HARINGEY COUNCIL

ANTI-FRAUD AND CORRUPTION POLICY AND STRATEGY

Policy History					
Version	**Summary of Change**	**Contact**	**Implementation Date**	**Review Date**	**EqIA Date**
8.1	Added Standards in Public Life (Nolan Principles) at para 3.2	Head of Audit & Risk Management	July 2018	June 2018	June 2014

Links and Dependencies
Employee Code of Conduct   Disciplinary Procedures   Council Constitution   Whistleblowing Policy   Sanctions Policy   Anti-money Laundering Policy   Anti-bribery Policy

Related Forms
Declaration of Interests Form
Declaration of Receipt of Gift or Hospitality

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Anti-fraud Policy Statement

1.1 We (Haringey Council) operate a 'zero tolerance' approach towards fraud and corruption and we will use the full range of sanctions available against any individual or organisation found to be committing fraud. Every pound taken by theft or fraud reduces our ability to provide services to the people who need them the most.

1.2 We want to protect against, detect and respond to fraud and corruption in order to protect the interests of our clients, partners, employees and other stakeholders while retaining a high ethical standing within the community.

1.3 This policy applies to all parts of the Council and to all our employees, temporary and agency staff, volunteers, contractors and consultants in relation to their work with/for us. We rely on the support of staff, businesses and the community to deliver the services we provide to people in need. Loss of confidence in the Council as a result of fraud or corruption could have an adverse impact on our funding and investment in the area, leading to a more severe impact on the services we deliver than the initial theft.

1.4 We expect all our Councillors, employees, agency and temporary staff, consultants, contractors, partner organisations and service users, to be honest, and to give us any help, information and support we need to deal with fraud and corruption. In return, we will:

- Take appropriate measures to prevent and deter fraud;
- Introduce and maintain procedures to detect fraud;
- Encourage employees to report any suspicions of fraud;
- Provide resources to train our staff about fraud risk and investigate fraud;
- Take appropriate disciplinary, civil or criminal proceedings; and
- Report suspected fraud to the police and all relevant organisations.

1.5 It is in everyone's interests to prevent fraud and corruption from happening. Report any suspected incident immediately to your manager and to the Head of Audit & Risk Management (unless you suspect your manager may be involved). This strategy and response plan sets out what we mean by fraud; how we tackle fraud; what you should do if you suspect fraud; and how we will respond.

	If you have any concerns about fraud, we want to know:
⚠️ **SPEAK OUT ABOUT FRAUD**	☎ **Call in confidence: 0330 808 4269** @ **Email: fraudcall@Haringey.gov.uk** ✉ **Write to: Fraud Team, PO Box 22727, London, N22 7WS**

Anti-fraud and Corruption Strategy

2. Definition of Fraud and Corruption

2.1 The **Fraud Act 2006** introduced the first legal definitions of fraud, which is used for the criminal prosecution of fraud offences. **Fraud** is defined a wrongful act or criminal deception intended to result in financial or personal gain. **Corruption** is defined as the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person.

2.2 The following are some examples of fraud or corruption, which you may come across:

- Providing false identity or right to remain/work documents, references, or any other information when applying for a job;
- Making false claims for expenses, overtime, flexitime, or any other allowance;
- Not declaring a conflict of interest e.g. owning properties which are leased to the Council, or receiving benefits from the Council; you or your family owning companies which we do business with; or working for organisations which receive grant funding from the Council;
- Allocating housing, or any other benefits, to people who are not entitled to them;
- Misusing Blue Badges, residential, business or any other parking permits;
- Fraudulently claiming any benefits we the DWP or HMRC provide, including housing benefits, working/child tax credits, disability benefits, and council tax benefits;
- Fraudulently making, or exaggerating, an insurance claim against the Council;
- Using our vehicles, IT equipment, offices/buildings, stocks, materials, or any other resources for personal use, or to run a private business;
- Stealing money, materials or other resources from the us, our partners, or our clients;
- Raising orders, or submitting invoices for payment when the work hasn't been done;
- Working for another organisation, running a business, or being self-employed during contracted hours, including working whilst off sick;
- Accepting gifts or hospitality from contractors, or organisations who are bidding for work, or who we have contracts with, or who receive grants from us.

2.3 The above list can't cover every example of fraud or corruption. If you have any questions, please contact the Head of Audit & Risk Management for further advice.

3. Responsibilities

3.1 We expect all individuals, groups and organisations that receive services from, or provide services on behalf of the Council to be honest in their dealings with us and our clients and customers. Councillors and managers are expected to lead by example in regard to observing the Principles of Standards in Public Life, as set out by the Nolan Committee. These are shown below:

Selflessness- Holders of public office take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

Integrity- Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of their official duties.

Objectivity- In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability- Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness- Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty- Holders of public office have a duty to declare any private interests relating to their public duties to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership- Holders of public office should promote and support these principles by leadership and example

3.2 We expect our Councillors and employees, including any temporary, agency and consultancy resources, to lead by example in preventing, deterring and advising of suspected fraud and corruption and these responsibilities are summarised below:

Individual/Group	Role/Responsibility
Corporate Committee	• Approving and monitoring corporate counter-fraud policies. • Reviewing reports relating to fraud risks and investigations from internal and external auditors.

Individual/Group	Role/Responsibility
Strategic Leadership Team (SLT)/ Statutory Officers Group (SOG)	• Overseeing the council's approach to counter-fraud activity, setting the tone to embed a culture of high standards. • Ensuring a consistent approach to identifying and managing fraud risk is adopted by all service areas. • Reviewing reports to ensure that risks relating to fraud are being managed appropriately.
Directors/ Assistant Directors/ Programme Managers/ Heads of Service	• Introducing and maintaining effective controls to prevent fraud or corruption from happening in their service area, or corporate programme. • Ensuring that a fraud or corruption risk assessment has been conducted for their service area/ corporate programme. • Notifying all suspected fraud or corruption incidents within their service area/ programme to the Head of Audit & Risk Management. • Approving follow up action to be taken in response to actual incidents of fraud or corruption.
Audit & Risk Management	• Undertaking regular assessments of fraud risks and the resources and skills available to tackle fraud. • Consulting with Directors/Assistant Directors about the best course of action when suspected fraud or corruption incidents are raised. • Allocating an investigator, consulting with appropriate senior managers and HR personnel at agreed stages during any investigation into fraud or corruption, and completing the investigation within agreed timescales. • Notifying the police, and other organisations, when a criminal prosecution is required. • Facilitating fraud and corruption awareness training. • Providing regular reports to SLT/SOG and Corporate Committee on fraud risks and pro-active and responsive investigations. • Providing advice and guidance on internal controls to prevent fraud or corruption. • Undertaking pro-active projects to identify possible fraud or corruption.
Employees and Members	• Complying with the Council's Codes of Conduct and Constitution. • Informing their manager, or Assistant Director and Head of Audit & Risk Management of any suspected fraud or corruption incidents.

4. Our approach to preventing, detecting and investigating fraud and corruption

We have aligned our fraud prevention and detection approach to the government's recommended 'acknowledge, prevent, pursue' strategy in their **Fighting Fraud Locally** publications and the Chartered Institute of Public Finance and Accountancy's 2014 'Managing the Risk of Fraud and Corruption' Code of Practice.

4.1 Preventing fraud and corruption

We want to try and prevent fraud and corruption from happening in the first place. In order to do this our strategy includes:

- Undertaking a regular assessment of the fraud risks faced by the Council and ensuring our managers and counter-fraud teams carry out checks on high risk areas;
- Completing pre-employment screening of our staff (including volunteers, contractors and consultants) and confirming their right to remain and work in the UK, where appropriate;
- Requiring staff to declare potential conflicts of interest; and any gifts offered and accepted;
- Scanning and verifying identity documents of all applicants for housing and other benefits;
- Making sure quotes and tenders from contractors are opened by different employees to those who asked for the quotes; and
- Controlling our IT systems e.g. to ensure that individual employees are not responsible for setting up and authorising payments.

4.2 Detecting and investigating fraud and corruption

As well as having systems in place to prevent fraud, we have procedures that detect and investigate fraud effectively which include:

- Fraud reporting mechanisms such as the confidential Freephone telephone number, PO Box address and email facility;
- Whistleblowing, Anti-Money Laundering and Anti-bribery policies, together with our complaints process, and regular reviews of personnel and financial information e.g. on Right to Buy applications;
- An annual counter-fraud plan which includes projects to look at high risk and high spend areas based on the overall risk assessment;
- Undertaking regular data matching and analysis of information held on our systems to identify e.g. fraud in housing tenancies, payroll and pensions, Blue Badges, planning applications and payments to suppliers;
- Sharing information on identified frauds and risks with other local authorities and agencies, including the police, Department for Work and Pensions (DWP), and the Home Office visa and immigration services;
- Receiving regular data analysis and fraud information alerts from the National Anti-Fraud Network;
- Having a dedicated and suitably trained counter-fraud team in place, with links to the police and other enforcement agencies, to investigate allegations of fraud and undertake prosecutions.

4.3 The anti-fraud and corruption strategy should be read in conjunction with our **Fraud Response Plan** (Appendix 1) which sets out how we tackle the risk of fraud and investigate allegations of fraud; and the Council's **Whistleblowing Policy** (Appendix 2), which is intended to encourage and enable employees to raise serious concerns.

4.4 We will use all sanctions available to us to deal with anyone committing fraud or corruption, including referring cases to the police, prosecuting offenders and seeking recovery of monies and/or other assets obtained by fraud or corruption. Our **Sanctions Policy** is attached (Appendix 3), which describes the process in more detail.

4.5 We also have arrangements in place where any instances of suspected money laundering or bribery are reported. Our **Anti-money Laundering Policy** (Appendix 4) explains what money laundering is, and what we do to manage the risks associated with crime and money laundering. Our **Anti-bribery Policy** (Appendix 5) explains the legal position for the Council and employees; and how to report any concerns.

4.6 This strategy is aligned with the Council's Code of conduct and HR policies which require employees to declare any potential conflicts and any gifts or hospitality offered. The strategy is also consistent with the Council's IT Security Policies.

5. Monitoring

5.1 This policy and the appendices are monitored and reviewed on an annual basis. We will consult with all the relevant services areas to ensure that all relevant legal, financial and personnel issues are included in the review processes.

5.2 The Council's Corporate Committee has overall responsibility for this policy and it is presented to the Committee for its approval when any review takes place.