



CORPORATE GOVERNANCE COMMITTEE: 20 FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

ANTI-FRAUD AND CORRUPTION FRAMEWORK

Purpose of the Report

1. To present to Committee three new / updated policies and strategies that will form part of the Council's overall suite of counter fraud documents.

Background

2. The new CIPFA Code of Practice, "Managing the Risk of Fraud and Corruption" (October 2014) sets out a minimum anti-fraud and corruption framework for local authorities. The expectation is that authorities have the following policies, strategies and procedures within their overall suite of counter fraud documents:
 - Counter fraud policy
 - Whistleblowing policy
 - Anti-money laundering policy
 - Anti-bribery policy
 - Anti-corruption policy
 - Gifts and hospitality policy and register
 - Pecuniary interest and conflicts of interest policies and register
 - Codes of conduct and ethics
 - Information security policy
 - Cyber security policy.
3. At its meeting of 24 November 2014, the Committee agreed that the principles of the CIPFA Code should be adopted in support of the Council's initiatives to improve further the prevention and pursuit of fraud. A statement of either conformance to the Code or further action required will need to be approved by the Committee and signed by the Chief Executive and Leader in order to be contained in the Council's Annual Governance Statement
4. An exercise was undertaken to benchmark the Council's existing suite of counter fraud documents against the expectations of the CIPFA Code to ensure compliance. This has led to the development of three specific policies and strategies:
 - Anti-Fraud and Corruption Policy Statement and Strategy (revised) – Appendix A
 - Anti-Bribery Policy Statement and Procedures (new) – Appendix B

- Anti-Money Laundering Policy (new) – Appendix C
5. The Anti-Fraud and Corruption Strategy (Appendix A) contains at section 10 the developments / actions the Council proposes over the medium term future to further improve its resilience to fraud and corruption. It refers to outputs from both the Fraud Risk Assessment and the revised Protecting the Public Purse 2014 Checklist which will be used proactively to plan counter-fraud activity during 2015-16 including as part of the Internal Audit Plan
 6. Other documents have been recently revised by the County Solicitor (Monitoring Officer), for example the Employee Code of Conduct and the Whistleblowing Policy. Therefore, at the end of this process, the majority of the Council's counter fraud documents will be up-to-date and relevant.

Recommendation

7. The Committee is asked to approve the three new policies and to authorise the Director of Corporate Resources to make any minor amendments necessary.

Equality and Human Rights Implications

8. None arising from this report.

Circulation Under the Local Issues Alert Procedure

9. None.

Background Papers

10. Corporate Governance Committee – 24 November 2014 – Risk Management Update, including the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.

Appendices

Appendix A – Anti-Fraud & Corruption Policy Statement and Strategy
 Appendix B – Anti-Bribery Policy Statement & Procedures
 Appendix C – Anti-Money Laundering Policy

Officers to Contact

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