



Basingstoke  
and Deane

# ANTI-FRAUD AND CORRUPTION POLICY

Title	Anti-Fraud and Corruption Policy
Owner	Head of Audit, Fraud and Insurance
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## 1. INTRODUCTION

- 1.1 This document sets out the council's responsibilities for tackling fraud and corruption. The council is committed to the elimination of fraud and corruption and to the promotion of high standards of integrity which is fully supported by councillors and Senior Management.
- 1.2 The council maintains high standards of probity and has a good reputation for protecting public finances. Sound systems of public accountability are vital to effective management and in maintaining public confidence. The minimisation of losses to fraud and corruption is essential for ensuring that public resources are used for their intended purpose that of providing services to the citizens of Basingstoke and Deane.
- 1.3 The public is entitled to expect the council to conduct its business with integrity, honesty and transparency and demand the highest standards of conduct from those working for it. This Anti-Fraud and Corruption policy outlines the council's commitment to creating an anti-fraud and corruption culture and maintaining high ethical standards in its administration of public funds. It also outlines the mechanisms in place to prevent, detect and investigate fraudulent activity. See appendix A.
- 1.4 The council have a responsibility to embed effective standards for countering fraud and corruption within the organisation. This supports good governance and demonstrates effective financial stewardship and strong public financial management. To assist with this the Chartered Institute of Public Finance and Accountancy (CIPFA) released a code of practice 'Managing the risk of fraud and corruption' which has five key principles. They are:
- Acknowledge the responsibility of the governing body for countering fraud and corruption.
  - Identify the fraud and corruption risks.
  - Develop an appropriate counter fraud and corruption strategy.
  - Provide resources to implement the strategy.
  - Take action in response to fraud and corruption.

## 2. DEFINITIONS

- 2.1 For the purposes of this policy, the following definitions are used as approved by Audit and Accounts Committee:

<p style="text-align: center;"><b>Fraud</b></p> <p><i>Most fraud is a type of criminal activity. This can include abuse of position, false representation or prejudicing someone's rights for personal gain.</i></p> <p><i>Put simply, fraud is an act of</i></p>	<p style="text-align: center;"><b>Deception</b></p> <p><i>Make a gain for himself or another, or cause loss to another or to expose another to a risk of loss.</i></p>
	<p style="text-align: center;"><b>Corruption</b></p> <p><i>The abuse of entrusted power for private gain.</i></p>

<p><i>deliberate deception intended for personal gain or to cause a loss to another party.</i></p>	<p style="text-align: center;"><b>Bribery</b></p> <p style="text-align: center;"><i>Giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.</i></p>
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2.2 In all its dealings, the council will adhere to the seven principles of public life set out in the Nolan Committee’s report on Standards in Public Life which are:

**Selflessness**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families, or their friends.

**Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

**Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

**Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

**Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

## Leadership

Holders of public office should promote and support these principles by leadership and example.

### 3. THE FRAUD RISKS

- 3.1 Fraud is identified as one of the council's corporate risks and the council has controls in place to mitigate such risk. The council will be watchful in this area and will be proactive in prevention and detection.

### 4. ROLES AND RESPONSIBILITIES

- 4.1 Everyone has a part to play in protecting the public purse. The table below identifies what is expected of groups and individuals within the council.

Group or Individual	Role and Responsibility
Audit and Accounts Committee	The Council has appointed an audit and accounts committee to review the assessment of fraud risks and potential harm to the council from fraud and corruption.
Councillors	Councillors are expected to act in a manner which sets an example to the community whom they represent and to the employees of the council who deliver services. Councillors will comply with the Code of Conduct for Councillors.
Executive Director of Corporate Services and Assets (Section 151 Officer)	Has the statutory responsibility to ensure the proper arrangements of the council's financial affairs.
Head of Law and Governance (Monitoring Officer)	Will contribute to the promotion and maintenance of high standards of conduct through the provision of support to the Standards Committee. Maintain a register of interests for councillors.
Head of Audit, Fraud and Insurance	Will investigate any matters of irregularities involving cash, stores or other property of the council or any suspected irregularity in the exercise of the functions of the authority. Oversee the Cabinet Office National Fraud Initiative exercise.
Internal Audit Team	Will carry out reviews of the adequacy of council's control environment and report on control weaknesses found.
Fraud Team	Will carry out a programme of work aimed at maintaining and strengthening the counter fraud environment and investigate allegations of fraud and corruption.
Employees	Employees are expected always to be aware of the

	<p>possibility that fraud, corruption and theft may exist in the workplace and be able to share their concerns with management.</p>
<p>Contractors and Suppliers</p>	<p>Those organisations employed to work on behalf of the council are expected to maintain strong anti-fraud and corruption principles.</p> <p>We will seek the strongest available sanctions against contractors that commit fraud against the council or who commit fraud against public funds.</p>

## ANTI-FRAUD AND CORRUPTION POLICY

### ANTI-FRAUD AND CORRUPTION STRATEGY

#### CULTURE AND STRUCTURES

Employee Code of Conduct

Code of Conduct for Councillors

Fraud awareness training programme (incl. International Fraud Awareness Week)

Hampshire Fraud Group and Fighting Fraud and Corruption Locally

#### DETECTION

Whistleblowing Policy and Procedure

Corporate Complaints Procedure

National Fraud Initiative Exercise

Hotline and advice line, email, online fraud referral form and public web pages

#### PREVENTION

Anti-Money Laundering Policy

Anti-Bribery Policy

Information Management Policy

Information Security Policy

Recruitment and Selection Policy

Gifts and Hospitality Policy and Conflicts of Interest Policy

Scheme of Delegation

Financial Regulations

#### INVESTIGATION PROCEDURE

Employee Disciplinary Policy and Procedures

Arrangements for Dealing with Complaints against Councillors (Constitution)

Fraud Response Plan

Sanction Policy