

<b>Committee:</b>	Governance, Audit and Performance Committee	<b>Date:</b>	Wednesday, 30 March 2022
<b>Title:</b>	Counter Fraud & Corruption Strategy 2022 and Action Plan		
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## Summary

1. Public sector organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management.
2. Since the Counter Fraud strategy and associated policies were last updated in 2019, CIPFA have reported that public services are more vulnerable than ever to criminal activity. We also know that the pandemic and other global/national issues mean risks will continue to remain high for fraud and economic crime. Given also the various changes in personnel across the Council since 2019, it is therefore a pertinent opportunity to review, refresh and update the Council's approach to Counter Fraud to ensure it is in line with best practice, CIPFA's guidance on Managing the Risk of Fraud and Fighting Fraud and Corruption Locally.
3. The 2022 Counter Fraud Strategy should encompass key principles such as acknowledging the responsibility for countering fraud and corruption, identification of fraud and corruption risks, provision of resources to implement the strategy and the action to be taken in response to fraud and corruption.

## Recommendations

1. GAP are requested to note the content of this report and adopt the Counter Fraud and Corruption Strategy, as well as note and approve the corresponding action plan for its delivery during 2022/23.

## Financial Implications

2. None

## Background Papers

3. None

## Impact

4.

Communication/Consultation	The Counter Fraud Working Group reviewed and agreed the Strategy and Action Plan. CMT also agreed the Strategy and Action Plan on 2 <sup>nd</sup> March 2022.
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	The aim of this Strategy is to minimise the risk of fraud and corruption (as defined in law) and its impact.
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

## Situation

5. The Council's current (2019) Counter Fraud and Corruption Strategy encompasses a suite of sub-policies including:
  - Fraud Response Plan
  - Bribery Act Policy
  - Prevention of Money Laundering Procedures
  - Whistleblowing Policy
  - Gifts and Hospitality Guidance
  - Council Tax, Business Rates & Local Council Tax Support Counter Fraud Policy
  - Tenancy Fraud Policy
  - Prosecution Policy
6. By adopting the updated 2022 strategy, GAP acknowledge the threats of fraud and corruption and the harm they can cause to the organisation, its aims and objectives and to its service users, as well as the importance of a culture that is resilient to the threats of fraud and corruption and aligns to the principles of good governance.
7. Supplementing the Strategy is an action plan which sets out how Counter Fraud Strategy will be delivered over the next year to March 2023, and by whom. A

key part of this governance and delivery will be the Council's Counter Fraud Working Group who will provide operational oversight of the Council's counter-fraud activities across all areas of the Council, including those specifically recognised as high-risk areas i.e. Revenues, Benefits, Internal Audit, HR, Cyber Security/Information Governance, Democratic Services, Finance, Procurement, Housing, Insurance and Risk.

8. Work to September 2022 includes:

- Undertaking Council-wide Fraud Risk Assessment and reviewing any mitigating actions required arising from the assessment.
- Developing a new Whistleblowing Policy and corresponding Management Procedure.
- Producing a revised Fraud Response Plan aligned to new Counter Fraud and Corruption Strategy and including specialist fraud areas i.e., Tenancy Fraud, Council Tax. Prevention of Money Laundering.
- Collating NFI and Transparency Code statistics and developing an NFI operations protocol to ensure we are maximising the benefits of the exercises and participating in the most efficient manner.
- Briefing staff on their role and responsibility in preventing and detecting fraud and publicising the new suite of policies.
- Developing and refreshing training and awareness activities for staff and Members to underpin understanding of anti-fraud and corruption responsibilities.

9. Bi-annual updates on progress against the action plan will be provided to CMT and GAP in September 2022 and March 2023.

## Risk Analysis

10.

Risk	Likelihood	Impact	Mitigating actions
Successful attempts of fraud and/or corruption may lead to significant financial loss, service disruption and/or reputational damage.	2	3	Delivery of actions in Action Plan to support the Council's Counter Fraud Strategy which aligns to Fighting Fraud and Corruption Locally best practice and strengthens the Council's resilience against fraud.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.