

# Audit Committee

8 May 2025



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| <b>Title</b>                     | <b>Counter Fraud, Bribery and Corruption Strategy</b>                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Purpose of the report</b>     | To make a decision and a recommendation to the Council                                                                                                                                                                                                                                                                                                                                                                |
| <b>Report Author</b>             | Linda Heron, Monitoring Officer                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Ward(s) Affected</b>          | All Wards                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Exempt</b>                    | No                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Exemption Reason</b>          | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Corporate Priority</b>        | All priorities                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Recommendations</b>           | <b>Audit Committee is asked to:</b><br><br><b>1. Acknowledge the annual review of the Council's Counter Fraud, Bribery and Corruption Strategy;</b><br><br><b>2. Approve the proposed amendments to the Council's Counter Fraud, Bribery and Corruption Strategy; and</b><br><br><b>3. Recommend to the Council that the Constitution be updated with the revised Counter Fraud, Bribery and Corruption Strategy.</b> |
| <b>Reason for Recommendation</b> | <b>To support the Council's commitment to reducing fraud by providing effective counter fraud arrangements.</b>                                                                                                                                                                                                                                                                                                       |

## 1. Summary of the report

| What is the situation                                                                                                                                                                                      | Why we want to do something                                                                                                           |
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| <ul style="list-style-type: none"><li>The Council's Counter Fraud, Bribery and Corruption Strategy sets out the Council's commitment to dealing effectively with fraud, bribery, and corruption.</li></ul> | <ul style="list-style-type: none"><li>To ensure that the Council's fraud management response is in line with good practice.</li></ul> |
| This is what we want to do about it                                                                                                                                                                        | These are the next steps                                                                                                              |

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| <ul style="list-style-type: none"> <li>To review the strategy annually and consider any necessary updates and areas of focus.</li> </ul> | <ul style="list-style-type: none"> <li>The Audit Committee is required to review the Council's Counter Fraud, Bribery and Corruption Strategy and make any recommendations for change to the Council.</li> </ul> |
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- 1.1 This report provides the Committee with the updated Counter Fraud, Bribery and Corruption Strategy for consideration.
- 1.2 The strategy was previously reviewed by the Internal Audit Manager and reported to Audit Committee in March 2024. Shortly after that the internal audit function at the Council was outsourced to the Southern Internal Audit Partnership and the post-holder left the Council. As a result, the proposed (minor) revisions have not been presented to the Council for approval and the Constitution has not been updated.

## **2. Key issues**

- 2.1 The Audit Committee is required to review the Council's Counter Fraud, Bribery and Corruption Strategy annually and make any recommendations for change to the Council as the strategy forms part of the Council's Constitution.
- 2.2 The strategy is in line with best practice and continues to underpin the Council's commitment to dealing effectively with all forms of fraud, bribery, and corruption, demonstrating the important role it plays in the overall corporate governance framework.
- 2.3 As part of this review, senior managers (the Management Team, the Group Heads and service managers) have had an opportunity to feed back any comments on the current strategy document (version approved by Full Council in May 2023).
- 2.4 The proposed changes reflect current developments. For ease, the proposed amendments are shown in track change (Appendix 1). Clean copy of the revised strategy accompanies this report at Appendix 2.
- 2.5 Best practice principles as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) 'Managing the risk of fraud and corruption', and 'Fighting Fraud and Corruption Locally – a strategy for the 2020s' have been considered as part of the strategy review, and current activity is deemed as proportionate relative to the perceived risk and size of the authority.

## **3. Options analysis and proposal**

- 3.1 To consider the current position and accept the amendments proposed to the Counter Fraud, Bribery and Corruption Strategy (Recommended option).
- 3.2 To make further amendments to the Counter Fraud, Bribery and Corruption Strategy.
- 3.3 To make no changes to the strategy, thereby not reflecting the current position.

## **4. Financial management comments**

- 4.1 Whilst there are no financial implications arising directly from this report, resources are required to implement and carry out any necessary preventative/detection/investigatory work which places constraints on the existing budgets.
- 5. Risk management comments**
- 5.1 Associated risks and consequences of fraud, bribery and corruption include financial losses (potentially high value), reputational damage to the authority, corporate liability offence associated with bribery, harm to staff or the local community, and reduced public services for the borough's residents.
- 6. Procurement comments**
- 6.1 None arising directly from this report.
- 7. Legal comments**
- 7.1 Legal implications contained in the body of this report.
- 8. Other considerations**
- 8.1 Reigate and Banstead Borough Council delivered Counter Fraud Services to the Council from 2022, which contract has expired on 31 March 2025. Renewal contract is under discussion.
- 9. Equality and Diversity**
- 9.1 Fraud, bribery and corruption risks should be considered in all areas of operation as fraudulent activity can result in Council services being diverted away from communities who need them.
- 10. Sustainability/Climate Change Implications**
- 10.1 There are none arising directly from this report.
- 11. Timetable for implementation**
- 11.1 There is no specific timetable as implementation of the strategy remains ongoing with annual review and reporting.
- 12. Contact**
- 12.1 Linda Heron, Group Head Corporate Governance and Monitoring Officer  
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**Background papers:**

CIPFA Managing the risk of fraud and corruption

CIPFA Fighting Fraud and Corruption Locally – a strategy for the 2020s

**Appendices:**

**Appendix 1**

Track change version of Counter Fraud, Bribery and Corruption Strategy (reviewed April 2025)

**Appendix 2**

Clean version of Counter Fraud, Bribery and Corruption Strategy (April 2025)