

TITLE: ANTI-FRAUD AND CORRUPTION STRATEGY

Committee: Audit Committee

Date: 30th January 2023

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Report No: X139

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1.0 ISSUE

1.1 Part 4, Section 7 of the Council's Constitution details the Council's Anti-Fraud and Corruption Strategy (page 4(55)). This section of the Constitution has not been up-dated since 2019 and is therefore in need of review and up-date.

2.0 RECOMMENDATION(S)

2.1 Members are asked to recommend to Full Council the adoption of the up-dated Anti-Fraud and Corruption Strategy as attached as appendix 1 to this report.

3.0 BACKGROUND/OPTIONS

3.1 As part of the Constitution, the Anti-Fraud and Corruption Strategy needs to be approved for adoption by Full Council.

3.2 The current Strategy was approved by Full Council on 17th October 2019 and is therefore in need of an up-date.

3.3 The up-dated Strategy was initially brought to Audit Committee on the 17th October 2022, so seek Committee's views and ask if any further changes are required, prior to it being presented to Full Council for approval.

3.4 Committee resolved "That the Director, Finance, in consultation with the Chairman of the Committee, undertake a further review of the Anti-Fraud and Corruption Strategy and report back to the January meeting of the Committee, prior to submission to Full Council.

4.0 ARGUMENTS/CONCLUSION(S)

4.1. Further consideration of the Strategy has taken place since the meeting on the 17th October 2022 and an up-dated version is attached as Appendix 1 to this report.

4.2. There were four main comments made on the draft presented on the 17th October and each is considered below:

- Definition of fraud – The definition detailed in the original draft is still considered relevant to this Council as it covers different types of fraud (including both internal and external) and essentially that such action would be “deliberate” and “for gain”. However, the Strategy now also refers to the Fraud Act where a further definition can be found if felt necessary.
- £10,000 threshold – This relates to the reporting level to External Audit. External Audit send a list of enquiries to the Chief Internal Auditor as part of their annual audit, included on this list is a request for details of any fraud losses. As such, all such losses are reported to External Audit, but only those over the £10,000 threshold are reported to External Audit at the time of the incident.
- Bribery Policy for members – Under “The Council’s commitment to action” section of the Strategy (page 11) members have been included alongside employees.
- “As soon as possible” – this has been replaced by “at the earliest opportunity”.

4.3. Internal Audit have been consulted on the up-date of the Strategy, both assisting in the drafting and in reviewing the final documents as are now attached for your review. They are comfortable that they provide a best practice approach to anti-fraud and corruption moving forward.

4.4. Corporate Management Team have further reviewed the documents and are comfortable that they provide the Council with the required safeguards.

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

5.1. There are no additional financial implications arising from this report.

5.2. Equality Impact Assessment (EIA) not required.

5.3. Carbon Impact Assessment (CIA) not required.

6.0 APPENDICES

6.1 Appendix 1 - Draft Anti-Fraud and Corruption Strategy

Background Documents:

Anti-Fraud and Corruption Strategy Report presented to Audit Committee 17th October 2022.