

DRAFT AGENDA

ID	2642
Committee	Pwyllgor Llywodraethiant ac Archwilio
Date	17/04/2024
Attendees	<p>Joanne Absalom (Cadeirydd)</p> <p>Cynghorwyr Sonia Behr (Is-gadeirydd)</p> <p>Cynghorwyr Derrick Bevan (Aelod Pwyllgor)</p> <p>Cynghorwyr Keith Chaplin (Aelod Pwyllgor)</p> <p>Cynghorwyr Wayne Hodgins (Aelod Pwyllgor)</p> <p>Councillor Chris Smith (Aelod Pwyllgor)</p> <p>Cynghorydd Joanna Wilkins (Aelod Pwyllgor)</p> <p>Martin Veale (Aelod Pwyllgor)</p> <p>Cheryl Hucker (Aelod Pwyllgor)</p> <p>Rhian Hayden (Swyddog)</p> <p>Louise Rosser (Swyddog)</p> <p>Bernadette Elias (Swyddog)</p> <p>Andrea Owen (Swyddog)</p> <p>Steve Berry (Advisor)</p> <p>Sarah King (Swyddog)</p> <p>Gemma Wasley (Swyddog)</p> <p>Tony Hagland (Swyddog)</p> <p>Deborah Woods (Public)</p> <p>Mike Jones (Public)</p> <p>Charlotte Owen (Public)</p> <p>Leeann Turner (Secretary)</p> <p>Deborah Jones (Secretary)</p> <p>Liz Thomas (Swyddog)</p> <p>Sean Scannell (Swyddog)</p> <p>Louise Bishop (Swyddog)</p> <p>Gwasanaethau Democraataidd (Monitor)</p> <p>Pob Cynghorydd (Monitor)</p>

Item ID	8349
Item Title	Cyfieithu ar y Pryd
Summary	Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen o leiaf 3 diwrnod gwaith o rybudd os dymunwch wneud hynny. Darperir gwasanaeth cyfieithu ar y pryd os gofynnir amdano.

Item ID	8350
Item Title	Ymddiheuriadau
Summary	I'w derbyn.

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Item ID	8351
Item Title	Datganiadau Buddiant a Goddefebau
Summary	I'w derbyn.

Item ID	8352
Item Title	Pwyllgor Llywodraethiant ac Archwilio
Summary	Derbyn penderfyniadau'r Pwyllgor Llywodraethu ac Archwilio a gynhaliwyd ar 21 ^{ain} Chwefror 2024. (Sylwer bod y penderfyniadau yn cael eu cyflwyno ar gyfer pwyntiau cywirdeb yn unig).

Item ID	8353
Item Title	Dalen Weithredu
Summary	Derbyn y Daflen Camau Gweithredu yn deillio o'r cyfarfod a gynhaliwyd ar 21 ^{ain} Chwefror, 2024.

Item ID	8380
Item Title	Alldro Cynllun Archwilio 2023-24
Summary	Ystyried adroddiad y Rheolwr Archwilio a Risg.

Item ID	8381
Item Title	Polisi Gwrth-dwyll, Gwrth-lygredd a Gwrth-Lwgrwobrwyo
Summary	Ystyried adroddiad y Rheolwr Archwilio a Risg.

Item ID	8390
Item Title	Eitem Eithriedig
Comment	Derbyn ac ystyried yr adroddiad canlynol sydd ym marn y swyddog priodol yn eitem eithriedig gan gymryd i ystyriaeth y prawf budd y cyhoedd ac y dylid gwahardd y wasg a'r cyhoedd o'r cyfarfod (mae'r rheswm am y penderfyniad dros yr eithriad ar gael ar atodlen a gynhelir gan y swyddog priodol).

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Item ID	8391
Item Title	Recriwtio
Summary	Ystyried adroddiad y Prif Weithredwr Dros Dro.

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COUNTY BOROUGH OF BLAENAU GWENT

REPORT TO: THE CHAIR AND MEMBERS OF THE GOVERNANCE & AUDIT COMMITTEE

**SUBJECT: GOVERNANCE & AUDIT COMMITTEE
21ST FEBRUARY, 2024**

REPORT OF: DEMOCRATIC & COMMITTEE SUPPORT OFFICER

PRESENT: MS JOANNE ABSALOM (CHAIR)

Councillors S. Behr (Vice-Chair)
D. Bevan
W. Hodgins
C. Smith
J. Wilkins
Mr M. Veale

WITH: Interim Chief Executive
Interim Corporate Director of Social Services
Interim Corporate Director of Education
Chief Officer Resources
Head of Organisational Development
Service Manager - Public Protection
Service Manager Customer Experience & Transformation
Professional Lead – Internal Audit
Professional Lead - Risk & Insurance
Senior Auditor
Data Protection & Governance Officer

**AND: Audit Wales Representative
Mike Jones**

DECISIONS UNDER DELEGATED POWERS

<u>ITEM</u>	<u>SUBJECT</u>	<u>ACTION</u>
No. 1	<u>SIMULTANEOUS TRANSLATION</u>	

	It was noted that no requests had been received for the simultaneous translation service.	
No. 2	<p><u>APOLOGIES</u></p> <p>Apologies for absence were received from:-</p> <p>Ms Cheryl Hucker, Lay Member Corporate Director of Regeneration & Community Services Chief Officer Commercial & Customer Head of Democratic Services, Governance & Partnerships Audit & Risk Manager</p>	
No. 3	<p><u>DECLARATIONS OF INTEREST AND DISPENSATIONS</u></p> <p>There were no declarations of interest and dispensation reported.</p>	
No. 4	<p><u>GOVERNANCE & AUDIT COMMITTEE</u></p> <p>The decisions of the Governance & Audit Committee held on 17th January, 2024 were submitted.</p> <p>RESOLVED that the decisions be accepted as a true record of proceedings.</p>	
No. 5	<p><u>ACTION SHEET – 17TH JANUARY, 2024</u></p> <p>The Action Sheet arising from the meeting held on 17th January 2024 was submitted.</p> <p>RESOLVED that the Action sheet be noted.</p>	
No. 6	<p><u>FORWARD WORK PROGRAMME 2023-24</u></p> <p>Consideration was given to report of the Scrutiny & Democratic Officer.</p> <p>RESOLVED that the report be accepted and the Forward Work Programme for the Governance and Audit Committee be accepted. (Option 1)</p>	

<p>No. 7</p>	<p><u>CORPORATE RISK REGISTER QUARTER 3 2023/2024</u></p> <p>Consideration was given to report of the Chief Officer Resources.</p> <p>RESOLVED that the report be accepted and the Governance & Audit Committee considered the content of the report and were provided assurance that procedures were in place to monitor the management of significant risks.</p>	
<p>No. 8</p>	<p><u>INTERNAL AUDIT PROGRESS REPORT 2023/24</u></p> <p>Consideration was given to report of the Professional Lead Internal Audit.</p> <p>RESOLVED that the report be accepted and the Committee noted the findings within the attached Appendices and noted the progress on activities for the period 1st October to 31st December 2023.</p>	
<p>No. 9</p>	<p><u>FOOD STANDARDS AGENCY AUDIT OF LOCAL AUTHORITY SERVICE DELIVERY PLANNING PROCESSES AND ARRANGEMENTS</u></p> <p>Consideration was given to report of the Service Manager Public Protection.</p> <p>RESOLVED that the report be accepted and the Committee was assured that the Council's Management Response, identified in Appendix 4, would appropriately respond to the Food Standards Agency recommendations. (Option 1)</p>	
<p>No. 10</p>	<p><u>RESPONSE TO AUDIT WALES ENQUIRY TO THOSE CHARGED WITH GOVERNANCE AND MANAGEMENT</u></p> <p>Consideration was given to report of the Audit & Risk Manager.</p> <p>RESOLVED that the report be accepted and the Committee endorsed the attached responses to the Audit Wales queries and confirmed that the response on behalf of those charged with governance accurately reflected their views. (Option 1)</p>	

No. 11

**BLAENAU GWENT COUNTY BOROUGH COUNCIL –
DETAILED AUDIT PLAN 2023**

Consideration was given to the report from Audit Wales.

Martin Veale joined the meeting at this juncture.

RESOLVED that the Audit Wales report be accepted.

Blaenau Gwent County Borough Council

Action Sheet

Governance & Audit Committee

Meeting Date	Action to be Taken	By Whom	Action Taken
21 st June, 2023	<p><u>Item 9 – Annual Report of the Audit and Risk Manager 2022/2023</u></p> <p>➤ An update be provided on the three large investigations that had commenced during the year, at the appropriate juncture.</p>	Audit & Risk Manager	Update to be provided at the appropriate time. Action: ongoing

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Agenda Item 6

Cabinet and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Governance & Audit Committee**
Date of meeting: **17th April 2024**
Report Subject: **Audit Plan Outturn 2023-24**
Portfolio Holder: **Cllr Steve Thomas – Leader / Cabinet Member for Corporate Overview and Performance**
Report Submitted by: **Louise Rosser – Audit and Risk Manager**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance & Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	04/04/2024		17/04/2024					

1. Purpose of the Report

- 1.1 The purpose of this report is to inform the Governance & Audit Committee of the overall achievement against the Audit Plan for the financial year 2023-24.

2. Scope and Background

- 2.1 The report highlights the work undertaken by the Internal Audit Service and complies with the Public Sector Internal Audit Standards (PSIAS).
- 2.2 The Internal Audit Plan is based on a risk assessment using a set of criteria relating to audit risks, Authority objectives and management views. The Audit Plan for the period 2023-24 was considered and agreed by the Governance and Audit Committee in June 2023.
- 2.3 Progress against the plan has been reported to the Governance and Audit Committee throughout the financial year, with this report providing a summary of the overall achievement for the year.

3. Options for Recommendation

- 3.1 The Governance and Audit Committee consider this report and the Appendices attached, and note the following:
- the levels of audit coverage in each service area,
 - the plan outturn for the financial year, and
 - the performance of the Internal Audit Service for the financial year 2023/24.

4. Evidence of how this topic support the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

- 4.1 This report supports the Authority in achieving its Corporate Plan Priority of an ambitious and innovative council delivering quality services at the right time and in the right place through demonstrating that adequate measures are in place for the prevention and detection of fraud, protecting the Authority's assets.

- 4.2 The Governance and Audit Committee, in their role as those responsible for governance, and in compliance with the PSIASs, have a responsibility to oversee the performance of the Internal Audit function including receiving a summary of the work upon which the Audit and Risk Manager will base her annual audit opinion.

5. **Implications Against Each Option**

5.1 Impact on Budget (short- and long-term impact)

- 5.1.1 There are no direct financial implications arising from this report.

5.2 Risk including Mitigating Actions

- 5.2.1 The audit plan outturn demonstrates the breadth of audit coverage achieved to provide assurance that key areas of concern and areas deemed to have the highest risk priority have been examined during the financial year.
- 5.2.2 Failure to cover sufficient audit areas exposes the Authority to the risk that weaknesses within specific systems within the Authority's control environment are not being identified, increasing the risk of fraud and error.

5.3 Legal

- 5.3.1 The Section 151 Officer has a statutory duty under the Local Government Act (1972) to ensure the provision of an adequate Internal Audit Service. This is achieved in part by ensuring the audit service provides sufficient coverage of the Authority's internal control environment, as demonstrated in the audit plan outturn.

5.4 Human Resources

The section currently has a complement of six full time posts. This includes an Audit Apprentice role that has been vacant since January 2024. Recruitment of a suitable replacement to the position is progressing.

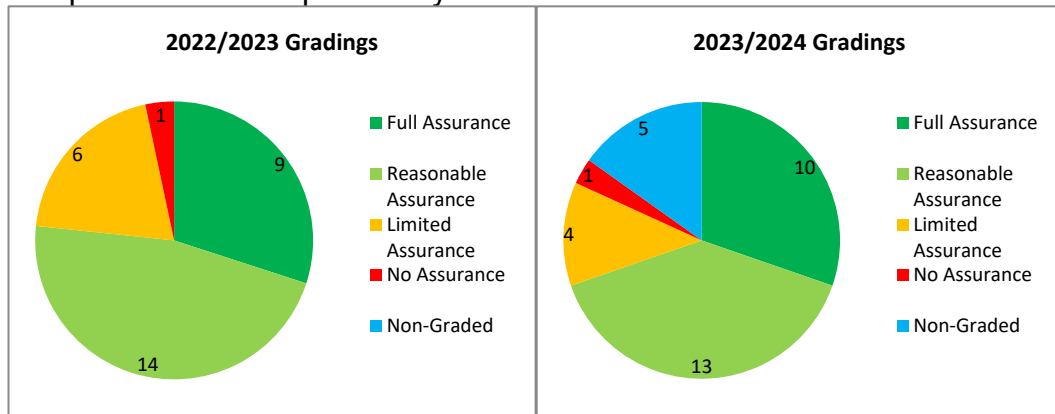
The section sickness absence for the year is an average of 5.17 days per person against an annual directorate target of 7 days per person.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

- 6.1.1 Appendix A shows all audits undertaken during the financial year and their status as at 31st March 2024 including their actual or provisional grading (where applicable). Where a provisional grading has been issued the report has not been cleared by the service area and could be subject to change.
- 6.1.2 Performance data for the Section for the year to 31st March 2024 is presented at Appendix B. Appendix C illustrates the spread of audit gradings issued during the year compared to the previous year. Appendix D shows the actual audit coverage compared to planned audit coverage by department, based on jobs in the year.

6.1.3 28 graded audit reports were issued during the year split between the following: 10 Full Assurance; 13 Reasonable Assurance; 4 Limited Assurance; and 1 No Assurance. The pie charts below show the comparison with the previous year.



6.1.4 No grade is given for some of the audits undertaken, for example follow ups / Grant Certification/ ad-hoc pieces of work such as investigations and advice. Whilst these audits do not lend themselves to the standard audit gradings, any points of note or concerns identified will be reflected in the annual report of the Audit and Risk Manager.

6.1.5 The Internal Audit Service completed 68.06% of the audit plan against a target of 73%.

6.1.6 Productivity for the service remained consistent with previous years, with 75% of audits completed within the time allocated. In addition, 100% of weaknesses identified were accepted by Service Managers, reflecting the accuracy and relevance of audit findings.

6.1.7 The average number of days to issue final reports is 4.4 days against a target of 5 days.

6.2 Expected outcome for the public

6.2.1 Provision of sufficient audit coverage supports the Governance and Audit Committee in fulfilling its assurance role to the citizens of Blaenau Gwent.

6.3 Involvement (consultation, engagement, participation)

There are no direct implications under involvement.

6.4 Thinking for the Long term (forward planning)

The work of Internal Audit is intended to provide advice and guidance on system improvements resulting in an improved control environment for the future of the Authority.

6.5 Preventative focus

Not applicable.

6.6 Collaboration / partnership working
Not applicable.

6.7 Integration (across service areas)
Not applicable

6.8 Decarbonisation and Reducing Carbon Emissions.
Not applicable

6.9 Integrated Impact Assessment
Not applicable

7. **Monitoring Arrangements**

7.1 The levels of audit coverage and the gradings of individual audits will inform the annual opinion of the Audit and Risk Manager to be presented to the Governance and Audit Committee

Background Documents /Electronic Links

- Appendix A – Audit Plan Outturn 2023-24
- Appendix B – Performance Indicators 2023-24
- Appendix C – Audit Gradings 2023–24
- Appendix D – Audit Coverage by Department 2023-24

AUDIT PLAN 2023/24 - RESOURCES		
AUDIT AREA	AUDIT OPINION	COMMENTS
Financial Services		
Regional Consortia School Improvement Grant	Reasonable Assurance	Completed
Pupil Development Grant	Reasonable Assurance	Completed
Petty Cash	Limited Assurance	Completed
Leasing	Reasonable Assurance	Completed
Silent Valley Leasing	Reasonable Assurance	Completed
Bedwelty House and Park Charity Accounts	Full Assurance	Completed
Creditors Central (CRSA)	Reasonable Assurance	Completed
Ebbw Vale Recreation Ground Charity Accounts	Full Assurance	Completed
Revenue Services		
Cost of Living Grant	Full Assurance	Completed
Council Tax (CRSA)	Full Assurance	Completed
Social Service Debtors	Limited Assurance	Draft Provisional
Audit, Insurance & Risk Management		
Risk Management	Not applicable	Ongoing
AUDIT PLAN 2023/24- COMMERCIAL		
AUDIT AREA	AUDIT OPINION	COMMENTS
Customer Services		
Free School Meals	Reasonable Assurance	Completed
Winter Support Fund	Full Assurance	Completed
Procurement		
Purchase Card Follow Up	Not applicable	Ongoing
Workforce Management		
Recruitment and Retention - Notifications of Termination Follow Up	Non-Graded	Completed
Register Of Business Interest Follow Up	Non-Graded	Completed
Absence Management	Limited Assurance	Draft Provisional
AUDIT PLAN 2023/24 - LEGAL AND CORPORATE COMPLIANCE		
AUDIT AREA	AUDIT OPINION	COMMENTS
Corporate Services and Registration		
Elections	Not applicable	Ongoing
AUDIT PLAN 2023/24 - GOVERNANCE AND PARTNERSHIPS		
AUDIT AREA	AUDIT OPINION	COMMENTS
Partnership and Policy		
Community Safety	Reasonable Assurance	Completed
Decarbonisation	Reasonable Assurance	Completed
Performance & Democratic		
Business Planning Follow Up	Not applicable	Ongoing
AUDIT PLAN 2023/24 - REGENERATION AND COMMUNITY SERVICES		
AUDIT AREA	AUDIT OPINION	COMMENTS
Frontline Integrated services		
Refuse & Recycling Commercial	Not applicable	Ongoing
Infrastructure		
Highway Development & Control	Not applicable	Ongoing
Property		
Asbestos Management Plans	No Assurance	Draft Provisional
Public Protection		
Enable Grant	Reasonable Assurance	Completed
Homelessness grant - No one left out	Full Assurance	Completed
Temporary Accommodation	Limited Assurance	Completed
Housing Options	Full Assurance	Completed
Development Control		
Planning Policy	Not applicable	Ongoing
Regeneration and Thriving Communities		
Shared Prosperity Fund	Reasonable Assurance	Completed
AUDIT PLAN 2023/24 - EDUCATION		
AUDIT AREA	AUDIT OPINION	COMMENTS
Education Transformation		
Schools CRSA	Reasonable Assurance	Completed
School System (Safeguarding Volunteers)	Limited Assurance	Completed
School System (Petty Cash)	Not applicable	Ongoing
River Centre	Not applicable	Ongoing
School System (St Iltyds Full school Audit)	Not applicable	Ongoing
Inclusion Services		
Out of County Education Placements	Limited Assurance	Completed
Youth Services		
Youth Support Grant	Full Assurance	Completed
AUDIT PLAN 2023/24 - SOCIAL SERVICES		
AUDIT AREA	AUDIT OPINION	COMMENTS
Development and Commissioning		
Housing Support Grant	Full Assurance	Completed
Housing Support Grant (RDC Post)	Full Assurance	Completed
Community Meals	Not applicable	Ongoing
Provider Services		
Cwrt Mytton	Reasonable Assurance	Completed
Domiciliary Care Internal	Reasonable Assurance	Completed
Community Care Follow Up	Non-Graded	Completed
Locality, Duty & IAA		
Locality Team	Not applicable	Ongoing
Safeguarding and 14+		
Social Services Provider Safeguarding	Reasonable Assurance	Draft Provisional
AUDIT PLAN 2023/24 - CORPORATE		
AUDIT AREA	AUDIT OPINION	COMMENTS
Contract Safeguarding	Limited Assurance	Draft Provisional
Contract Audit < £75k	No Assurance	Completed
Contract Agency	Not applicable	Ongoing
Special Investigation	Not applicable	Ongoing

Grading
Full Assurance
Reasonable Assurance
Limited Assurance
No Assurance
Not applicable - Ongoing
Non-Graded

Follow ups
Notifications of Termination Follow Up
Purchase Card Follow Up
Register of Business Interest Follow Up
Business Planning Follow Up
Community Care Follow Up

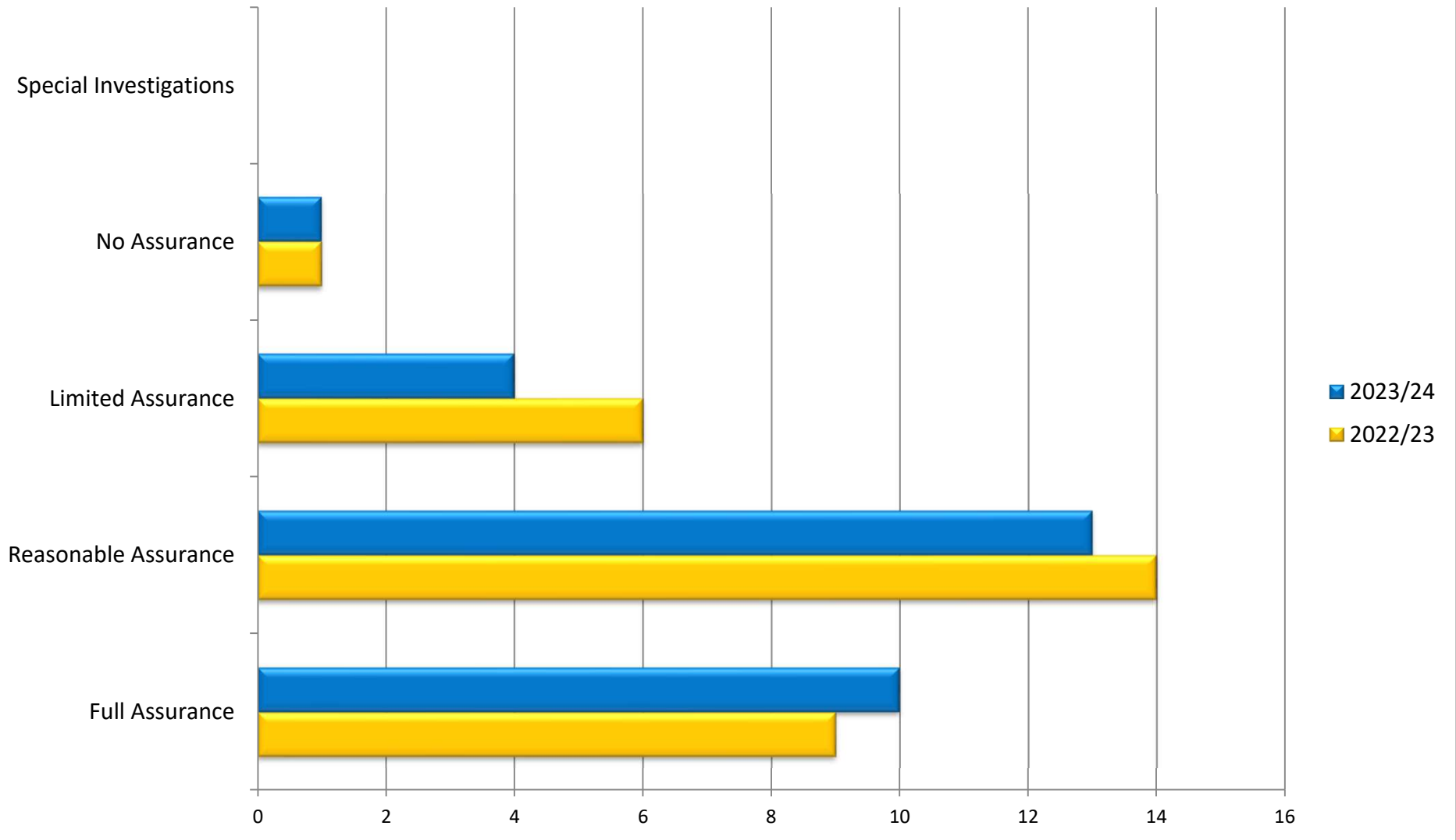
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INTERNAL AUDIT SECTIONPERFORMANCE INDICATORS 2023/24

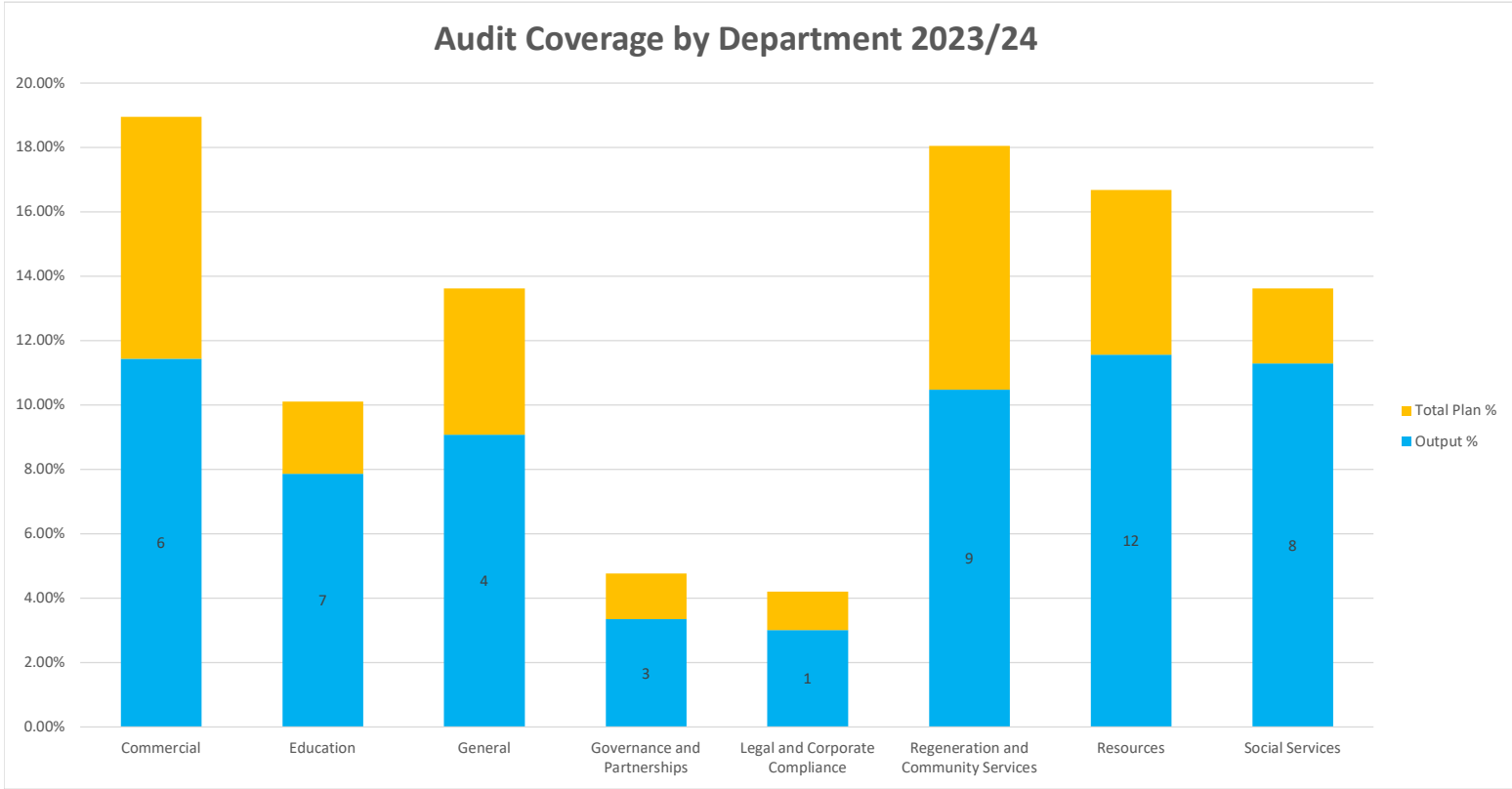
	Performance Indicator	2021/22 Target	2021/22 Actual	2022/23 Target	2022/23 Actual	2023/24 Target	2023/24 Actual	RAG Rating
Local PI	Audit Plan Completion %	70%	70.74%	73%	69.45%	73%	68.06%	Amber
Local PI	% of Agreed Actions for Weaknesses Identified	90%	100%	90%	100%	90%	100%	Green
Local PI	% of Agreed Actions completed after 6 months	80%	90%	80%	100%	80%	80%	Green
Local PI	% of Audit Clients at least "satisfied" with the service	95%	100%	95%	100%	95%	100%	Green
Local PI	Average number of days taken to issue Final Reports	5 days	5.17 days	5 days	4.38 days	5 days	4.4 days	Green
Local PI	% of Audits completed within time allocated	75%	90%	75%	90%	75%	75%	Green
Local PI	% of Performance Reviews undertaken within previous 12 months	100%	100%	100%	100%	100%	100%	Green
Local PI	Average number of sick days per person (cumulative average)	8 days	0.83 days	7 days	0 days	7 days	5.17 days	Green

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Audit Gradings 2022/23 & 2023/24



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Department	Total Department %	Output %	Audits Issued
Commercial	18.96%	11.44%	6
Education	10.10%	7.86%	7
General	13.62%	9.08%	4
Governance and Partnerships	4.77%	3.35%	3
Legal and Corporate Compliance	4.20%	3.01%	1
Regeneration and Community Services	18.05%	10.47%	9
Resources	16.69%	11.57%	12
Social Services	13.62%	11.29%	8
Total	100.00%	68.06%	50
Audits Split Across:			
28 completed Audits			
5 Draft Provisional Audits			
12 Ongoing Audits			
5 Follow Up Audits (3 completed, 2 Ongoing)			
50 Total			

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Agenda Item 7

Cabinet and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Governance & Audit Committee**
Date of meeting: **17th April 2024**
Report Subject: **Anti-Fraud, Anti-Corruption & Anti-Bribery Policy**
Portfolio Holder: **Cllr Steve Thomas – Leader / Cabinet Member for Corporate Overview and Performance**
Report Submitted by: **Louise Rosser – Audit and Risk Manager**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance & Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	04/04/2024		17/04/2024			12.06.24		

1. **Purpose of the Report**
 - 1.1 The purpose of this report is to present to the Governance & Audit Committee the revised Anti-Fraud, Anti-Corruption & Anti-Bribery Policy attached at Appendix A.
2. **Scope and Background**
 - 2.1 The policy has been revised to reflect the current legislation and the current reporting structure of the Authority.
3. **Options for Recommendation**
 - 3.1 The Governance and Audit Committee consider and challenge the content of the policy ensuring it is consistent with their knowledge and understanding of the wider issues.
 - 3.2 The Governance and Audit Committee may then choose to:
Option 1
To support the policy and recommend approval and adoption by Cabinet.
Option 2
Propose amendments / alterations to the Policy prior to approval by Cabinet.
4. **Evidence of how this topic support the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**
 - 4.1 This report supports the Authority in achieving its Corporate Plan Priority of an ambitious and innovative council delivering quality services at the right time and in the right place through demonstrating that adequate measures are in place for the prevention and detection of fraud, by protecting the Authority's assets.

5. Implications Against Each Option

5.1 Impact on Budget (short- and long-term impact)

5.1.1 There are no direct financial implications arising from this report, although the detection and prevention of fraud contribute to ensuring the proper use of resources.

5.2 Risk including Mitigating Actions

5.2.1 Failure to meet its obligations in respect of preventing fraud, corruption and bribery exposes the Authority to a variety of risks including financial loss and reputational damage. Development of, and adherence to, this policy assists in mitigating these risks as part of the Governance Framework.

5.3 Legal

5.3.1 Adoption of the policy ensures compliance with the various legislation referred to in the policy in relation to financial crime.

5.4 Human Resources

5.4.1 There are no direct Human Resource implications arising from this report. Responsibilities for the prevention and detection of fraud, corruption and bribery sit within the existing roles of officers.

6. Supporting Evidence

6.1 Performance Information and Data

6.1.1 There are no performance information and data implications arising from this report.

6.2 Expected outcome for the public

6.2.1 An effective Anti-Fraud, Anti-Corruption and Anti-Bribery Policy contributes to the protection of public funds and the prevention and detection of criminal activity.

6.3 Involvement (consultation, engagement, participation)

There are no direct implications under involvement.

6.4 Thinking for the Long term (forward planning)

Adoption of the policy enhances the internal control environment and financial resilience of the Authority.

6.5 Preventative focus

Adoption of the policy enhances the internal control environment and financial resilience of the Authority.

6.6 Collaboration / partnership working

Not applicable.

6.7 Integration (across service areas)

Not applicable

6.8 Decarbonisation and Reducing Carbon Emissions.
Not applicable

6.9 Integrated Impact Assessment
Not applicable

7. **Monitoring Arrangements**

7.1 There are no further monitoring arrangements required for this report.

Background Documents /Electronic Links

- Appendix A – Anti-Fraud, Anti-Corruption and Anti-Bribery Policy

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ANTI-FRAUD, **ANTI-CORRUPTION,** **& ANTI-BRIBERY POLICY**

Last Revised: March 2024
Date of Next Review: March 2027

1 INTRODUCTION

- 1.1** Blaenau Gwent County Borough Council advocates strict adherence to its anti-fraud framework and associated policies. In the majority of cases this would be a zero-tolerance approach to all forms of fraud, corruption and theft, arising both from within the Council and externally. The Council wishes to hold a good reputation for protecting the public purse. Sound systems of public accountability are vital to effective management and in maintaining public confidence. We are committed to protecting the public funds entrusted to us. The minimisation of losses due to fraud, corruption and bribery is essential for ensuring the maximum resources available are used for providing services to the citizens of Blaenau Gwent. The general principles and procedures for corporate governance embrace the assumption that fraud, corruption and bribery must be prevented, and any occurrence must be dealt with severely. This policy sets out why and how this will be done.
- 1.2** The Council's expectations on propriety and accountability are that Members and officers at all levels will lead by example in ensuring adherence to the principles of good governance and propriety, including careful observance of procedures, rules, legal requirements, and open and proper practices.
- 1.3** The Council also expects that individuals and organisations that it comes into contact with (e.g. partners, suppliers, contractors, service providers and service users) will act towards the Council with integrity and without thought or actions involving fraud, corruption or bribery.
- 1.4** For the purpose of this policy the following definitions are used:
- Fraud – “the intentional distortion of financial statements or other records by persons internal or external to the Council which is carried out to conceal the misappropriation of assets or otherwise for gain”.
 - Corruption – “the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person”.
 - Bribery – “an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage”.
- 1.5** In administering its responsibilities, the Council aims to prevent fraud, corruption and bribery, whether it is attempted on the Council from the outside or inside. The Council is therefore committed to adhering to the principals of the Cipfa Anti-Fraud Strategy
- 1.6** The Bribery Act 2010 has four key offences:
- Bribery of another person – making it an offence to offer, promise or give a bribe.
 - Accepting a bribe – making it an offence to request, agree to receive, or accept a bribe.
 - Bribing a foreign official – with the intention of obtaining or retaining business or an advantage in the conduct of business
 - Failing to prevent bribery – this is a corporate offence of failing to prevent bribery that is intended to obtain or retain business, or an advantage in

the conduct of business, for the organisation.

1.7 Under the Bribery Act, individuals found guilty of an offence may be liable to imprisonment of up to 10 years. Additionally, the Council may be liable for fines if found guilty of failing to prevent bribery.

1.8 The Council's Anti-Fraud, Anti-Corruption and Anti-Bribery Policy is based on a series of comprehensive and inter-related procedures designed to frustrate any attempted fraudulent or corrupt act and covers:

- Corporate Framework and Culture
- Prevention
- Detection and Investigation
- Reporting
- Training

1.9 The Council is also aware of the high degree of external scrutiny of its affairs by a variety of bodies and people including:

- Audit Wales
- The Public / Council Taxpayer – Annual Inspection of the Accounts
- The Public / Service Users – through various Complaints procedures
- Welsh Government / UK Government
- The Public Services Ombudsman for Wales
- His Majesty's Revenue & Customs
- Department for Work and Pensions
- Other external regulators

1.10 As part of Audit Wales' statutory duties they are required to seek assurance that the Council has in place adequate arrangements for the prevention and detection of fraud, corruption and bribery.

2. CORPORATE FRAMEWORK AND CULTURE

2.1 The Council is determined that the culture and tone of the organisation is one of honesty and opposition to fraud, corruption and bribery. There is a framework of interrelated policies and procedures that provide a corporate framework to counter fraudulent activity. These have been formulated in line with appropriate legislative requirements and include:

- Codes of Conduct for Officers and Members,
- Effective delegation arrangements
- Appointment of Statutory Officers
- Contract Procedure Rules and Financial Procedure Rules
- Robust and accurate accounting procedures and records
- Sound internal control systems and the Annual Governance Statement
- Effective Internal Audit
- Effective recruitment and selection procedures
- The Disciplinary Procedure
- The Whistle Blowing Policy
- The Anti Money Laundering policy

- The Information Security Policy
- Training
- Risk Management Framework
- Performance Management Framework

2.2 The Council believes that the maintenance of a culture of honesty and openness is a key element in tackling fraud. The Codes of Conduct for Officers and for Members are based on the Nolan Principles of Standards in Public Life (Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, and Leadership). Failure to uphold these Codes will be considered detrimental to the achievement of corporate goals and will lead to the appropriate action being taken against those concerned.

2.3 Members are required to operate within the:

- Conduct of Members (Model Code of Conduct) (Wales) Order 2008
- Sections 94-96 of the Local Government Act 1972
- Blaenau Gwent County Borough Council's Constitution
- The Local Government Act 2000 (which requires Members to give a written undertaking to comply with the Code of Conduct, and to complete entries in a formal Register where required under the provisions for Registration of Gifts and Hospitality).

2.4 These matters and other guidance are brought to the attention of Members at the induction course for new members. They include rules on the declaration and registration with the Head of Legal and Corporate Compliance of potential areas of conflict between Members' Council duties and responsibilities and any other areas of their personal or professional lives.

2.5 There are provisions within the Overview and Scrutiny Committees and the Standards Committee processes for Members to refer particular concerns regarding propriety for consideration. Equivalent arrangements for staff are set out in the Whistle Blowing Policy and the Code of Conduct for Officers.

2.6 To enable staff in any Department to express their concerns in a confidential manner, the Whistle Blowing Policy provides an additional route other than the Line Manager or Section Head, which is available to all staff throughout the Council, that contact being the Audit and Risk Manager (Tel: 01495 364827), who will, if necessary, arrange for the matter to be investigated.

2.7 Members of the public are also encouraged to report concerns to the Audit and Risk Manager or, if appropriate, through the Council's Complaints Procedure. A specific telephone number is available to report concerns to Internal Audit on 01495 364827. (The Audit and Risk Manager will arrange for the allegation to be investigated and, where appropriate, issue a report to the Chief Officer concerned).

3. PREVENTION

3.1 Employees

3.1.1 The Council recognises that a key preventative measure in the fight against fraud, corruption and bribery is to take effective steps at the recruitment stage

to establish, as far as possible, the previous record of potential employees in terms of propriety and integrity. In this regard, temporary and contract employees should be treated in the same manner as permanent employees. Formal references will be taken up, and where appropriate Disclosure Barring Service checks will be made.

- 3.1.2** Officers are required as part of their contracts of employment to comply with the Officers Code of Conduct. Employees are also reminded that they must comply with Section 117 of the Local Government Act 1972, regarding the disclosure of pecuniary interest in contracts relating to the County Borough Council or the non-acceptance of any fees or rewards whatsoever other than their proper remuneration. A Register of Potential Conflicts of Interest should be maintained by every Council Department for recording these or any other interests that may be interpreted by a reasonable observer as a potential conflict of interest.
- 3.1.3** Employees who are found to have committed any fraudulent activity against the Council, including claiming Housing / Council Tax Benefit or Single Person Discount which they are not entitled to, will be referred to Organisational Development for appropriate action in accordance with approved policies and procedures.

3.2 Internal Control Systems

- 3.2.1** The County Borough Council has Contract Procedure Rules and Financial Procedure Rules in place that require employees dealing with Council's affairs to act in accordance with best practice.
- 3.2.2** The Chief Officer Resources has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure arrangements for the proper administration of the Council's financial affairs. The Council has in place Financial Codes of Practice and Accounting Instructions which underpin Financial Procedure Rules, and outline the system, procedures and responsibilities of employees in relation to the Council's financial activity.
- 3.2.3** The Chief Officer of Resources also maintains a "Head of Profession" role within the Council through the work of the Resources Service which applies a quality control on financial administration.

3.3 Combining with Others to Prevent and Fight Fraud

- 3.3.1** Arrangements are in place to encourage the exchange of information between the Council and other agencies on the national and local fraud and corruption activities in relation to Local Authorities.
- 3.3.2** With the rapid increase in recent years of frauds perpetrated against a variety of Local Authorities and benefit agencies, the necessity to liaise between organisations has become paramount. Some of the organisations the Council liaises with are: -

- Police
- Chief Internal Auditors Groups
- Welsh Benefits Investigations Groups

- National Anti-Fraud Network
- External regulators or specifically AW
- HMRC Investigation Teams
- Department for Work & Pensions

4. DETECTION AND INVESTIGATION

- 4.1** Despite the best efforts of Managers and Auditors, many frauds are discovered through “tip-off” and the Council has in place arrangements to enable such information to be dealt with. These have been explained earlier in this document.
- 4.2** Employees of the Council are required by the Code of Conduct to report all suspected irregularities to their Chief Officer, or if not appropriate, to the Chief Officer Resources who has delegated this responsibility to the Audit and Risk Manager. Reporting suspicious activity is a legal obligation under the Anti-Money Laundering Regulations. Prompt reporting is essential to the Anti-Fraud, Anti-Corruption and Anti-Bribery Policy and ensures:
- Consistent treatment of information regarding fraud, corruption and bribery
 - Proper investigation by an independent and experienced audit team
 - The proper implementation of a fraud response and investigation plan
 - The optimum protection of the Council’s interests
 - Minimisation of potential continuing losses
 - Good management of the Council’s public relations.
- 4.3** Depending on the nature and the anticipated extent of the allegations, the Internal Audit Section will normally work closely with Management and other agencies, such as the Police, to ensure that all allegations and evidence are properly investigated and reported upon, and where appropriate, maximum recoveries are made for the Council. Investigations will be conducted within the parameters of relevant legislation, such as the Regulation of Investigatory Powers Act.
- 4.4** The Council’s Disciplinary Procedure will be used where the outcome of the Internal Audit investigation indicates improper behaviour.
- 4.5** Where suspected financial impropriety is discovered, the Chief Officer Resources and the Head of Legal and Corporate Compliance may refer the matter to the Police. All instances of bribery will be referred to the Police. Suspicions of money laundering will be referred to the Serious Organised Crime Agency by the Council’s Money Laundering Reporting Officer, who is the Chief Officer Resources. The Crown Prosecution Service determines whether a prosecution will be pursued. Referral to the Police will not prohibit action under the Disciplinary Procedure.
- 4.6** The External Auditor, Audit Wales, also has powers independently to investigate fraud, corruption and bribery, and the Head of Legal and Corporate Compliance may also use its services for this purpose.

5. TRAINING

- 5.1** The Council recognises that the continuing success of its Anti-Fraud, Anti-Corruption and Anti-Bribery Policy will depend largely on the responsiveness of employees throughout the organisation.
- 5.2** To facilitate this, the Council supports the concept of induction and post entry training, particularly for employees involved in internal control systems, to ensure that their duties and responsibilities in this respect are regularly highlighted and reinforced. The possibility of disciplinary action against employees who ignore such training and guidance is clear.
- 5.3** The investigation of fraud, corruption and bribery centres on the Internal Audit Section within the Resources Service. It is important therefore, that employees involved in this work should also be properly and regularly trained.

6. EQUALITIES IMPACT

- 6.1** Fraud, corruption and bribery are criminal offences and as such the Council has a statutory duty to protect public revenue. The intended beneficiaries of this policy are employees, taxpayers and the general public as a whole.
- 6.2** Officers will always act with respect to pertinent legislation and without prejudice when executing the Council's procedures and policies.
- 6.3** The personal beliefs, race, gender or debilitation of anyone subject to or involved in an investigation is not an issue when conducting an investigation.
- 6.4** Investigations will be executed with deference to pertinent legislation and with full regard for all human rights as stated in the Police and Criminal Evidence Act 1984, the Criminal Procedure and Investigations Act 1996, the Human Rights Act 2000, and any subsequent relevant legislation.
- 6.5** Where there are any discrepancies between this policy and legislation, then legislation will prevail.

7. REPORTING

- 7.1** All staff must immediately report any suspected or actual instances of fraud, bribery or corruption. This includes offers to pay bribes, solicitation of bribes and demands to make facilitation payments. Failure to report could result in disciplinary action.
- 7.2** Reports should be made to an appropriate manager or to Internal Audit.
- 7.3** The Council also requires all those receiving the Council's funds or representing the Authority, including its suppliers, grant recipients, partners, contractors and agents, to report any suspected or actual instances of fraud, bribery or corruption involving the Council's assets or staff. Reports should be made to the Internal Audit Service via 01495 364827.

- 7.4** The Council will not penalise anyone for raising a concern in good faith, even if it turns out to be unfounded. Any member of staff who harasses or victimises someone for raising a concern in good faith will themselves be subject to disciplinary action.
- 7.5** The Council will maintain a system for recording: all reports of actual or suspected fraud, bribery and corruption; the action taken; and the outcome of any investigation. It will use this information to inform its review of the risks and the effectiveness of its controls.

By virtue of paragraph(s) 12,13 of Part 1 of Schedule 12A of the Local Government Act 1972.

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