



North Hertfordshire District Council Anti-Fraud Plan 2019/2020

Recommendation

Members are recommended to:

1. Review and approve the SAFS/NHDC Anti-Fraud Plan 2019/2020.
2. Read and review the LGA Councillors Workbook on Fraud and Bribery Prevention 2017

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- B. NHDC Anti-Fraud Action Plan 2019/2020

1 Introduction and Background

Purpose of Report

1.1 To provide Members with information on:

- Progress on the SAFS/NHDC Anti-Fraud Action Plan for 2018/2019
- The SAFS/NHDC Anti-Fraud Plan 2019/2020
- Transparency Code Data

Background

1.2 Reports published by Government and private/public sector organisations highlight fraud as a significant risk for local government. These reports are used to ensure that the Council is aware of its own 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 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 2017* 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.
- The CIPFA *Fraud and Corruption Tracker 2018* indicates that identified fraud had increased since 2016 but that the capacity within the sectors counter fraud capacity had reduced, and would continue to do so, placing local government at even greater risk of fraud.

1.3 The Cabinet Office, Ministry for Housing Communities and Local Government (MHCLG), National Audit Office (NAO), and the Chartered Institute for Public Finance and Accountancy (CIPFA) have issued guidance, advice, and best practice directives to support local councils in the fight to reduce the risk of fraud and prevent loss to the public purse. This advice includes the need for Councils to be vigilant in recognising their fraud risks and to invest resources in counter fraud activities that deliver savings.

- 1.4 North Hertfordshire District Council is a founding member of the Hertfordshire Shared Anti-Fraud Service (SAFS). This Committee has previously received detailed reports about the creation of SAFS and how this service works closely with the Shared Internal Audit Service (SIAS). SAFS works across the whole Council dealing with many aspects of fraud from deterrence & prevention to investigation & prosecution.
- 1.5 It is essential that to support this work 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.
- 1.6 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.

2. Plans and Reports 2019/2020

Anti-Fraud and Corruption Policy

- 2.1 The Council has in place an Anti-Fraud and Corruption Policy. This document lays out the Council's position and includes advice to Members, senior officers, and staff about how to deal with identified fraud and corruption. The policy is under review at present but still meets CIPFA best practice requirements.

Anti-Fraud Action Plan 2018/2019

- 2.2 The Council's Anti-Fraud Action Plan for 2018/2019, reviewed by Members in March 2018, covered all areas recommended by CIPFA to ensure that the Council acknowledges the risk of fraud, its responsibility to combat these risks, and takes appropriate action to prevent/deter/pursue fraud.
- 2.3 Progress with delivery of this plan was provided to Members in December 2018 and a final 2018/19 Annual Report will be provided to this Committee in early summer of 2019.

Anti-Fraud Plan 2019/2020

- 2.4 The plan for 2019/2020 follows a similar format to that used in previous years taking into account changes in guidance from CIPFA and/or changes in fraud risks for the Council. See **Appendix B** for a copy of the plan.

- 2.5 Adherence to the proposed plan for 2019/2020 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 2018/2019

- 2.6 SAFS will also provide data to meet the requirements of Transparency Code for publication by the Council in May 2019 on counter fraud activity at the Council during 2018/2019.

Appendices

- A.** LGA Councillors Workbook.



LGA Workbook on
Fraud and Bribery Pre

- B.** SAFS/NHDC Anti-Fraud Plan 2019/2020-



NHDC Anti-Fraud
Plan 2019/2020