



MANCHESTER
CITY COUNCIL

Counter Fraud and Irregularity Strategy 2018-2020

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Version Control

V0.1 Reviewed and approved by HARM, CT and CS

V1.0 Endorsed by Audit Committee 31 July 2018

1. Introduction

- 1.1 Manchester City Council (the Council) has a zero tolerance of fraud and corruption. This is confirmed in the Anti-Fraud Policy; this Strategy sets out the approach being taken to deliver the policy aims and objectives.
- 1.2 Minimising fraud and irregularity is essential, never more so than in times of austerity, to ensure that resources intended to provide essential services to Manchester communities are used for that purpose. Fraud committed against the Council is a theft of taxpayers' money, can cause reputational damage and a loss of confidence amongst the public or stakeholders and have an adverse effect on staff morale. Through effective counter-fraud measures the Council can reduce the risk of error, loss and fraud. These include arrangements to acknowledge, deter, prevent detect, investigate and prosecute wrongdoing.
- 1.3 Minimising fraud and irregularity is everyone's business. Whilst specialist teams have a key role, the Council expects the highest standards of probity, propriety and conduct from all Members, employees and contractors. This includes a requirement to act lawfully and to comply at all times with the Council's policies, procedures and regulations.
- 1.4 Minimising fraud and irregularity is a continual process. Whilst practical arrangements will evolve over time to reflect changes internal and external to the organisation, there is a constant need for vigilance and appropriate action to address risks. Change arising from financial pressures; growth of alternative models to commissioning and service delivery; and continued development of collaborative, integrated and joint working require the approach to be regularly reviewed and refreshed.
- 1.5 Minimising fraud and irregularity can be complex. The legislative and policy framework in relation to counter fraud is extensive including but not limited to; Criminal Procedure and Investigations Act 1996, the Fraud Act 2006, Police and Criminal Evidence Act 1984, Regulation of Investigatory Powers Act 2000, Proceeds of Crime Act 2002, the Bribery Act 2010, Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Criminal Finances Act 2017, the Prevention of Social Housing Fraud Act 2013, and the Council Tax Reduction Scheme Regulations 2013. This is in addition to the Council Constitution and Codes of Conduct that are based on a wide range of other legislation.
- 1.6 The Council's approach to delivery against counter fraud priorities and principles for the next two years are included within this document.

Objectives

- 1.7 The key aim of the Counter Fraud Strategy is to ensure that public funds entrusted to the Council are protected against fraud and loss. To do these the key objectives of this strategy are:

| | |
|-------------|---|
| Acknowledge | Continue development of the 'anti-fraud' culture which highlights the Council's zero tolerance of fraud, corruption and theft, defines roles and responsibilities and actively engages everyone including service users, the public, Members, staff, schools, contractors and partners. |
| Deter | |
| Prevent | Provide a centralised best practice counter fraud service in Internal |

| | |
|-------------|--|
| | Audit which: |
| Detect | <ul style="list-style-type: none"> proactively detects error, loss, fraud, corruption and theft; Investigates suspected or detected fraud, corruption and theft; |
| Investigate | <ul style="list-style-type: none"> Enables the Council to apply appropriate sanctions and recover losses wherever possible; |
| Pursue | <ul style="list-style-type: none"> Works in effective collaboration with services across the Council and with partners to support counter fraud activity; and Drives action to inform policy, system and control improvements, thereby reducing the Council's exposure to fraudulent activity. |

1.8 The effectiveness of this strategy will be subject to regular review, by the Head of Internal Audit and Risk Management, Section 151 Officer and the Audit Committee.

Definition

1.9 Throughout this document the term fraud and irregularity has been used to refer to acts of corruption, fraud, bribery, money laundering, wrongdoing, loss and error.

Scope

1.10 This Strategy and associated policies apply to the activities of all Council employees and Members. It also applies to Council engagement with consultants, contractors, suppliers, schools, Council funded voluntary bodies and individuals, partners and any other external agencies.

2. Policy Framework for Preventing Fraud and Irregularity

2.1 This Strategy is part of the Council's overall Counter-Fraud Policy Framework and should be read in conjunction with the Constitution, Financial Regulations, Disciplinary Procedures, Standards of Conduct Procedure for Employees and other related policies and procedures. The Council's policy statement and principles with regard to Counter Fraud are set out in Appendix A.

2.2 The Terms of Reference for the Audit Committee include the review of effectiveness of anti-fraud and corruption arrangements throughout the Council. To support the Audit Committee in this role the Head of Internal Audit and Risk Management reports annually on the policy framework and in particular the level of fraud detected. The Committee, within its Terms of Reference oversee changes to the Counter-Fraud Policy Framework.

2.3 The key documents comprising the Counter Fraud Policy Framework are:

- a. **Anti-Fraud and Corruption Policy:** Identifies a number of key principles outlining the overall approach to combating fraudulent activity against the Council.
- b. **Counter Fraud Strategy:** sets out priorities, objectives and actions to respond to identified fraud risks.
- c. **Whistleblowing Policy:** Explains how members, employees, agency staff, schools, contractors and members of the public can raise concerns about suspected fraud and other malpractice in a confidential manner.
- d. **Anti-Money Laundering Policy:** Defines the responsibilities of officers in respect of the Proceeds of Crime Act 2002, Terrorism Act 2000, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulation 2017 and Criminal Finance Act 2017.
- e. **Anti-Bribery Policy:** Explains how the Council will act to minimise the exposure to bribery risk and prohibits the offering, giving, solicitation or acceptance of bribes or inducements.
- f. **Corporate Complaints Policy:** Provides guidance for Council officers to deal with complaints within agreed standards. Complaints can be one way in which individuals submit concerns and allegations regarding fraud and irregularity.
- g. **Enforcement Policy:** Outlines the approach to enforcement and lays down the principles which will be followed in deciding upon and taking action.
- h. **Fraud Risk Assessment:** Sets out the fraud risks facing the Council based on events which have occurred, intelligence of events occurring elsewhere and issues which may represent a potential future threat.

Anti-Fraud and Corruption Policy

Purpose

Manchester City Council has a zero tolerance approach to fraud and illegal activity. This Anti Fraud and Corruption policy describes our overall approach to combating fraudulent activity against the Council and sits above related anti fraud policies and procedures which form part of the Council's approach to managing the risk of fraud.

Key Principles

The Council is committed to ensuring that the people of Manchester can have complete confidence that the affairs of the Council are conducted in accordance with the highest standards of probity and accountability. The Council is committed to combating fraud and corruption wherever it may arise in relation to any of the Council's activities or services and involving any Members or officers of the Council or members of the public or other third parties.

The Council expects Members and officers to demonstrate the highest standards of honesty and integrity. This includes compliance with appropriate legislation, Member and Employee codes of conduct, Standing Orders, Financial Regulations, conditions of service, standards of appropriate professional bodies, and any other standards, guidelines or instructions which are relevant to the particular service or activity.

The Council is committed to establishing and maintaining effective arrangements to prevent fraud and corruption. The Council recognises, however, that fraud and corruption cannot always be prevented and so effective arrangements have been established to detect and investigate all incidents or situations where fraud and corruption is suspected. These arrangements are contained within the detailed *procedural guidance* which should be read in conjunction with this policy.

The Council will not tolerate dishonesty on the part of any of the members or officers of the Council or any persons or organisations involved in any way with the Council. Where fraud or corruption is detected the Council will rigorously pursue appropriate action against the persons concerned including legal and / or disciplinary action, including dismissal.

The Council is committed to creating and maintaining an anti-fraud and corruption culture and this includes establishing arrangements which enable employees, or other persons, to express concerns and suspicions without fear or repercussions or intimidation and in the knowledge that the information will be treated confidentially and will be investigated fully and rigorously.

The Council is committed to working constructively with the police and other relevant agencies in relation to combating fraud or corruption within the Council or within the wider community.

The Council will seek to ensure that the Council's stance on anti-fraud and corruption is widely publicised. All employees and members of the Council will be made aware of this policy.

This policy applies to Members and all officers employed by the Council and is supported by *procedural guidance*, which details the systems and controls which staff must follow to enable the Council to comply with its legal obligations.

How To Report A Suspected Fraud

3. Roles and Responsibilities

- 3.1 Appendix B sets out the key roles and responsibilities of officers and services responsible for the delivery of this strategy.
- 3.2 Leadership for the delivery of the Counter Fraud and Irregularity Strategy resides with the City Treasurer (S151 Officer) and the Head of Audit and Risk Management. Governance of the strategy and delivery of key responsibilities resides with the Audit Manager and the Internal Audit Section.
- 3.3 Service areas also contribute to the delivery of the strategy, including but not limited to Revenues and Benefits, Blue Badges, Trading Services and Enforcement Teams as these teams lead the prevention and detection of error, irregularity and fraud in their areas of responsibility.

- 3.4 Expert, corporate support in addressing fraud and irregularity risks is provided by HROD, Corporate Procurement, ICT, Legal Services and Finance.
- 3.5 All strategic directors, managers and staff have a responsibility for remaining aware of the risks of fraud and irregularity, for obtaining assurance that these are being appropriately addressed and for raising risks or issues with senior management and internal audit.
- 3.6 Member roles and responsibilities in relation to the prevention of fraud and corruption are discharged through the Audit Committee in conjunction with Standards Committee and Executive. These roles are detailed within the Council's Anti-Fraud and Corruption Policy and the Council's Constitution.

4. Approach to Countering Fraud

- 4.1 A dedicated and specialist resource within the Internal Audit Section develops and coordinates the Council's overall approach to protecting its assets and finances from fraud, corruption, bribery and loss. Work is focused within each of the key elements of acknowledge, deter, prevent, detect, investigate and recover.
- 4.2 Fraud by its very nature is hidden, and conducted in such a manner that fraudulent acts are actively concealed. It is therefore vital to maintain a strong anti-fraud culture, and advocate a zero tolerance approach. This provides a deterrent to potential fraudsters and encourages an environment where individuals feel comfortable coming forward to raise concerns.

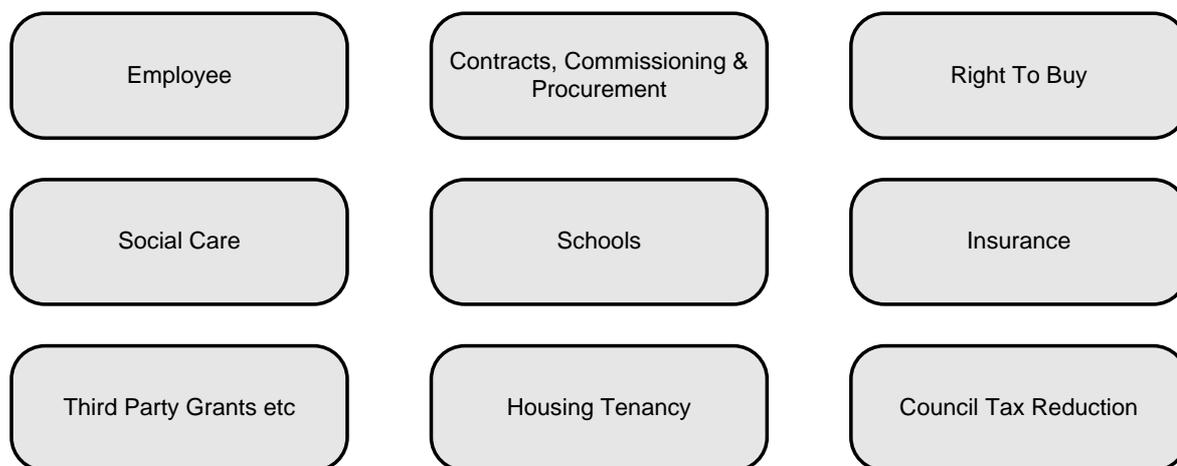


- 4.3 This Strategy is informed by the Council's objectives and has incorporated guidance and best practice on combating fraud within local government. The latest version of CIPFA's Fighting Fraud and Corruption Locally covers the period 2016-2019 and contains a number of areas of focus for local authorities to consider when formulating their own strategies. These include:
 - Understanding current fraud risks and measuring potential and actual losses.
 - A greater emphasis on prevention and enforcement, including the recovery of stolen money.
 - Increasing resilience by sharing services and specialist resources.
 - Making greater use of technology, for example data analytics, document and identity validation.
- 4.4 The CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA Code) sets out best practice for counter fraud work within local government. The code is based upon five principles; acknowledge responsibility, identify risks, develop a strategy, provide resource and take action. Each of the principles is underpinned by a

number of standards. This Strategy is designed to ensure that the Council approach is consistent with these principles and standards.

Risk Assessment

- 4.5 Identifying the areas at greatest risk of fraud loss is crucial to ensure resources are deployed effectively. A periodic assessment of the risk of fraud loss to the Council is required; considering materiality, known issues, effectiveness of the control environment and impact. Updated upon receipt of new intelligence this will be used as part of the annual internal audit planning process.
- 4.6 Areas of recognised fraud risks reported across the sector and which this Strategy seeks to assure and address area:



Culture

- 4.7 The Council is committed to the highest ethical standards of corporate and personal conduct. The three fundamental public service values of accountability, probity and openness and a strong anti-fraud culture are a key element of the defence against fraud, corruption and bribery.
- 4.8 Codes of Conduct, policies and procedures promoted across the Council are consistent with the '[Principals of Public Life](#)' put forward by the Nolan Committee and The Council expects all staff, including contractors and Members to make themselves aware of and follow these principles.

Deterrence

- 4.9 The Council develops and promotes a strong counter fraud culture. Internal Audit and other services work with HROD and Communications to raise staff and public awareness which include the following:



- Prominent publication and communication of the Council’s zero tolerance stance against fraud and the overall strategy for combating it.
- Development of a communications plan to be reviewed annually.
- Making clear to staff and residents how and to who they can report concerns.
- Delivering a fraud awareness, to ensure the understanding of fraud risk remains high in particular amongst Council staff and Members but also contractors and partners.
- Maximise publicity for prosecutions and other successful outcomes from the results of pro-active work, for example press articles and use of social media.

Prevention

- 4.10 Prevention is often the best and most efficient way to tackle fraud and prevent losses to the Council. This requires a robust control environment. Wherever appropriate and cost effective to apply, the Council will design and implement controls to prevent fraud and irregularity. Internal Audit will continue to work with managers and core services including Legal, HROD and Finance to ensure new and existing systems, procedures and policy initiatives consider fraud risks.
- 4.11 As part of its annual Internal Audit plan and in particular the pro-active counter fraud work the Internal Audit Section reviews those areas of activity deemed to be at greater risk to fraud and corruption and works with management to recommend suitable, preventative controls and confirm these are implemented as planned.

Detection

- 4.12 Internal Audit maintains a centralised log of all fraud and irregularity referrals received within the Section. The log helps to assess areas within the Council most vulnerable to the risk of fraud. This enables a Council wide fraud profile to be created which informs audit work aimed at detecting existing and new types of fraudulent activity. This knowledge also informs and helps direct the allocation of staff resources across the audit team ensuring a flexible approach is maintained and sufficient coverage is obtained across both the reactive and proactive counter fraud programmes as well as wider planned audit work.
- 4.13 A range of actions are already in place in relation to the detection of fraud, irregularity and loss:



- All staff are expected to comply consistently and routinely with internal controls designed to bring data anomalies and other indicators of fraud to the attention of management. As with preventative controls, the Council's Internal Audit Section reviews the adequacy of fraud detection controls in key systems and makes recommendations for weaknesses to be addressed.
- The Council participates fully in the National Fraud Initiative (NFI) and remains open to participation in other relevant national or regional opportunities to detect fraud through data-matching exercises.
- Internal Audit carries out targeted, analytical reviews of key financial systems to identify indicators of fraudulent activity.
- The Council's Whistleblowing Policy is publicised to encourage staff, Members, contractors and partners to raise any genuine suspicions they may have.
- Services across the Council participate in national and regional counter-fraud networks and take prompt action to review the relevance to the Council of alerts or issues shared across these groups.

4.14 Changes and developments in the Council's internal systems and procedures may adversely impact upon the established controls to prevent fraud. The impact on the fraud risk in changing systems and procedures will be evaluated through timely liaison between the business and Internal Audit to help minimise the exposure to risk.

Investigate

4.15 Where there are genuine grounds to suspect fraud, irregularity or corruption, the Council is committed to ensuring that all cases are investigated promptly, effectively and fully. The Council has developed a Fraud Response Plan (Appendix C) to be followed in all cases.

4.16 All matters involving suspected criminal activity are referred to the Police at the earliest opportunity. The referral decision will be taken jointly by the City Treasurer (Section 151 Officer) or the City Solicitor (Monitoring Officer) or their nominated representatives.

4.17 In support of the Council's zero tolerance stance, there shall be a general presumption that the Council will request the Police charge offenders in all cases of fraud, corruption, bribery and theft. The Section 151 Officer (or representative) and the Monitoring Officer (or representative) will apply the Enforcement Policy on a case by case basis. Where the Police or Crown Prosecution Service decide not to charge offenders, the Council will consider bringing private prosecution, to be considered on a case by case basis.

4.18 The Internal Audit Section regularly liaises with colleagues from HROD and Legal Services regarding casework, in particular where fraud or corrupt acts have been committed by an employee of the Council. In such circumstances it may be decided not to pursue matters further until any external investigations and/or enforcement action are concluded.



A finance manager who stole £46,000 of school dinner money has been jailed.

Recovery of Losses Incurred

4.19 A crucial element of the Council's response to tackling fraud is seeking financial redress. The recovery of defrauded monies is an important part of the Strategy and where it is practical, action will be taken to recover the loss from the individual or organisation concerned. Where criminality has been proven then the Proceeds of Crime Act 2002 may, where appropriate, be used to recover funds. Other methods of recovery may include, but are not confined to:

- civil proceedings;
- recovery of pension contributions from employees;
- unlawful profit orders and compensation orders;
- bankruptcy if it is believed the individual has a poor history of paying; and
- recovery from future salary payments.

Fraud Awareness and Training

4.20 Staff completing investigations have the appropriate training, knowledge and where appropriate qualifications to enable them to understand and investigate the full range of fraud risks faced by the Council. Staff will be given the delegated authority needed to request information and carry out investigations.

4.21 Consideration will be given to training and workshop sessions arranged by the CIPFA North West Audit Risk and Governance group, as well as resources available from the CIPFA Counter Fraud Centre and the National Anti-Fraud Network (NAFN). Intelligence alerts from bodies such as NAFN and the National Fraud Intelligence Bureau will be circulated to the relevant business areas to ensure they are aware of current risks.

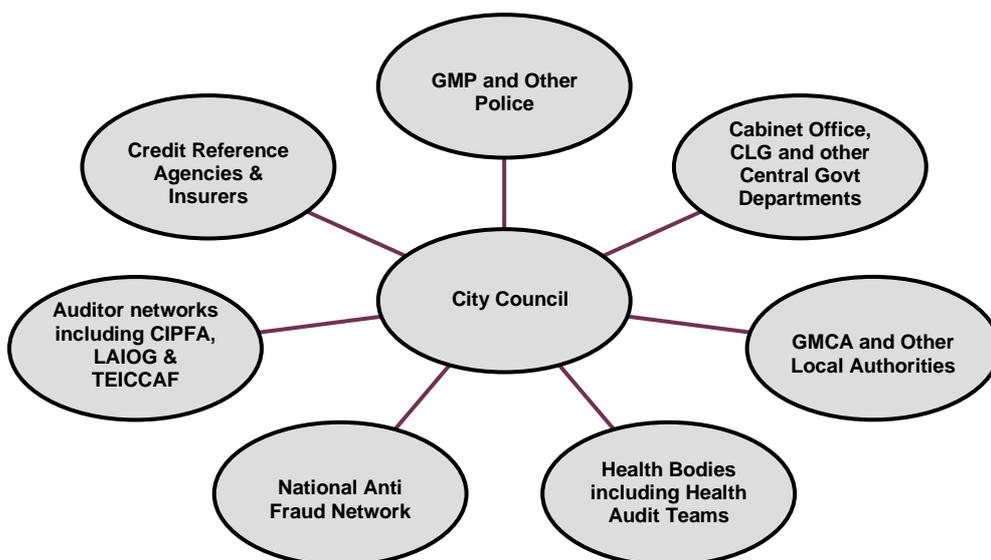
4.22 During the period covered by this Strategy, work will be undertaken to update the fraud risk assessment and together with other indicators this will be used to identify where further opportunities and requirements for counter fraud training may be appropriate. Consideration will be given to a range of media including e-learning, workshops, newsletters, intranet to cascade key messages. The effectiveness of training and other fraud awareness activities will be evaluated to inform future planning.

4.23 The Internal Audit Section will establish a training plan to enhance employees' ability to deliver the Strategy. The specific content of the training will be subject to review as part of the Annual Fraud Report, but its key components are likely to include the following:

- Requirement for key staff, particularly line managers, to complete a periodic fraud awareness survey.
- Qualification training for staff responsible for the investigation of suspected fraud.
- Targeted training for key staff likely to use the Fraud Response Plan.
- Targeted training on audit software and tools for key staff likely to participate in data matching exercises.

5. Joint and Collaborative Working

- 5.1 Fraud does not always fit neatly within the boundaries of the Council or the City. Given the range of partnerships and collaboration work and the benefits of working with colleagues across the public and private sector, the Council actively seeks to work in conjunction with others. Good intelligence is crucial in order to identify fraudulent activities and take action to prevent the Council falling victim to them.
- 5.2 Key agencies for data sharing include but are not limited to the following:



- 5.3 Arrangements are in place and continue to be developed to encourage both joint and collaborative working involving the exchange of information and intelligence between the Council and other agencies on national and local fraud and corruption activity in relation to local authorities. Any such exchange of information is undertaken in accordance with the principles contained in the Data Protection Act 1998 and the Information Commissioner's Office Code of Practice of Data Sharing. Where appropriate, the Council will participate in national or regional initiatives designed to prevent and detect fraud, such as data matching.
- 5.4 As part of a wider sharing of Internal Audit resource staff from within the Internal Audit Section will work with colleagues from both GMCA and Bolton Council's Internal Audit teams. This arrangement will be used to increase resilience across both teams and maximise the sharing of learning and best practice.

6. Delivery of the Strategy

- 6.1 The Council, jointly with colleagues from the GMCA and Bolton Council has been successful in securing funding from CLG for the purposes of developing a collaborative approach to counter fraud. The outcome from this will be a shared approach, risk based resource allocation and good practice model that will help further raise awareness of fraud risks, use intelligence to detect fraud, investigate areas of concern and recover losses.
- 6.2 The Internal Audit Section will continue to assess all referrals it receives in a timely manner and investigate as appropriate in accordance with the Fraud Response Plan, working with colleagues in HROD, ICT and Legal as well as Heads of Service and other managers to address concerns identified.
- 6.3 Pro-active counter fraud work will be developed in line with priorities identified from national research and the Council's fraud risk assessment. Resources will be targeted at areas considered to be of high risk to the Council. We will liaise with management regarding opportunities for joint and collaborative working with partners both internally and externally to enhance the quality of intelligence and data matching techniques.
- 6.4 The work undertaken by Internal Audit will provide management with recommendations and actions to improve the effectiveness of internal controls to help prevent and deter future instances of fraud and irregularity.
- 6.5 The Council's overall approach and key priorities for Counter Fraud 2018-20 are detailed on page 11.

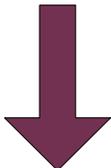
Measuring Success

- 6.6 Providing meaningful measures of success for counter fraud work can be difficult. Outcomes based on measures such as the number of investigation completed, value of overpayments recovered, do not necessarily reflect the effectiveness of the Council's counter fraud arrangements.
- 6.7 For instances an increase in outcomes could mean there is increasing fraud in a particular area, or that more pro-active detection work has been carried out. Similarly preventative and deterrent work does not easily lead itself to measurement.
- 6.8 For accountability purposes progress against the priorities and plans identified within this Strategy will be reported quarterly to the Borough treasurer and annually to Audit Committee as part of the Annual Fraud Report.
- 6.9 The CIPFA Code of Practice has a self-assessment toolkit for authorities to complete to assess their level of compliance against the Code. This will be reviewed annually, incorporating the implementation of actions and will be used to contribute to the Council's Annual Governance Statement. Similarly Fighting Fraud and Corruption Locally contains a checklist to assist local authorities in assessing progress towards the implementation of their counter fraud strategy.
- 6.10 The implementation of a Case Management System to record investigation casework in 2018 will provide the opportunity to develop the reporting facility and management information from which performance can be assessed.

Key Counter Fraud Priorities for 2018-2020

The delivery of key priorities over 2018-2020 will help ensure the Council is better able to protect itself from fraud, irregularity and loss and will provide a more effective fraud response.

Acknowledge
Acknowledging and understanding fraud risks



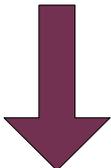
Assessing and understanding fraud
Committing support and resource to tackling fraud
Maintaining a robust anti-fraud response



Priorities 2018-2020

- Review and update of Policy Framework specifically Whistleblowing, Anti-Money Laundering and Anti-Bribery Policies
- Introduce a Counter Fraud Strategy
- Fraud Awareness Training/workshops
- Development of Fraud Risk Assessment including learning from Home Office, Organised Crime Procurement Pilot Report December 2016.

Deterrence and Prevention
Deterring and Preventing Fraud



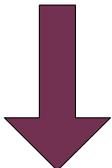
Making better use of information and technology
Enhancing fraud controls and processes
Developing a more effective antifraud culture



Priorities 2018-2020

- Publicity
- Fraud Awareness Training/Workshops
- Develop existing identification/validation tools
- Develop relationships with partners including Registered Housing Providers

Detection, Investigate and Pursue
Completion of reactive and proactive work, punishing fraud and recovering losses



Effective triage and investigation of referrals
Targeted pro-active counter fraud work
Prioritising fraud recovery and actions to punish fraudsters
Joint and collaborative working across the Council, other LAs, agencies and the Police



Priorities 2018-2020

- Triage and investigate reactive referrals received
- Co-ordination and completion of National Fraud Initiative
- Duplicate Payments
- Data Matching/Mining
- Develop programme of wider pro-active counter fraud exercises.
- Work jointly and collaboratively with partners on key key areas, including:
 - Housing Tenancy Fraud, Council Tax Reduction, Individual Budgets, No Recourse to Public Funds, Contracts and Commissioning, Right to Buy, Insurance, Social Care, Schools, Third Party Grants, Employee irregularity/fraud
- Explore pilot partnership work with DWP

7. Review

- 7.1 The Counter Fraud Strategy will be subject to bi-annual review; the updated document will be submitted to Audit Committee.

Appendix A – Policy Statement

Anti- Fraud and Corruption Policy

Purpose

Manchester City Council has a zero tolerance approach to fraud and illegal activity. This Anti-Fraud and Corruption Policy describes our overall approach to combating fraudulent activity against the Council and sits above related anti-fraud policies and procedures which part of the Council's approach to managing the risk of fraud.

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This policy applies to Members and all officers employed by the Council and is supported by procedural guidance, which details the systems and controls which staff must follow to enable the Council to comply with its legal obligations.

Appendix B – Key Responsibilities for Delivering the Strategy

| ACTION | Internal Audit | S151 Officer | Directors Manager/ Team Leaders HROD | SMT | Audit Committee | Staff/ Contractor & Partners |
|--|----------------|--------------|--|-----|-----------------|------------------------------------|
| Strategy, Development, Maintenance and Reporting | | | | | | |
| Maintain the Counter Fraud Strategy | X | | | | | |
| Carry out Annual Fraud Risk Assessment | X | | | | | |
| Compile the Annual Fraud Report | X | | | | | |
| Review and approve the strategy, risk assessment and fraud report | | | | X | X | |
| Deter | | | | | | |
| Publication of the Counter Fraud Strategy | X | | | | X | |
| Design and implement a periodic fraud awareness programme | X | | | | | |
| Participation in fraud awareness surveys | X | X | X | X | X | X |
| Publication of successes in dealing with fraud | X | | | | X | |
| Prevent | | | | | | |
| Review the preventative controls in key Council systems. | X | | X | | | |
| Implement agreed actions to strengthen internal controls | | X | X | X | | X |
| Ensure consistent compliance with established controls to prevent fraud | | X | X | X | | X |
| Consider the implications for counter fraud controls in new and changing systems and procedures | X | | X | | | |
| Detect | | | | | | |
| Review the detective controls in key Council systems and carry out targeted, analytical review in high risk areas of activity. | X | | | | | |
| Implement agreed actions to strengthen controls | | X | X | X | | X |

| ACTION | Internal Audit | S151 Officer | Directors Manager/ Team Leaders HROD | SMT | Audit Committee | Staff/ Contractor & Partners |
|---|-----------------------|---------------------|--|------------|------------------------|---|
| Ensure consistent compliance with established controls to detect fraud | | X | X | X | | X |
| Publicise the Whistleblowing Policy | X | | | | | |
| Raise fraud and corruption concerns promptly through the Whistleblowing Policy with a line manager/senior manager or directly with Internal Audit | X | X | X | X | X | X |
| Participate in the National Fraud Initiative and other counter-fraud groups | X | | X | | | |
| Pursue | | | | | | |
| Follow the Fraud Response Plan in all cases where fraud and corruption are suspected. | X | X | X | X | X | X |
| Decision to refer to the Police for investigation | | X | | | | |
| Decision to apply Prosecution Policy | | X | | | | |
| Decision to invoke the Council's disciplinary process | | | X | | | |
| Consider options for seeking recovery of losses incurred | | X | X | X | | |

Appendix C – Fraud Response Plan

