

<b>DECISION-MAKER:</b>	GOVERNANCE COMMITTEE		
<b>SUBJECT:</b>	ANTI FRAUD AND CORRUPTION POLICY STATEMENT AND STRATEGY		
<b>DATE OF DECISION:</b>	16 DECEMBER 2013		
<b>REPORT OF:</b>	CHIEF INTERNAL AUDITOR		
<b><u>CONTACT DETAILS</u></b>			
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#### STATEMENT OF CONFIDENTIALITY

N/A

#### BRIEF SUMMARY

Southampton City Council has a duty to protect the public funds under its control against fraud and corruption. In administering its responsibilities the Council is committed to the highest standards of accountability, openness and integrity through ensuring adherence to legal requirements and the rules, policies and procedures that promote the principles of good governance.

The updated Anti Fraud and Corruption Policy Statement and Strategy (Appendix 1 and 2) is presented to Members in accordance with the requirements of the Governance Committee's terms of reference, and in particular *'the scope and effectiveness of the internal control systems established by management to identify, assess, manage and monitor financial and nonfinancial risks (including measures to protect against, detect and respond to fraud)'*.

#### RECOMMENDATIONS:

- (i) To approve the Anti Fraud and Corruption Policy Statement and Strategy as attached Appendix 1 and 2.

#### REASONS FOR REPORT RECOMMENDATIONS

1. In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and constitutional terms of reference the Governance Committee is required to consider arrangements in respect of anti fraud and corruption.

#### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None

#### DETAIL (Including consultation carried out)

3. The Council's Anti Fraud and Corruption Policy Statement and Strategy set out for Members and employees of the Council the key principles and

approach to countering fraud and corruption.

4. The strategy document sets out the key principles in minimising the risk of fraud and corruption and defines the roles and responsibilities of members and officers in the prevention and detection of fraud and corruption.
5. The Anti Fraud and Corruption Policy Statement and Strategy were last presented to Members in 2008. In accordance with good practice, the policy Statement and Strategy has been subject to annual review to reflect the latest professional guidance and legislative change.
6. To ensure the Governance Committee's continued awareness and engagement in corporate arrangements for anti fraud and corruption, the revised policy statement and strategy are enclosed (Appendix 1 and 2). Changes to the revised Anti Fraud and Corruption Policy Statement and Strategy to that previously reported include:
  - Legislative updates – Bribery Act 2010, Accounts and Audit Regulations (England) 2011 (Public Sector Internal Audit Standards);
  - Professional guidance – Managing the Risk of Fraud (CIPFA), Local Government Fraud Strategy – Fighting Fraud Locally (NFA);
  - Enhanced emphasis – recruitment, officer responsibility / ownership and sanctions
  - Focus – prevention and deterrence; and
  - Endorsement – Chief Executive and Leader
7. The Council believes strongly in the honesty and integrity of its Members and employees and has achieved a reputation for maintaining effective systems of control. The Council will not tolerate fraud, corruption or other irregularities regardless of the perpetrator. The Council is therefore determined to prevent, deter and detect all forms of fraud and corruption committed against it and to take appropriate action where fraud or corruption is detected. The attached Policy Statement and Strategy provide the framework within which the Council will work to maintain their commitment to deter and combat fraud and corruption.

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

8. None

### **Property/Other**

9. None

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

10. In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and constitutional terms of reference the Governance Committee is required to consider arrangements in respect of anti fraud and corruption.

**Other Legal Implications:**

11. None

**POLICY FRAMEWORK IMPLICATIONS**

12. None

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	
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**SUPPORTING DOCUMENTATION**

**Appendices**

1.	Anti Fraud and Corruption Policy Statement
2.	Anti Fraud and Corruption Policy Strategy

**Documents In Members' Rooms**

1.	None
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**Equality Impact Assessment**

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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