

Title of report: Anti-Fraud, Bribery & Corruption Policy and Fraud Response Plan

Meeting: Audit and Governance Committee

Meeting date: 15 July 2025

Report by: Counter Fraud Manager

Classification

Open

Decision Type

This is not an executive decision

Wards Affected

(All Wards);

Purpose

For the Audit and Governance Committee to review and approve the updated Anti-Fraud, Bribery and Corruption Policy, the new Fraud Response Plan and Flowchart.

Recommendation

That;

- a) **The updated Anti-Fraud, Bribery and Corruption Policy attached at appendix A, the new Fraud Response Plan attached at appendix B, and Fraud Response Flowchart attached at appendix C, be reviewed and the committee determine any recommendations it wishes to make to ensure its effectiveness; and**
- b) **The updated Anti-Fraud, Bribery and Corruption Policy is approved by the committee and recommended for adoption by the cabinet member for finance**

1. Alternative Options

- 1.1 There are no alternative recommendations. The report provides a factual annual report in accordance with the functions of the committee.

2. Key Considerations

- 2.1 This report recommends an updated Anti-Fraud, Bribery and Corruption Policy, which is a detailed procedural document. The Audit and Governance committee has the remit 'To maintain an overview and agree changes to the council policy on 'Anti-Fraud, Bribery and Corruption'.
- 2.2 Activity to review and update the council's Anti-Fraud, Bribery & Corruption Policy and Fraud Response Plan was undertaken in 2024/25 to update to reflect new legislation and strengthen the framework to prevent and respond to fraud. The policy now includes new legislation detailed under the 'Failure to Prevent Fraud' offence being introduced by the government on 1 September 2025 in the Economic Crime and Corporate Transparency Act 2023.
- 2.3 A standalone Fraud Response Plan has been created to ensure that the council's procedures for responding to fraud are clear and effective. This plan is supported by the Fraud Response Flowchart.
- 2.4 The Anti-Fraud, Bribery and Corruption Policy provides a clear framework alongside the council's Fraud Response Plan, for the council to undertake necessary, legal and proportionate actions wherever the evidence supports an investigation into an allegation of fraud, and to seek recovery of defrauded monies through all possible legal means.
- 2.5 Minimisation of losses to fraud and corruption is essential for ensuring that public resources are used for their intended purpose of providing services to its residents. The council is therefore ensuring that structured and up to date guidance on policy framework is available to all staff, councillors, contractors, the council's partners and to the public.

3. Community impact

- 3.1 The policy and response plan will assist in protecting public resources and support the code of corporate governance principle which states that:
- a) Implementing good practices in transparency, reporting, and audit to deliver effective accountability. Herefordshire Council must ensure that those making decisions and delivering services are accountable for them. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner. External and internal audit contribute to effective accountability.

4. Environmental Impact

- 4.1 The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
- 4.2 Whilst this is a factual policy update so will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy, for example by utilising energy efficient methods of communication.

5. Equality duty

- 5.1 The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
- 5.2 The mandatory equality impact screening checklist has been completed for this activity, and it has been found to have a low impact for equality. Local authorities are responsible for tackling fraud in areas such as (but not limited to) benefits, council tax, and social care. In doing so, the Council applies the Equality Duty, meaning that anti-fraud investigations and enforcement does not discriminate against any individual or group based on protected characteristics. Additionally, decisions about investigations, sanctions, or prosecutions are evidence based.

Resource implications

- 6.1 The policy supports the best use of council services. An effective policy is essential for the responsible management of public finances and to ensure best practice procedures are in place to prevent, deter and respond to fraud.

7. Legal implications

- 7.1 The Anti-Fraud, Bribery & Corruption Policy now includes new legislation detailed under the 'Failure to Prevent Fraud' offence being introduced by the government on the 1st September 2025 in the Economic Crime and Corporate Transparency Act 2023.

8. Risk Management

- 8.1 Through the provision of an up to date and informative Anti-Fraud, Bribery and Corruption Policy, the Council is providing internal staff, associated organisations and members of the public with the essential information needed, to understand and report instances of alleged fraud.
- 8.2 The policy also sets out clear guidance in managing the organisation's risk to fraud, bribery, tax evasion and corruption, which further supports the Council's counter fraud risk assessment.

9. Consultees

- 9.1 The Trade Unions have been consulted on the 3rd July 2025 in relation to Appendix B – Fraud Response Plan. This consultation is ongoing, and the Council is awaiting further comment.

10. Appendices

- 10.1 Appendix A – Anti-fraud, Bribery and Corruption Policy
Appendix B – Fraud Response Plan
Appendix C – Fraud Response Flowchart
Appendix D – Equality impact screening checklist

11. Background papers

- 11.1 None identified

Report Reviewers Used for appraising this report:

Governance	Jen Preece	Date 01/07/2025
Finance	Wendy Pickering	Date 30/06/2025
Legal	Sean O'Connor	Date 25/06/2025
Communications	Luenne Featherstone	Date 27/06/2025
Human Resources	Tracey Sampson	Date 01/07/2025
Equality Duty	Harriet Yellin	Date 30/06/2025
Procurement	Nena Beric	Date 02/07/2025
Risk	Paige McInerney	Date 01/07/2025

Approved by	Rachael Sanders	Date 07/07/2025
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