

**10 October 2018**

## **Regulatory & Governance Committee**

### **Anti-Fraud Policy (Incorporating Bribery, Corruption and Money Laundering)**

**Report of:** *Jacqueline Van Mellaerts, Interim Chief Finance Officer*

**Wards Affected:** *All*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The revised Anti-Fraud Policy incorporates previously approved policies covering Fraud, Corruption, Bribery and Money Laundering into one single Policy.
- 1.2 The Policy helps to provide clear statement of the Council's position and investigating allegations helps to provide clarity around working practices and mitigates financial risk to the Council.

#### **2. Recommendation(s)**

- 2.1 To approve and adopt the Anti-Fraud Policy (Incorporating Bribery, Corruption and Money Laundering) (Appendix A).**
- 2.2 The Anti-Fraud Policy supersedes previously approved Policies; Anti-Fraud and Corruption Policy and Guidance; Anti Bribery Policy and; Proceeds of Crime (Anti-Money Laundering) (Appendix B, C & D).**

#### **3. Introduction and Background**

- 3.1 Documents entitled Anti-Fraud and Corruption Policy and Guidance, and the Anti-Bribery Policy and Proceeds of Crime (Anti-Money Laundering) Policy were approved at Audit Committee on 27 November 2012 and Ordinary Council on 18 July 2012 and Audit Committee on 25 September 2012 respectively. They are attached in Appendix B, C & D for members reference but can be found on the Council's website.

- 3.2 Anti-Fraud and Corruption Policy and Guidance has since been reviewed in 2016, by our Corporate Fraud Service. A revised “Fraud Policy” was established and internally approved by the appropriate senior officer.
- 3.3 Upon discussions with Internal Audit, they have since advised, that the Policy should be adopted by the appropriate Committee.

#### **4. Issue, Options and Analysis of Options**

- 4.1 It is widely recognised that the offences of fraud, corruption, bribery and money laundering particularly within a corporate environment (whether in the public or private sector) are very closely linked together. Very often, one of these actions will give rise to another and will facilitate a second offence, or as is commonly the case, all four.
- 4.2 The authority has previously maintained separate policies on fraud, corruption, bribery and money laundering. Due to their close connection as highlighted above, and the creation of a Corporate Fraud Service who is responsible for the handling of the four subject matters, it has now been considered prudent to revise this approach. This has led to the advent of one single document encompassing all previous policies.
- 4.3 The components found within the initial revised Internal ‘Fraud policy - 2016’ will now form a single overarching approach to how the authority prevents, detects and investigates fraud, bribery, corruption and money laundering.
- 4.4 This revised combined policy, seeks to provide guidance on all four subject areas. Most importantly it will enable the Officer of Brentwood Borough Council, to source information on what to do if any incidence of fraud, bribery, corruption or money laundering is suspected, with ease.
- 4.5 Anti-Fraud and Corruption Policy and Guidance, and the Anti-Bribery Policy and Proceeds of Crime (Anti-Money Laundering) Policy were approved at Audit Committee on 27 November 2012 and Ordinary Council on 18 July 2012 and Audit Committee on 25 September 2012 respectively.
- 4.6 The new Anti-Fraud Policy, attached in Appendix A, supersedes these documents and due to the substantial changes, the previously approved Policies are attached in Appendix B, C & D for members ease of reference.

## **5. Reasons for Recommendation**

- 5.1 To maintain and strengthen the Council's governance arrangements and to improve financial management across the Council.
- 5.2 Having a Policy helps to provide clear statement of the Council's position and investigating allegations helps to clarify around working practices to mitigate financial Risk to the Council

## **6. Consultation**

- 6.1 Circulated to Corporate Leadership Board for Feedback.

## **7. References to Corporate Plan**

- 7.1 Reviewing the Council Corporate Policies underpins all aspects of the Corporate Plan.

## **8. Implications**

### **Financial Implications**

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- 8.1 No direct financial implications, however reviewing the Council Anti-Fraud, Bribery and Money Laundering Policies, gives assurance that the Council is conducting itself in the appropriate manner and Internal Controls are in place.

### **Legal Implications**

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- 8.2 Legal Implications are contained in the body of this report and its attachments.

## **9. Background Papers**

- 9.1 Reference Documentation
  - The Fraud Act 2006
  - The Bribery Act 2010

## **10. Appendices to this report**

- Appendix A – Anti-Fraud Policy (Incorporating Bribery, Corruption and Money Laundering)
- Appendix B - Anti-Fraud & Corruption Policy and Guidance (Previously approved Nov 2012 – now superseded)
- Appendix C – Anti-Bribery Policy (Previously Approved June 2012 – now superseded)
- Appendix D – Proceeds of Crime (Anti-Money Laundering) (Previously Approved September 2012 – now superseded)

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