

**AUDIT COMMITTEE
23 MARCH 2021**

ANTI-FRAUD AND CORRUPTION STRATEGY

Cabinet Member Cllr Andrew Moore, Cabinet Member for Finance
Responsible Officer Catherine Yandle, Operations Manager for Performance, Governance and Health & Safety

Reason for Report: To present the Committee with the reviewed and updated Anti-Fraud and Corruption Strategy. The Audit Committee needs to consider the strategy and appendices together to reach an understanding on where MDDC is as regards fraud prevention and discovery.

RECOMMENDATION(S): That the Committee approves the revised Anti-Fraud and Corruption Strategy documents.

Relationship to Corporate Plan: The Anti-Fraud policy and strategy support good governance arrangements enabling confidence in our delivery of the Corporate Plan.

Financial Implications: Not having these documents could result in not detecting fraud, corruption or financial irregularities, which could result in a loss to the Council.

Budget and Policy Framework: The policy is already included in the budget and policy framework for review every four years.

Legal Implications: Any legal requirements are embedded in the documents, no new or additional implications arise.

Risk Assessment: Without the policy and strategy the Council is at risk of not detecting fraud, corruption or financial irregularities, which could result in significant loss to the Council and damage its reputation.

Equality Impact Assessment: No equality issues identified for this report.

Impact on Climate Change: No impacts identified for this report.

1.0 Introduction and Background

1.1 The Anti-fraud and Corruption Policy was approved on 26 January Audit Committee meeting but approval of the Strategy was deferred to allow consideration on how the strategy could be developed to reduce the risk of fraud.

1.2 The Anti-fraud and Corruption strategy document at Appendix A highlights the measures MDDC has in place. These measures were discussed with Devon Audit Partnership and mitigating actions we have in place highlighted in more detail against the type of potential risks that DAP have identified in each area at various local authorities. (Appendix B)

- 1.3 An additional Appendix C has been added to show where concerns should be referred to and where they can be escalated. Additional work is also planned with CMT members from April.
- 1.4 MDDC may consider escalation by referral to DAP Counter Fraud Service or other partners to pursue investigation and potential prosecution, which can act as a deterrent as well as a route for potential recovery, on a case by case basis on their merits.

2.0 Conclusion and Recommendations

- 2.1 It is essential to have these policies in place to promote good governance and accountability within MDDC. The Committee is therefore asked to:

Approve the revised Anti-Fraud and Corruption Strategy documents.

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Circulation of the Report: Leadership Team and Cabinet Member

Background Papers: None