



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

22 December 2021

Report of: Councillor Adam Stokes
Deputy Leader of the Council



Counter Fraud Framework 2022-24

One of the key areas for Governance and Audit Committee, as part of its terms of reference, is to monitor and review the counter fraud arrangements in place which includes approving the Counter Fraud Framework.

Report Author

Tracey Elliott (Governance & Risk Officer)



01476 406038



t.elliott@southkesteven.gov.uk

Corporate Priority:	Decision type:	Wards:
High Performing Council	Administrative	All Wards

Reviewed by:	Alison Hall-Wright (Head of Finance & ICT)	9 December 2021
Approved by:	Richard Wyles (Assistant Director of Finance)	9 December 2021
Signed off by:	Councillor Adam Stokes (Deputy Leader of the Council)	10 December 2021

Recommendation to the decision maker

1. The Governance and Audit Committee is asked to approve the Counter Fraud Framework attached at Appendix A.

1 The Background to the Report

- 1.1 In accordance with the workplan of the Committee it is a requirement to approve the Counter Fraud Framework, including the Whistleblowing Policy, Fraud Response Plan and Anti-Money Laundering Policy. The Counter Fraud Strategy 2018-20 was last considered in September 2018.

2 Summary of position

- 2.1 The Council is committed to the highest standards of quality, probity, openness and accountability. As part of the Committee's terms of reference, counter fraud is one of the key areas of focus being an essential element of delivering good governance. In order to develop and promote greater awareness, and in line with best practice, a review of the Council's Counter Fraud Strategy has been undertaken, culminating in this new Counter Fraud Framework for 2022-24.
- 2.2 Like any organisation South Kesteven District Council is inherently vulnerable to the risk of fraud and corruption and, with reducing Government funding and the current economic position, it is vital that robust arrangements for the prevention and detection of fraud are maintained, and best use of information and knowledge is made in order to ensure effective fraud prevention procedures are in place.
- 2.3 Good governance is essential in the public sector to meet legal requirements and to uphold public expectations that we will make good use of resources. The Accounts and Audit Regulations 2015 requires authorities to implement measures to enable the prevention and detection of inaccuracies and fraud.

3 Counter Fraud Framework

- 3.1 The framework is formulated from key documents that have been produced by the Lincolnshire Counter Fraud Partnership which have been made available for adaptation and use by the Lincolnshire partners. The Framework has been reviewed and updated in conjunction with colleagues at the Lincolnshire Counter Fraud Partnership and also incorporating best practice from benchmarking with other authorities. The framework consists of the following documents:
- 3.2 **Counter Fraud Strategy** – The Strategy outlines the Council's stance of zero tolerance to all forms of fraud, theft and corruption and the Council's response to fraud under the five pillars of activity of Govern, Acknowledge, Prevent, Pursue and Protect.
- 3.3 **Counter Fraud and Anti-Corruption Policy** – The Policy outlines the scope, aims and objectives, responsibilities, outcomes and reporting advice in countering fraud and corruption. This Policy also includes the Whistleblowing Policy and Fraud Response Plan as detailed below.
- 3.4 **Whistleblowing Policy** – The Policy outlines processes that are in place to respond to whistleblowing received. It includes the scope, process, how the Council will respond and how the matter is progressed. The policy is supported by a Whistleblowing Process Flowchart that shows the various stages and decision points of a whistleblowing issue.
- 3.5 **Fraud Response Plan** – The Plan outlines what the Council will do when it is alerted to a potential fraud. It includes what should be done if fraud is suspected, tips, safeguards and investigation and potential outcomes. The Plan is supported by a Fraud Response Plan Flowchart that shows the various stages of the fraud response.

3.6 **Anti-Money Laundering Policy** – This Policy explains the Council's stance against anti-money laundering. It consists of definitions, scope, objectives and general procedures.

4 Consultation and Feedback Received, including Overview and Scrutiny

4.1 None

5 Reasons for the Recommendation

5.1 Governance and Audit Committee, as part of its terms of reference, to approve the Counter Fraud Framework (including Counter Fraud Strategy, Counter Fraud and Anti-Corruption Policy, Whistleblowing Policy, Fraud Response Plan and Anti-Money Laundering Policy).

6 Next Steps – Communication and Implementation of the Decision

6.1 None.

7 Financial Implications

7.1 These are contained within the report where appropriate.

Financial Implications reviewed by: Richard Wyles, Assistant Director of Finance

8 Legal and Governance Implications

8.1 The approval of the Counter Fraud Framework is a key element of the terms of reference of the Committee and is a vital component of the overall governance framework of the Council.

Legal Implications reviewed by: Graham Watts, Head of Democratic Services and Deputy Monitoring Officer

9 Equality and Safeguarding Implications

9.1 None.

10 Risk and Mitigation

10.1 None.

11 Community Safety Implications

11.1 None.

12 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?

12.1 The recommendation will have a neutral effect of the Council's declaration of a climate emergency.

13 Appendices

13.1 Appendix A – Counter Fraud Framework