

Cabinet report



10 March 2020

Fraud Policy Review 2019/20

Name of Cabinet Member	Councillor Middleton Cabinet member for Resources & Innovation
Report sponsor	Steve Richardson Director of Finance & Resources
Report author/s	Duncan Wilkinson Chief Internal Auditor Email: Duncan.wilkinson@milton-keynes.gov.uk

Exempt / confidential / not for publication	No
Council Plan reference	Ref number / Not in Council Plan
Wards affected	All wards

Summary

Milton Keynes Council is required to maintain an effective corporate anti-fraud service which needs to be underpinned by a suite of simple core policies that provide staff, service users and the public with easy to understand guidance. These are subject to annual review to ensure they reflect most up to date legislation and approval.

1. Decision/s to be made

That the revised Council Fraud Policies be agreed.

2. Why is the decision needed?

At present the Council has 5 different policy documents:

- Anti Money laundering policy

- Sanctions and Prosecutions policy
- Anti-Fraud policy
- Counter-Fraud policy
- Whistleblowing policy

2.1 Internal Audit have reviewed the content on the website and the intranet, as well as the policies themselves and concluded that whilst the policies are relatively up to date, they would benefit from a refresh and the web content (both public facing and internal) needs to reflect these updated policies. Once agreed the following 3 documents will be available on both the external website and the intranet.

1. Anti-Money Laundering Policy
2. Whistleblowing Policy
3. Anti-Fraud and Corruption Policy

2.2 The Audit Committee (at its meeting on 17 December 2019) agreed the policies be submitted to Cabinet for approval subject to:

2.2.1 The Anti-Money Laundering (AML) policy to be revised to prompt anyone concerned to contact the responsible officer for guidance much earlier within the document.

Annex A is the revised AML including those changes. Consistent with the Audit Committee approval the content of this policy is unchanged, it's structure has been improved to give better advice to the reader at an early stage to contact the relevant officer for guidance.

2.2.2 Minor structure changes, corrections of numbering errors etc within the Anti-Fraud and Whistleblowing policies – Annex B and C.

2.3 All the policies content remain consistent with all best practice.

2.4 One accepted these policies will be provided to the MKC Chief Executive and Chair of the Audit Committee for signature and then published on both the MKC website and the Staff Intranet, with redundant policies will be removed.

3. Implications of the decision

Financial		Human rights, equalities, diversity	
Legal	X	Policies or Council Plan	X
Communication		Procurement	
Energy Efficiency		Workforce	

Policy implications

3.1 The Counter Fraud policies are key documents in demonstrating the Council's approach to fraud and corruption and the arrangements it puts in place to capture allegations of irregularity. Milton Keynes Council is committed to the highest standards of financial probity and takes its duty to protect the public funds it administers very seriously. The Council through these policies has adopted a zero tolerance stance towards fraud.

Legal implications

3.2 This report and the associated policy provide one of the sources for the Council's Annual Governance Statement in order to meet the Council's responsibilities under the Accounts and Audit Regulations to maintain adequate and effective systems of control and risk management. The Council is required to have effective arrangements to protect it from fraud. The Accounts and Audit Regulations require every local authority to maintain an adequate and effective audit service that reviews the adequacy of governance, internal control and risk management. All Counter Fraud activity is supported by a range of legislation, including:

The Fraud Act 2006
The Bribery Act 2010

Other implications

3.3 None

4 Alternatives

4.1 None

List of annexes

Annex A	Anti-Money Laundering Policy
Annex B	Whistleblowing Policy
Annex C	Anti-Fraud and Corruption Policy