

Report for: Corporate Committee – 24 July 2018

Item number: 11

Title: Anti Fraud and Corruption Strategy

Report authorised by : Assistant Director of Corporate Governance

Lead Officer: Minesh Jani, Head of Audit and Risk Management
Tel: 020 8489 5973
Email: minesh.jani@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Information

1. Describe the issue under consideration

- 1.1 As part of the 2017 UK Public Sector Internal Audit Standards (PSIAS), Haringey Council needs to ensure that there are appropriate processes in place for the reporting and investigation of allegations of fraud and corruption.
- 1.2 The Corporate Committee is responsible for Anti-fraud and Corruption arrangements as part of its Terms of Reference. In order to provide assurance that the corporate policy is consistent with relevant regulations and other best practice requirements, it is reviewed on a regular basis.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

- 3.1 That the Corporate Committee reviews and endorses the Corporate Anti-fraud and Corruption Strategy together with the appended Fraud Response Plan, Whistle-blowing Policy, Sanctions Policy, Anti-money Laundering Policy and the Anti-bribery Policy.

4. Reasons for decision

- 4.1 The Corporate Committee is responsible for approving the Council's Anti Fraud and Corruption Strategy under its Terms of Reference.

5. Alternative options considered

- 5.1 Not applicable.

6. Background information

- 6.1 Haringey Council seeks to maintain high standards of probity and has put in place arrangements for protecting the public purse. Sound systems to demonstrate public accountability are also vital for effective management of services and in maintaining public confidence; the minimisation of losses from fraud and corruption is essential for ensuring resources are used for their intended purpose.
- 6.2 To investigate frauds and corruption the Council has a dedicated Corporate Anti-Fraud Team comprising the Fraud Manager and seven investigators who undertake pro-active and reactive work across all areas of the Council's activities. Generally, local authorities have invested in London in particular, have invested in anti fraud work consistently over many years following guidance and advice from regulatory bodies including the former Audit Commission, CIPFA, the Cabinet Office and by the National Fraud Authority in their 'Fighting Fraud Locally' publications.
- 6.3 The Council's Anti-fraud and Corruption Strategy gives guidance to relevant individuals, employees, Councillors, members of the public and organisations working in partnership with the Council, on the Council's stance on Fraud and Corruption and the steps people should take if they suspect fraud and corruption. The strategy also sets out how the Council will deal with any allegations.
- 6.4 Essentially, the strategy states the Council has a zero tolerance to fraud and corruption and the Council will use the full range of sanctions to act against individuals or organisations found to be committing fraud against the Council.
- 6.5 The Council's Anti-fraud and Corruption Strategy and the related appendices are published on the Haringey website and intranet site. In addition, all policies are published separately to enable anyone searching for the individual policy to locate these easily. The website pages also provide details of how to report suspected cases of fraud and corruption.
- 6.6 The Assistant Director of Corporate Governance is the responsible officer for maintaining the Anti-fraud and Corruption Policy, together with all related policies: Whistleblowing, Sanctions, Anti-Money Laundering and Anti-bribery. The Assistant Director of Corporate Governance and Head of Audit and Risk Management review all anti-fraud and corruption policies to ensure they reflect current legislation and recommended best practice.
- 6.7 The review of the Whistleblowing policy is undertaken in consultation with the Assistant Director for Human Resources to ensure all relevant employment issues are incorporated into any changes to the policy.
- 6.8 The Council's Anti-fraud and Corruption Strategy follows the Chartered Institute of Public Finance and Accountancy's (CIPFA) guidance and best practice recommendations. The Council's Whistle-blowing policy conforms to the best

practice guidance issued by Public Concern at Work, the independent charitable organisation which advises on whistle-blowing and governance matters.

7. Contribution to strategic outcomes

- 7.1 The Council has an important role to demonstrate stewardship of the public purse. The management of fraud risks is an important part of the Council's work to enable the Council to utilise its resources to achieve its corporate aims.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance and Procurement

There are no direct financial implications arising from this report. The strategies will be implemented within existing agreed budgets.

8.2 Legal

The Assistant Director, Corporate Governance has been consulted in the preparation of this report, and in noting that the policies, plan and strategy follow legislative requirements / industry guidance and best practice, has no comments.

8.3 Equality

There are no direct equality implications for the Council's existing policies, priorities and strategies as a result of this report. However, ensuring that the Council has effective anti fraud and corruption arrangements in place and taking appropriate action to improve these where required will assist the Council to use its available resources more effectively.

9. Use of Appendices

Appendix 1 – Fraud Response Plan
Appendix 2 – Whistleblow Policy
Appendix 3 – Sanctions Policy
Appendix 4 – Anti Money Laundering Policy
Appendix 5 – Anti Bribery Policy

10. Local Government (Access to Information) Act 1985

Not applicable.