



North Hertfordshire District Council

Anti-Fraud Plan 2020/2021

Recommendation

Members are recommended to:

1. Review and approve the SAFS/NHDC Anti-Fraud Plan 2020/2021.

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- A. LGA Councillors Workbook- Fraud and Bribery Prevention
- B. NHDC Anti-Fraud Action Plan 2020/2021

1 PURPOSE

- 1.1 This report provides details of the Council's anti-fraud and corruption arrangements for 2020/21. The Anti-Fraud Plan ensures that the Council considers and acknowledges the risk of fraud, has in place appropriate policies and processes to deter/prevent/investigate fraud, and that senior officers understand their role in protecting the Council against fraud.

2 BACKGROUND

- 2.1 Reports published by Government and private/public sector organisations highlight fraud as a significant risk for local government. Reviewing the findings from these reports has assisted in the design of the Council's anti-fraud arrangements and ensures that the Council is aware of its fraud risks and finds ways to mitigate or manage these effectively wherever possible.

These reports include:

- *Fighting Fraud and Corruption Locally 2016–2019 Strategy* produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2016 and supported by CLG. The new strategy estimates annual fraud losses in local government at around £2.1bn (this report is based on 2013 data).
 - *UK Annual Fraud Indicator 2018* published in partnership by Crowe Clark Whitehill, Portsmouth University and Experian which estimates the risk of fraud losses for local government in excess of £8bn per annum.
 - CIPFA's *Fraud and Corruption Tracker 2019* indicates that identified fraud had increased since 2016 but that the capacity within the sectors counter fraud response had reduced, and would continue to do so, potentially placing local government at even greater risk of fraud.
- 2.2 The Cabinet Office, Ministry for Housing Communities and Local Government (MHCLG), National Audit Office (NAO), and CIPFA have all issued guidance, advice, and best practice to support local councils in the fight to reduce fraud and prevent loss to the public purse. This advice includes the need for Councils to be vigilant in recognising their fraud risks and investing appropriate resources in counter fraud activities to prevent/reduce losses.
- 2.3 It is essential to support this work that the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, and plans to deal with the investigation and prosecution of fraud.

- 2.4 In 2017 the Local Government Association published its *Councillors Workbook on Bribery and Fraud Prevention*. A copy of the Workbook can be found at **Appendix A** and Members are invited to read and review this document.

3. Plans and Reports 2019/2020

Anti-Fraud and Corruption Strategy

- 3.1 The Council has in place an Anti-Fraud and Corruption Strategy. This document lays out the Council's position and is under review at present so that it complies with the latest practice guidance from CIPFA including areas such as money laundering, bribery and tax evasion.

Anti-Fraud Action Plan 2019/20

- 3.2 The Council's Anti-Fraud Action Plan for 2019/20, approved by Members in March 2019, covered all areas recommended by CIPFA to ensure that the Council takes appropriate action to prevent/deter/pursue fraud.
- 3.3 Progress with delivery of this plan was provided to Members in January 2020 and a final report will be provided to this Committee in early summer of 2020.

Anti-Fraud Plan 2020/21

- 3.4 The plan for the next financial year follows a similar format to that used in previous years taking into account changes in guidance from CIPFA/LGA and changes identified in the Council fraud risks. See **Appendix B** for a copy of the plan.
- 3.5 Adherence to the proposed plan will ensure compliance with the Council's own Strategy, and the best practice guidance issued by the MHCLG, NAO, LGA, and CIPFA.

Transparency Code Data 2019/20

- 3.6 SAFS will also provide data to meet the requirements of Transparency Code for publication by the Council in 2020 on all counter fraud activity at the Council during 2019/20.

Appendices

A. LGA Councillors Workbook.



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B. NHDC Anti-Fraud Plan 2020/21



NHDC Anti-Fraud
Plan