



## **Section 2 – Report**

### **Background**

2.1 Fraud and corruption risks pose a real threat to the Council not delivering its Corporate Objectives. Fraud not only removes resources from critical services but can cause untold social harms to individuals and communities and create poor morale amongst employees.

2.2 At a time when fraud and corruption represents more than 40%<sup>1</sup> of all crime against individuals in England and Wales, it is vital that the Council has a framework in place to deal with fraud risks and then any subsequent fraud incidents and related losses. Having a robust corporate anti-fraud and corruption strategy in place can help mitigate fraud and corruption risks to prevent and disrupt criminals from committing fraud and enable the Council to react robustly and swiftly when fraud is identified.

2.3 The Corporate Anti-Fraud and Anti-Corruption Strategy is a key strategy document that forms part of the Council's constitution. The strategy has not had a significant refresh for a number of years. This draft strategy came before the Committee in November 2022 for consideration as part of a wider cross Council consultation.

2.4 Consultation has taken place with each Directorate Departmental Management Teams (DMTs), in addition to the interim Director of Legal and Governance and their team.

2.5 The Strategy has been refreshed to reflect changes made to the Local Government Strategy for fraud; Fighting Fraud and Corruption Locally 2020s Strategy <sup>2</sup> and to account for changes in the fraud risk landscape since the last major refresh that took place in 2019.

2.6 It is vital that the authority's approach to countering fraud and corruption remains agile and is able to adapt when fraud risks change. Ensuring that the authority has a robust anti-fraud framework and response is critical to ensuring it protects its finances and resources so that it can deliver on its vision and corporate priorities.

2.7 Under the Council's constitution, one of this committee's responsibilities is 'To monitor the counter-fraud strategy, actions and resources and the Council's approach to tackling fraud and corruption and promote an anti-fraud culture.' The Strategy is part of the constitution and so will require approval by full Council.

---

<sup>1</sup> <https://publications.parliament.uk/pa/cm5803/cmselect/cmjust/12/summary.html>

<sup>2</sup> <https://www.cifas.org.uk/insight/public-affairs-policy/fighting-fraud-corruption-local-authorities/ffcl-strategy-2020>

## **Legal Implications**

Section 151 of the Local Government Act 1972 sets out that the authority should make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs. This includes ensuring that the authority has arrangements in place to prevent, detect and manage risks relating to fraud and corruption, bribery and money laundering.

## **Financial Implications**

There are no financial implications to this report, the Internal Audit and Anti-Fraud Service is being delivered within budget for 2023/24.

## **Risk Management Implications**

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.  
**N/A**

## **Equalities implications / Public Sector Equality Duty**

Not applicable

## **Council Priorities**

- 1. A Council That Puts Residents First**
- 2. A Borough That Is Clean and Safe**
- 3. A Place Where Those In Need Are Supported**

Having a robust Corporate Anti-Fraud and Corruption Strategy contributes to all of the Council's corporate priorities. The work of the Internal Audit and Corporate Anti-Fraud services supports the delivery of the Council's priorities by providing assurance on the effectiveness of risk management, control and governance processes, making recommendations to improve these processes and investigating allegations of fraud and irregularity, increasing the likelihood of the achievement of the priorities.

## **Section 3 – Statutory Officer Clearance**

**Statutory Officer: Sharon Daniels**

Signed by the Chief Financial Officer

**Date:** 19 January 2024

**Statutory Officer: Jessica Farmer**

Signed by the Monitoring Officer :

**Date:** 19 January 2024

## **Mandatory Checks**

**Ward Councillors notified:** NO, as it impacts on all Wards

## **Section 4 - Contact Details and Background Papers**

**Contact:** Justin Phillips, Corporate Anti-Fraud Manager, 020 8424 1609

**Background Papers:** None

If appropriate, does the report include the following considerations?

- |    |              |     |
|----|--------------|-----|
| 1. | Consultation | NO  |
| 2. | Priorities   | YES |