

HUNTINGDONSHIRE DISTRICT COUNCIL

Anti-Fraud and Corruption Strategy 2015 - 2018

Anti-Fraud and Corruption Statement

Huntingdonshire District Council is committed to the highest possible standards of honesty, openness and accountability.

It will ensure that internal procedures are in place to identify, deter and prevent the risk of fraud and corruption and maintain clear and well publicised arrangements for receiving and investigating complaints.

The Council will pursue appropriate action, including the recovery of any losses it has suffered, in every case where fraud and corruption has been found.

1 Introduction

- 1.1 Huntingdonshire District Council already has in place effective systems to monitor, identify and investigate cases of fraud and corruption. It is aware that the incidents of fraud are increasing across the public sector and that it needs to maintain its resilience by continuing to be proactive and innovative in the fight against fraud.
- 1.2 The Council is determined that a culture of honesty, openness and accountability will always be promoted. The risk of dishonest acts being committed against the Council, no matter who by, undermine the high standards of conduct and public service that it aims to achieve.

This Strategy describes how the Council will respond to that risk.

2 Definitions

- 2.1 The Council defines fraud and corruption in the following ways:

Fraud is an act of dishonesty, by which a person obtains a benefit or causes the Council a loss, by deception or other means (e.g. false representation, failing to disclose information or through the abuse of position).

Corruption is the abuse of public office for private gain (e.g. offering, giving, soliciting or acceptance of an inducement, reward or bribe which may improperly influence the action of any person).

3. Responsibility

- 3.1 The Code of Financial Management states that Directors and Heads of Service are responsible for the prevention of fraud and corruption within the services and functions under their control. They are required to establish, maintain and document their systems of internal control and ensure that relevant employees or Members are familiar with these systems.
- 3.2 Heads of Service shall be responsible for identifying and assessing the fraud and corruption risks within their Service area and recording significant risks within the Council's risk register, and if necessary, other fraud and corruption risks within their service plans.
- 3.3 All policies, procedures or documents that support this Strategy shall be reviewed annually by the appropriate Head of Service.
- 3.4 To ensure this Strategy remains effective, the S151 Officer and the Monitoring Officer shall review it at least once every three years. Changes to the Strategy shall be agreed by the Corporate Governance Panel.
- 3.5 The Internal Audit Service shall contribute to the improvement of governance and risk management across the Council by reviewing and evaluating the potential for occurrence of fraud and how fraud risks are being managed. Such a review shall be completed at least once every four years.

4. The Principles of Conduct

- 4.1 The culture of the Council is a key control measure, shaped by a consistent 'tone from the top' and an underlying ethos of strong governance, professional standards, checking and compliance.
- 4.2 Every Member and employee is responsible for playing their part in ensuring that public confidence in the services provided by the Council is maintained. They will lead by example in ensuring compliance with all legal requirements, rules, procedures and practices, and conduct themselves in accordance with both the spirit and letter of their respective Codes of Conduct and the supporting policies and procedures that are referred to within those Codes. All staff have been issued with a Code of Conduct booklet, and are required annually to confirm they have read it.

5. Reducing the risk of fraud and corruption

- 5.1 The Head of Customer Services will maintain a programme of work that is proportionate to the risks that the Council faces.

The programme will consist of:

- a fraud risk assessment including, where available, estimates of fraud loss;
- details of the proactive (e.g. data analytics) and responsive work (including via any joint working or partnerships) that will be undertaken to mitigate the risks identified and the potential benefits expected from performing such work;
- details of the policies and procedures that are in place that mitigate potential risks (e.g. pre-employment screening, Code of Procurement);
- details of the current skills of dedicated counter fraud staff and their training requirements;
- formal fraud awareness training for Members and employees; and
- clear directions on the actions to be taken if fraud or corruption is discovered.

The programme of work will be reviewed regularly by the Head of Customer Services and the Head of Resources and agreed annually by the Corporate Management Team.

- 5.2 The Corporate Management Team shall consider on an annual basis whether the level of resources invested in the programme of work is proportionate to the level of risk identified. They shall also determine how the success of the programme of work is to be measured.
- 5.3 The Head of Customer Services shall submit an annual report to the Corporate Governance Panel that details the work that has been undertaken in the previous financial year against the programme of work and highlight all proven case of fraud and corruption by value and number.
- 5.4 The annual report shall be presented to the Corporate Governance Panel at such time that it can best inform the preparation of the annual governance statement (AGS). Conclusions from the annual report shall be featured in the AGS.

6. Disclosure, investigation and prosecution policies

- 6.1 The Council has a principle of zero tolerance to fraud and corruption. Everyone shall be dealt with equally and without favour.
- 6.2 Specific policies or procedures that deal with the issues of disclosure, investigation and prosecution shall be maintained and reviewed annually to ensure they reflect current best practice and legislative requirements.

- 6.3 Investigations into possible fraud and corrupt practices will be undertaken by either the Corporate Fraud Team or the Internal Audit Service. Staff employed in either of these two areas shall, for investigation purposes, 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. This requirement will be reflected in the Code of Financial Management.
- 6.4 Irrespective of who is involved, all matters of significant fraud 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.
- 6.5 The Chairman of the Corporate Governance Panel and the Council's external auditors shall also be informed of all matters of significant fraud and corruption.
- 6.6 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.
- 6.7 If an employee has been involved in a significant fraud or corruption (see 6.4 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. The Monitoring Officer shall make this decision.
- 6.1 The Council will aim to recover (from the perpetrators or its insurers) all losses that it sustains as a result of fraud and corruption.

7. Lessons to be Learnt

- 7.1 The Section 151 Officer and/or the Head of Customer Services will be responsible for ensuring that lessons learnt from any investigation undertaken are considered and that internal control systems are amended accordingly. They shall also consider whether it would be of benefit to the Council to publicise the outcome of the investigation as a deterrent to others.

8. Publicising the Strategy

- 8.1 The Council will publicise the Anti-Fraud and Corruption Strategy both within and outside the Council.
- 8.2 The Council shall also comply with the requirements to publish information that relates to the delivery of this strategy in accordance with the Local Government Transparency Code.

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