

Report to: **Audit Committee**

Date: **10 June 2020**

By: **Orbis Chief Internal Auditor, Business Services Department**

Title of report: **ESCC Anti-Fraud and Corruption Strategy and Framework**

Purpose of report: **To present the Council's recently updated Anti-Fraud and Corruption Strategy and Framework**

RECOMMENDATIONS

Members are asked to:

- 1. review and endorse the Council's Anti-Fraud and Corruption Strategy and Framework**
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1. Background

1.1 The purpose of this report is to provide details of the main changes and rationale for updating and amending the Council's Anti-Fraud and Corruption Strategy and Framework.

2. Supporting Information

2.1 As with other organisations, the Council is at risk of losses through fraud, bribery and corruption. The Council recognises that, as well as causing financial loss, such activities are also detrimental to the provision of services and damaging to the reputation of the Council and resident's confidence. To safeguard itself, the Council is committed to making sure that the opportunity for fraud, bribery and corruption is reduced to the lowest possible risk within existing resources.

2.2 This strategy outlines the Council's commitment and approach to tackling fraud, bribery and corruption and applies to all those who work for, or interact with the Council, including employees, Members, contractors, suppliers and service users. It aims to help embed an anti-fraud culture and provides clear guidance on the roles and responsibilities of individuals.

2.3 In line with good practice, the Council regularly assesses its exposure to fraud risk and ensures that its counter fraud arrangements and the resources allocated to managing the risks are effective and aligned to best practice. As a result, the Strategy has been updated to ensure that it is current and reflects sector guidance, and is attached at Appendix A.

2.4 The amendments made include the following:

- Post titles and contact details of senior management have been updated;
- Increased emphasis of the role of culture in protecting public interest;
- References to the Money Laundering Regulations 2007 have been replaced by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017; and

- In line with new money laundering regulations, guidance on the 'Identification of clients' has been replaced with a risk based approach to 'Customer due diligence' within the Anti-Money Laundering Policy.

3. Conclusions and Reasons for Recommendation

3.1 The amendments set out above strengthen the Council's compliance with best practice and ensures the revised strategy reflects recent organisational changes.

RUSSELL BANKS, ORBIS CHIEF INTERNAL AUDITOR, BUSINESS SERVICES
DEPARTMENT

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LOCAL MEMBERS: All

BACKGROUND DOCUMENTS: None