b>Responsibility</b>	<b>Target date</b>
Prevent	Proportionate risk-based prevention procedures	Ensure that procedures for conducting employee and third-party due diligence are sufficiently robust, and in accordance with the guidance on the failure to prevent fraud / bribery offences	Procedures on intranet	HR, Procurement	March 2026
	Proportionate risk-based prevention procedures	Make the best use of data and technology to identify and tackle fraud	Full participation in the National Fraud Initiative (NFI) and Cambridgeshire Counter-Fraud Initiative (CFI)	Corporate Fraud Team	BAU - ongoing
	Proportionate risk-based prevention procedures	Ensure all anti-fraud, bribery and corruption related policies are sufficiently robust and subject to periodic review	Creation of a Policy Review Schedule, policy updates, Internal Audit Assurance	S.151 officer	Schedule December 2025, updates thereafter
	Communication	Ensure that all anti-fraud, bribery and corruption related policies are effectively communicated	Ensure all officers have access via the Council's intranet, and develop regular communications plan	Corporate Fraud Team	September 2025
Pursue	Monitoring and Review	Prioritise the recovery of financial losses as a result of fraud, and use of criminal and civil sanctions where appropriate	Sanctions Policy	Corporate Fraud Team	BAU - ongoing
	Monitoring and Review	Ensure effective working relationships with external agencies such as the Department of Work and Pensions (DWP), Police and Housing Associations	Report counter-fraud activity and any instances of fraud or corruption to the Corporate Governance Committee on an annual basis	Corporate Fraud Team	BAU - July each year
	Monitoring and Review	Learn lessons from identified fraud, bribery and corruption to eliminate control weaknesses going forward	Internal Audit reviews of service controls	S.151 officer	BAU - ongoing

## APPENDIX B – Investigative Overview

1. The Council has a principle of zero tolerance to fraud and corruption. Everyone shall be dealt with equally and without favour.
2. Specific policies or procedures that deal with the issues of disclosure, investigation and prosecution shall be maintained and reviewed periodically to ensure they reflect current best practice and legislative requirements, including the Regulation of Investigatory Powers Act 2000, Prevention of Social Housing Fraud Act 2013, Proceeds of Crime Act 2002, the Bribery Act 2010 and Money Laundering Regulations 2017.
3. Investigations into possible fraud and corrupt practices will be undertaken by the Corporate Fraud Team, who for investigatory purposes will have the right of access to all Members and employees and any information held by the Council. Members and employees will be required to co-operate fully with any investigation and appropriate disciplinary action will be taken if it is found that this is not the case.
4. Irrespective of who is involved, all matters of significant fraud, bribery or corruption identified or perpetrated against the Council, will be referred to the Police or any other regulatory body authorised to investigate such matters. The decision as to whether a matter is significant shall be determined by either the S151 Officer or the Monitoring Officer. The Chair of the Corporate Governance Committee will also be informed of all matters of significant fraud, bribery and corruption.
5. If an employee has been involved in perpetrating a fraudulent or corrupt act, they shall be subject to the Council's disciplinary procedure. Where the allegation of an offence is proven then appropriate action shall be taken as set out in the disciplinary procedures.
6. If an employee has been involved in a significant fraud or corruption (see 5.4 above) the Council may continue to undertake disciplinary action against them, irrespective of any decision reached as to whether or not there is to be a criminal prosecution.
7. The Council will always aim to recover (from the perpetrators or its insurers) all losses that it sustains as a result of fraud, bribery and corruption as well as the consideration of criminal or civil proceedings where appropriate.
8. The decision to publicise outcomes will consider the following criteria:
  - Interests of the Council;
  - Interests of Huntingdonshire residents; and
  - Deterrent value to others.