



West Lothian  
Council

**COUNCIL EXECUTIVE**

**ANTI FRAUD AND CORRUPTION POLICY**

**REPORT BY HEAD OF FINANCE AND ESTATES**

**A. PURPOSE OF REPORT**

To inform the Council Executive of the revised Anti Fraud and Corruption Policy.

**B. RECOMMENDATION**

That the Council Executive approves the revised Anti Fraud and Corruption Policy.

**C. SUMMARY OF IMPLICATIONS**

<b>I Council Values</b>	Being honest, open and accountable  Making best use of our resources
<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	The council's local code of corporate governance requires the Anti Fraud and Corruption Policy to be reviewed at least once per administrative term.  The revised Policy takes account of the provisions of the Bribery Act 2010.
<b>III Implications for Scheme of Delegations to Officers</b>	None.
<b>IV Impact on performance and performance Indicators</b>	None.
<b>V Relevance to Single Outcome Agreement</b>	None.
<b>VI Resources - (Financial, Staffing and Property)</b>	None.
<b>VII Consideration at PDSP</b>	Partnership and Resources Policy Development and Scrutiny Panel 18 February 2011.
<b>VIII Other consultations</b>	Chief Legal Officer, Legal Services, Human Resources.

## **D. TERMS OF REPORT**

The council's Anti Fraud and Corruption Policy was last approved in March 2006. In accordance with the requirements of the council's local code of corporate governance, the Policy has now been reviewed and updated.

The revised Policy was presented to the Partnership and Resources Policy Development and Scrutiny Panel on 18 February 2011. The PDSP agreed that the policy be amended to include reference to the Bribery Act 2010 and that thereafter the policy be submitted to the Council Executive with a recommendation that it be approved.

The Policy was then referred to the Corporate Governance Working Group, chaired by the Chief Legal Officer, which considered the implications of the Bribery Act and advised on relevant wording. In addition, the Working Group commented on the processes for referring allegations to the police and the wording of this section was further revised.

The revised Policy (paragraph reference in brackets):

- now explicitly covers elected members (1.3);
- refers to the Bribery Act 2010 (1.5)
- states that fraud and corruption risks are managed as part of the council's strategic risk management arrangements (3.5);
- states that heads of service are required to sign an anti fraud and corruption compliance statement (3.7);
- refers to the council's participation in the National Fraud Initiative (3.9);
- includes a redrafted section on responsibilities for authorising investigations and reporting allegations to the police (4.2 to 4.11);
- includes a statement to the effect that failure to co-operate with an internal audit investigation shall result in consideration being given to disciplinary action (4.10);
- includes reference to members and breach of the councillor's code (4.13);
- adds definitions of fraud, theft, corruption, bribery, and embezzlement (appendix).

## **E. CONCLUSION**

The council's Anti Fraud and Corruption Policy is an essential element of the council's corporate governance arrangements. The policy sets out the council's processes for the prevention, detection and investigation of fraud and corruption and is designed to reduce such losses to an absolute minimum.

## **F. BACKGROUND REFERENCES**

Anti Fraud and Corruption Policy: Report to Partnership and Resources PDSP 18 February 2011 by Internal Audit Manager

Appendices/Attachments: Anti Fraud and Corruption Policy

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