

Anti-Fraud & Corruption Strategy and Whistleblowing Procedure

Standards Committee

19 January 2009

Author: Monitoring Officer and
Head of Internal Audit

Parish / Wards Affected: All

Purpose

To receive the draft updated Anti-Fraud and Corruption Policy, Whistleblowing Policy and Fraud Response Plan and to approve their implementation

Recommendation

- That the Standards Committee authorise the Director of Law and Democratic Services (Monitoring Officer) to finalise and issue the Anti- Fraud and Corruption Strategy, the Whistleblowing Policy and the Fraud Response Plan, in consultation with the Chair and the Head of Internal Audit, having regard to comments received from the Audit Committee, the Council's External Auditors and the West of England Chief Auditor's Fraud Sub-Group.

1. Reasons

- 1.1 To ensure that the Council's Policies on Anti-Fraud and Corruption and Whistleblowing are up-to-date and reflect best practice.
- 1.2 To ensure that Members and officers are made aware of how to identify the types of fraud, how it occurs, indicators of potential fraud and how to respond if it is discovered.

2. Detail

- 2.1 The Council controls millions of pounds of public money and takes very seriously the high expectations of the public and the degree of scrutiny to which the affairs of the Council are subject.
- 2.2 In carrying out its functions and responsibilities the Council wishes to promote a culture of openness and fairness and expects that elected members and employees at all levels will adopt the highest standards of propriety and accountability. Proper accountability, achieved through probity, internal control and honest administration is therefore essential.
- 2.3 The revised Anti-Fraud and Corruption Strategy (Appendix 1) complies with the requirements of the Use of Resources key lines of enquiry and best practice/guidance issued by the CIPFA Better Governance Forum in

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their publication: '*Managing the risk of fraud: actions to counter fraud and corruption*'.

- 2.4 The Council's Whistleblowing Policy (Appendix 2) supports the Anti-Fraud and Corruption Strategy. The policy complies with the requirements of the new British Standard on whistleblowing, and makes it clear that concerns can be raised without the fear of reprisals. It is intended to encourage and enable employees, Members and Governors to raise serious concerns within the Council, irrespective of seniority, rank or status, rather than overlooking a problem or reporting the matter externally.
- 2.5 The Fraud Response Plan (Appendix 3) – provides direction and help to officers and members in reporting and reacting with suspected cases of theft, fraud and corruption.
- 2.6 The Strategy and Policy were last reviewed and adopted by this Committee at its meeting in July 2007. At its meeting in July 2008 the Committee agreed that the Monitoring Officer and Head of Internal Audit would consult on the review of the Anti-Fraud and Corruption Strategy, the Whistleblowing Policy and the Fraud Response Plan.
- 2.7 Due to only recently receiving the guidance from the CIPFA Better Governance Forum it has not been possible to consult with all interested parties prior to this meeting, therefore the Committee are requested to recommend the adoption of the strategy by Council subject to comments from Audit Committee, the Council's External Auditors and the West of England Chief Auditor's Fraud sub-group. Changes that have been made to the Fraud Response plan reflect the need to involve the Council's Human Resources Directorate in the process.

Alternative Options

It is open to the Committee not to update the policies but this would not be in accordance with good practice.

Risk Management

Financial and Procurement Implications

- There are no direct financial or procurement implications. The cost of carrying out any investigations is currently borne by the Director of Law and Democratic Services or Internal Audit's budget.

Legal / Human Rights Implications

- The policies and procedures have been written to take account of the Public Interest Disclosure Act 1998 and takes account of other relevant legislation such as the Regulation of Investigatory Powers Act 2000, the Local Government Act 1972 and the Accounts and Audit Regulations 2003.

Further information on the subject of this report can be obtained from Nick Hobbs on 01793 463940 or Email nhobbs@swindon.gov.uk

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Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)

- The outcome of complaints links with the theme 'Council for the Future' and the wish to improve the Council's performance and ensure that the Council's corporate governance system are considered to be accountable, effective and transparent (Objective 1).

Consultees

- The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports).
- Group Director Business Transformation
- Director of Human Resources and Change
- The Council's Audit Committee, External Auditor and the West of England Chief Auditor's Fraud Sub Group are also to be consulted prior to adoption.

Background Papers and Appendices

- Appendix 1: Anti-Fraud and Corruption Strategy
- Appendix 2: Whistleblowing Policy
- Appendix 3: Fraud Response Plan