



Northumberland County Council

Cabinet

Tuesday, 13 February 2024

Corporate Fraud Policies for 2024-25

Report of Councillor(s) Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer(s): Jan Willis, Executive Director for Resources & Transformation (S151)

1. **Link to Key Priorities of the Corporate Plan**

The work of the Corporate Fraud Team and counter-fraud activity contributes to the achievement of all priorities in the Council's Corporate Plan. In particular it supports the "Achieving Value for Money" priority of the Corporate Plan 2023-26.

2. **Purpose of report**

The purpose of the report is to provide an update on the County Council's policies in relation to Corporate Fraud activity and seek approval for updated policies.

3. **Recommendations**

- 3.1 Cabinet to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as Appendix 1 and Appendix 2 to this report.

4. **Forward plan date and reason for urgency if applicable**

16 January 2024

5. **Background**

- 5.1 The Council has policies in place which are used by the Corporate Fraud Team in their day to day work. These policies reflect mandatory requirements and any relevant legislation governing the work of the Corporate Fraud Team.

- 5.2 The policies are regularly reviewed and any updates and amendments are approved in conjunction with the approval of the Budget and Medium Term Financial Plan report considered by the County Council each February.
- 5.3 The following policies have been amended ahead of the 2024-25 financial year:
- Anti-Money Laundering Policy (see Appendix 1)
 - Counter Fraud Policy and Bribery and Corruption Policy (incorporated into a new Anti-Fraud, Bribery and Corruption Policy) (see Appendix 2)
- 5.4 The Anti Money Laundering Policy sets out the obligations that impact on certain areas of local authority business and require local authorities to establish internal procedures to help prevent the use of their services for money laundering. This policy has been updated to reflect organisational changes and amendments to legislation and external bodies.
- 5.5 The new Anti-Fraud, Bribery and Corruption Policy incorporates the previous Counter Fraud Policy and Bribery and Corruption Policy into one comprehensive policy document. The new Policy applies to all of the Council's activities and sets out the Council's commitment to the prevention, detection and investigation of internal and external fraud and by working in partnership with other agencies to reduce the incidence of crime and theft against the Council. The amended policy provides a framework to enable employee and elected members to understand arrangements enabling compliance and the reporting and investigation process.
- 5.6 Reports have been updated to reflect latest best practice and guidance.

6. Options open to the Council and reasons for the recommendations

- 6.1 The following decision options are available for consideration by Cabinet:

Option 1

Cabinet agrees to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

Option 2

Cabinet does not agree to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

Option 1 is the recommended option. The Council's policies have been updated to reflect changes within the organisation and reflect current best practice and guidance.

7. Implications

Policy	The report details amendments made to the County Council's policies covering the work of the Corporate Fraud Team. Policies amended are: <ul style="list-style-type: none">• Anti-Money Laundering Policy
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	<ul style="list-style-type: none"> • Anti-Fraud, Bribery and Corruption Policy (formerly Counter Fraud Policy and Bribery and Corruption Policy).
Finance and value for money	The County Council's policies covering suspected fraud, corruption and theft help to prevent and identify financial losses incurred by the Council and assist in the process of seeking recovery of such sums.
Legal	The County Council has a legal responsibility under the Accounts and Audit Regulations 2015, to ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective, and includes effective arrangements for the management of risk. As part of discharging this responsibility, the County Council has a responsibility to embed effective standards for countering fraud, corruption and bribery into the organisation. This supports good governance and demonstrates effective financial stewardship and strong public financial management.
Procurement	None.
Human resources	None.
Property	None.
The Equalities Act: is a full impact assessment required and attached?	No - no equalities issues identified Equality Impact Assessment not required.
Risk assessment	Work undertaken covered by the policies in this report reduces the risk of financial loss and adverse publicity to the County Council through fraud.
Crime and disorder	Work undertaken covered by the policies in this report reduces the potential opportunities for fraud and corruption within the County Council's activities.
Customer considerations	None.
Carbon reduction	None.
Health and wellbeing	None.

Wards	(All Wards);
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8. Background papers

Not applicable.

9. Links to other key reports already published

Approval of Revenues and Benefits Policies for 2023-24, Report to Cabinet 14 February 2023.

10. Author and Contact Details

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