

London Borough of Hammersmith & Fulham

Report to: Audit Committee

Date: 23/11/2022

Subject: Anti-Fraud Policy Review

Report of: David Hughes, Director for Audit, Fraud, Risk and Insurance

Responsible Director: Director for Audit, Fraud, Risk and Insurance

Summary

In accordance with the terms of reference the Committee is responsible for the effective scrutiny of anti-fraud arrangements and activities, the Audit Committee:

- review anti-fraud policies; and,
- is responsible for gaining assurance that policies are kept up to date and are fit for purpose.

This paper contains three revised anti-fraud policies, reported in the appendices to this report, for review and approval. They are:

- Whistleblowing Policy;
- Anti-Bribery Policy;
- Anti-Money Laundering Policy; and,
- Fraud Response Plan.

Recommendation

1. For the Committee to review and note the report.

Wards Affected: None.

H&F Values

Please state how the subject of the report relates to our values – delete those values which are not appropriate.

Our Values	Summary of how this report aligns to the H&F Priorities
Being ruthlessly financially efficient	CAFS supports the Council in its statutory obligation under Section 151 of the Local Government Act 1972 to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption.

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Background Papers Used in Preparing This Report

None.

1. INTRODUCTION

1.1 In accordance with the terms of reference the Committee is responsible for the effective scrutiny of anti-fraud arrangements and activities, the Audit Committee:

- review certain anti-fraud policies; and,
- is responsible for gaining assurance that policies are kept up to date and are fit for purpose.

1.2 This paper contains four anti-fraud policies, reported in the appendices to this report, for review and approval. They are:

- Whistleblowing Policy,
- Anti-Bribery Policy,
- Anti-Money Laundering Policy, and,
- Fraud Response Plan.

2. ANTI-FRAUD POLICIES

2.1 Minimising any losses to fraud and corruption is an essential part of ensuring that all of the Council's resources are used for the purposes for which they are intended and ensuring we remain ruthlessly financially efficient.

2.2 Staff are often the first to spot possible cases of wrongdoing at an early stage and are therefore encouraged and, indeed, expected to raise any concern that they may have, without fear of recrimination. Any concerns raised will be treated in the strictest confidence and will be appropriately investigated.

2.3 It is therefore vitally important that anti-fraud policies are kept up to date to support and guide Council staff, ensuring compliance with laws and regulations, giving guidance for decision-making, and streamlining internal processes.

3. OPTIONS AND ANALYSIS OF OPTIONS

3.1 The Shared Service Director of Audit, Fraud, Risk and Insurance is required to provide an annual report and opinion on the Council's system of internal

control under the Public Sector Internal Audit Standards. This includes having appropriate arrangements for protecting, detecting and deterring fraud against the Council.

4. CONSULTATION

4.1 The report and appended policies have been subject to consultation with the Strategic Leadership Team.

5. EQUALITY IMPLICATIONS

5.1 There are no equality implications arising from this report.

6. LEGAL IMPLICATIONS

6.1 The work of CAFS is governed by a range of legislation including: the Police and Criminal Evidence Act, the Criminal Procedures Investigation Act, the Regulation of Investigatory Powers Act, the Fraud Act, the Prevention of Social Housing Fraud Act and the Proceeds of Crime Act.

6.2 There are no particular legal implications arising from this report.

Implications verified by Grant Deg, Assistant Director, Legal Services on 31/10/2022.

7. FINANCIAL AND RESOURCES IMPLICATIONS

7.1 Resources required to deliver on the Council's counter fraud strategy come from the budget allocated to the Corporate Anti-fraud Service. There are no additional resource implications arising from this report. Successful investigations and prosecutions can lead to the recovery of Council assets and money which are required to protect front line services.

Implications verified by Sukvinder Kalsi, Director of Finance, on 31/10/2022.

8. RISK MANAGEMENT

8.1 The delivery of the counter fraud strategy and associated policies contributes to the management of fraud risks faced by the Council, with proactive exercises supporting managers to put effective counter fraud and corruption controls in place in their systems and processes.

List of Appendices:

- Appendix 1: Whistleblowing Policy
- Appendix 2: Anti-Bribery Policy
- Appendix 3: Anti-Money Laundering Policy
- Appendix 4: Fraud Response Plan