



Northumberland County Council

Cabinet

Tuesday, 11 February 2025

Corporate Fraud Policies for 2025-26

Report of Councillor(s) Wojciech Ploszaj, Cabinet Member for Corporate Services

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 and seek approval for updated policies.

3. **Recommendations**

- 3.1 Cabinet to approve the 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**

6 January 2025

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 considered and approved each February.
- 5.3 A summary of each policy is provided below, with proposed changes from 2024-25 highlighted:

Anti-Money Laundering Policy (see Appendix 1)

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.

There are no proposed changes to this policy for 2025-26.

Anti-Fraud, Bribery and Corruption Policy (see Appendix 2)

The Anti-Fraud, Bribery and Corruption 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 policy provides a framework to enable employee and elected members to understand arrangements enabling compliance and the reporting and investigation process.

The policy has been updated to include a flowchart as an appendix to the policy, detailing the process for the investigation of suspected instances of fraud, corruption or bribery.

6. Options open to Cabinet and reasons for the recommendations

6.1 The following decision options are available for consideration:

Option 1

The updated counter-fraud policies, attached as appendices to this report, are approved for 2025-26.

Option 2

The updated counter-fraud policies, attached as appendices to this report, are not approved for 2025-26.

Option1 is the recommended option. The Council's policies have been updated where necessary, to 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 • Anti-Fraud, 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

	<p>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.</p>
Procurement	There are no specific procurement implications within this report.
Human resources	There are no specific human resources implications within this report.
Property	There are no specific property implications within this report.
The Equalities Act: is a full impact assessment required and attached?	<p>No - no equalities issues identified</p> <p>No equalities implications identified.</p>
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	There are no specific customer considerations implications within this report.
Carbon reduction	There are no specific carbon reduction implications within this report.
Health and wellbeing	There are no specific health and wellbeing implications within this report.
Wards	(All Wards);

8. Background papers

Not applicable.

9. Links to other key reports already published

Corporate Fraud Policies for 2024-25, Report to Cabinet 13 February 2024

10. Author and Contact Details

Kevin McDonald, Head of Internal Audit and Risk Management (Chief Internal Auditor)

Email: Kevin.McDonald@northumberland.gov.uk