

**ANGUS COUNCIL**

**SCRUTINY AND AUDIT COMMITTEE – 23 AUGUST 2016  
POLICY AND RESOURCES COMMITTEE – 30 AUGUST 2016**

**COUNTER-FRAUD POLICIES**

**REPORT BY JANINE WILSON, SERVICE MANAGER – GOVERNANCE AND CONSULTANCY**

**ABSTRACT**

This report seeks approval for proposed changes to existing counter-fraud policies, to strengthen the council's counter-fraud framework.

**1. RECOMMENDATIONS**

It is recommended that the Scrutiny and Audit Committee:

- (i) review the revised Counter-Fraud and Corruption Strategy, Fraud Response Plan and Whistleblowing Policy and provide any comment;
- (ii) note the proposals for publishing the revised documents;
- (iii) commend the documents to the Policy and Resources Committee for approval.

It is recommended that the Policy and Resources Committee:

- (iv) note any commentary from the Scrutiny and Audit Committee (verbal update);
- (v) approve and agree the implementation of the revised Counter-Fraud Strategy, Fraud Response Plan and Whistleblowing Policy

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN**

This report supports the council and services in the delivery of all local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016.

**3. BACKGROUND**

In 2014, CIPFA published a Code of Practice and guidance notes on *Managing the Risk of Fraud and Corruption*. The Code states: "*Leaders of public services organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management.*"

The five key principles of the code are to:

- *acknowledge the responsibility of the governing body for countering fraud and corruption*
- *identify the fraud and corruption risks*
- *develop an appropriate counter fraud and corruption strategy*
- *provide resources to implement the strategy*
- *take action in response to fraud and corruption."*

#### 4. CURRENT POSITION

The council has a suite of counter-fraud documents, including the Anti Fraud & Corruption Strategy, Fraud Guidelines and Response Plan and Whistleblowing Policy for Employees, which are currently included in Appendix 4 to Financial Regulations. .

The documents have been reviewed and revised to ensure they are up to date, relevant and reflect current working practices, but the overall messages of:

- zero tolerance to fraud and corruption
- commitment to minimising the risk of loss
- commitment to taking appropriate action against those who attempt to defraud the Council

are unchanged.

The CIPFA Code of Practice and associated guidance notes were used as a guide during the review. The Counter-Fraud and Corruption Strategy confirms the Council's support for the cross-sector counter-fraud strategy '*Protecting Public Resources in Scotland: the strategic approach to fighting fraud, bribery and corruption*', launched by the Scottish Government in June 2015.

The revised documents were agreed by EMT in June 2016.

#### 5. PROPOSALS

The Scrutiny and Audit Committee is requested to

- review the documents attached in appendices 1 to 3 and provide any comment
- consider whether the documents should be recommended to the Policy and Resources committee for approval.

The Policy and Resources Committee is requested to

- review the documents attached in appendices 1 to 3 and provide any comment
- consider any comments from the Scrutiny and Audit Committee
- approve the Counter-Fraud and Corruption Strategy, the Fraud Response Plan and the Whistleblowing Policy

Once approved, the revised documents will be published on the Council website and on the intranet. Members are asked to note that the Counter-Fraud Team will liaise with Finance colleagues to ensure that Financial Regulations are updated. The intention is to use hyperlinks to the approved documents, rather than reproducing the text in full.

#### 6. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with the terms of this report.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

1. Counter-Fraud and Corruption Strategy
2. Fraud Response Plan
3. Whistleblowing Policy