

**Subject:** Counter Fraud Strategy  
**Date of Meeting:** 28 April 2009  
**Report of:** Director of Finance & Resources  
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**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT

- 1.1 This report presents the revised Counter Fraud Strategy for the Audit Committee's consideration as part of the council's corporate governance arrangements.
- 1.2 This report was submitted to the Audit Committee on the 31<sup>st</sup> March and recommended for approval by the Governance Committee.

#### 2. RECOMMENDATIONS

- 2.1 That the Governance Committee approves the updated Counter Fraud Strategy as detailed in appendix 1.

#### 3. BACKGROUND INFORMATION

- 3.1 The council has a Counter Fraud Programme part of which is the continual review of the Counter Fraud Strategy to ensure effective in meeting its purpose and assist in minimising the risk of fraud and corruption.
- 3.2 The last Counter Fraud Strategy (then called the Anti Fraud & Corruption Strategy) was approved by full council in January 2006. This has now been reviewed and updated to reflect changes in particular resulting from the Fraud Act 2006 and expectations from Managing the Risk of Fraud 2008 (CIPFA) and the Comprehensive Area Assessment (Organisational Assessment).
- 3.3 Whilst there is no evidence that fraud and corruption is a major problem in Brighton & Hove City Council, it is important not to be complacent, given that the incentives and opportunities for fraud and corruption are increasing e.g. associated with the economic downturn. Accordingly the revised strategy will strengthen the council's counter fraud arrangements in providing a comprehensive, integrated, systematic and strategic organisational response to the challenges of combating fraud and corruption.

#### **4. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 4.1 There are no financial implications arising directly from this report. A robust Counter Fraud Strategy is an essential part of the Council's counter fraud framework and assist in minimising financial losses due to fraud and corruption.

Patrick Rice                  Head of Financial Services                  26 March 2009

##### Legal Implications:

- 4.2 There are no direct legal implications arising from this report but individual actions in the strategy may require legal support and advice.

Oliver Dixon      Lawyer    26 March 2009

##### Equalities Implications:

- 4.3 There are no direct equalities implications arising directly from this report

##### Sustainability Implications:

- 4.4 There are no direct sustainability implications arising from this report.

##### Crime & Disorder Implications:

- 4.5 There no direct implications for the prevention of crime and disorder arising from this report.

- 4.6 Risk and Opportunity Management Implications:

The Risk and Opportunity Management Strategy consider the risk of fraud and corruption in assessments.

##### Corporate / Citywide Implications:

- 4.7 Robust corporate governance arrangements including counter fraud and corruption are essential to the sound management of the City Council and the achievement of its objectives as set out in the Corporate Plan.

### **SUPPORTING DOCUMENTATION**

#### **Appendices**

Appendix 1 Revised Counter Fraud Strategy

## **Background Documents**

1. Internal Audit Plan 2008/09 (Containing Counter Fraud Programme)
2. Accounts & Audit Regulations 2003 (Amended 2006)
3. Fraud Act 2006
4. Managing the Risk of Fraud
  - Actions to counter fraud and corruption (CIPFA) 2008

