

**REVIEW OF THE ANTI FRAUD & CORRUPTION STRATEGY  
(Report by the Audit & Risk Manager)**

**1. INTRODUCTION**

1.1 This report details the outcome of the review of the Anti-Fraud and Corruption Strategy, which was first approved in January 2004.

**2. THE FRAUD ACT 2006**

2.1 Until the introduction of the Fraud Act in January this year, no legal definition of fraud existed. It was generally used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

2.2 The Fraud Act introduced a new general offence of fraud which can be committed in three ways

- Fraud by false representation
- Fraud by failing to disclose information
- Fraud by abuse of position

**3. THE STRATEGY**

3.1 A number of changes are being proposed which are summarised below and highlighted in full in the Strategy itself (see Annex A).

- Definitions of fraud and corruption are included for the first time.
- The Council's recruitment processes (which include reference and qualification and criminal record bureau checks, immigration and right to work controls) have been added to the list of key financial, administrative and organisational procedures so acknowledging the importance that rigorous pre-employment checks can have in reducing fraud.
- Reinforcing the zero tolerance attitude to fraud by including a statement that explains that disciplinary action will always be taken against staff who have been involved in wrongdoing and that attempts shall be made to recover all losses from them.
- A review of the causes of the losses will be undertaken with a view to improving internal control systems and a positive decision shall be made as to whether or not to publicise the case.

**4. RECOMMENDATION**

4.1 It is recommended that the revised Anti-Fraud and Corruption Strategy be approved.

**BACKGROUND INFORMATION**

None.