

7 RISK REGISTER 2023/24

Paper AUD/138/23

Presented by Dan Buck, Corporate Director

**8 COUNTER FRAUD, BRIBERY AND CORRUPTION,
AND WHISTLEBLOWING POLICIES**

Paper AUD/137/23

Presented by Keith Kellard, Head of Finance

9 URGENT BUSINESS

Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency by reason of special circumstances to warrant consideration.

10 EXEMPT ITEMS

Consider passing a resolution based on the principles of Section 100A(4) of the Local Government Act 1972, excluding the public and press from the meeting for the items of business listed on Part II of the Agenda, on the grounds that they involve the likely disclosure of exempt information as defined in those sections of Part I of Schedule 12A of the Act specified beneath each item. (There are no items currently listed for consideration in Part II.)

13 September 2023

**Shaun Dawson
Chief Executive**

LEE VALLEY REGIONAL PARK AUTHORITY

**AUDIT COMMITTEE MINUTES
22 JUNE 2023**

Members Present: David Gardner (Chairman) Lesley Greensmyth
Suzanne Rutland-Barsby (Vice Chalman) Terry Wheeler
John Bevan
Mike Garnett

Apologies Received From: Shaun Dawson (Chief Executive), Keith Kellard (Head of Finance)

Officers Present: Beryl Foster - Deputy Chief Executive
Dan Buck - Corporate Director
Michael Sterry - Senior Accountant
Victoria Yates - Head of Human Resources
Vince Donaldson - Senior Contracts & Quality Manager
Lindsey Johnson - Committee Services Officer

Also Present: Sam Lowe - Mazars (Internal Auditors)
Andy Waters - Right Directions (H&S Consultants)
Kevin Bartle - S151 Officer (London Borough of Enfield)

Also in Remote Presence: Debbie Hanson - EY (External Auditors)
Oliver Randall - EY (External Auditors)

Part I

250 DECLARATIONS OF INTEREST

There were no declarations of interest.

251 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 23 February 2023 be approved and signed.

252 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

253 EXTERNAL AUDIT UPDATE

The Chairman informed Members that due to the Head of Finance requiring an emergency operation, the external audit for 2020/21 has still not been completed. He has requested that our External Auditors from Ernst & Young give an update on the current situation.

Debbie Hanson and Oliver Randall of Ernst & Young informed Members that:

- there are still a couple of historic asset issues to be resolved, once this is completed we will require an updated set of the draft accounts;

- once we have the updated draft accounts it should only take us a couple of weeks to give an opinion assuming we find no further issues with them;
- we recognise that there is a capacity issue for the Finance Team, which is why we have allowed other finance matters to take priority at certain times over resolving the historic assets issues;
- we have resources in mid-July to complete the 2020/21 audit; and
- adjustments will be material.

The Senior Accountant informed Ernst & Young that he believed the Head of Finance had already completed the work on historic assets prior to falling ill. Ernst & Young agreed that they would send over what they believed to be incomplete.

The Chairman suggested that Members look to having a special Audit Committee meeting at the end of July to sign off the accounts for 2020/21. Ernst & Young requested that they be informed of potential dates to ensure that they are available to attend the meeting.

Debbie Hansen and Oliver Randall left the meeting.

**253 ANNUAL REPORT ON THE WORK OF INTERNAL AUDIT
2022/23 AND AUDIT PLAN 2023/24**

Paper AUD/133/23

The report was introduced by the Corporate Director informing Members that:

- whilst we have adopted internal audits as part of our governance, this is only a requirement for Local Authorities and some areas are therefore not applicable to us;
- our position since GLL took over our major venues has changed, therefore we are considering the possibility of re-procuring for a more bespoke contract. Alternatively we could extend the agreement held by London Borough of Croydon if there is flexibility in the contract;
- the internal audit has given us the level of assurance as moderate;
- two areas received limited assurance; these were Estates & Facilities with issues around statutory compliance of maintenance checks and poor record keeping; and staff training a development with poor policies and procedures in place. Both these areas have suffered from long term sickness; and
- we have directed the audit to areas that we know need looking at in order to learn how to improve.

Sam Lowe from Mazars informed Members that he is aware that both of these limited assurance areas were in the process of being improved, however, it was not demonstrable at the time of the audit. The appendix to the report details the management response to the two areas of limited assurance. He will be returning in due course to see what has been done. He also thanked staff for their help in assisting him with the audit.

The Chairman asked if most organisations that Mazars deal with have moderate assurance. Sam Lowe responded stating that whilst it does depend on what areas have been selected to be audited and on whether an organisation has only selected safer areas to audit, generally moderate was the average assurance.

A Member commented that long term staff sickness should not become such a severe issue and it is bad practice for only one member of staff to have the knowledge to do a job and more

staffing resources should be put in place. The Deputy Chief Executive responded stating that we are a small organisation with little capacity in some areas. With long term sickness we often don't have the budget to pay for a temporary member of staff, but we are looking at ways to ensure that there is not reliance on only one officer. In the case of the Head of Finance and the historic asset issues, unfortunately he is the only person who knows this information due to how far back the information goes.

Members commented that they were pleased that the Authority is prepared to have audits carried out in areas that they know to be weak.

A Member requested that the internal audit reports not have white text in the future as it makes reading them difficult.

The Head of HR informed Members that a new Training & Development policy was approved by Members in April. We are working closing with Right Directions to provide training using consistent formats. During Covid we were unable to provide face to face training, we have now created an e-learning platform.

- (1) the annual report of the Internal Auditors for 2022/23 detailed in Appendix A to Paper AUD/133/23 was noted; and**
- (2) the annual Audit Plan for 2023/24 as detailed in Appendix B to Paper AUD/133/23 was approved.**

254 ANNUAL REPORT ON HEALTH & SAFETY 2022/23 AND
HEALTH & SAFETY AUDIT PLAN 2023/24

Paper AUD/134/23

The report was introduced by the Corporate Director informing Members that:

- We had to go through a procurement process due to our previous consultants RDHS no longer being able to continue their work.
- Right Directions took over in October 2022, they are unable to provide a level of assurance covering aspects of work done by RDHS due to different methodologies.
- Right Directions will be looking to perform a more factual and detailed audit.

Andy Waters from Right Directions informed Members that:

- he was pleased that future audits would include office audits;
- he has been working with the Head of HR to give £3k worth of online training;
- we have online forms and check lists for asset management; and
- we will now provide eight days service instead of five with a dedicated member of staff working at each venue.

The Chairman thanked Right Directions for their comprehensive report and was pleased to see travel in going in the right direction.

- (1) the annual report of Right Directions Ltd for 2022/23 detailed in Appendix A to Paper AUD/134/23 was noted;**

- (2) the aims and objectives for 2023/24, set out in Appendix A to Paper AUD/134/23 in the annual report of Right Directions; and
- (3) the signing of this years' Health & Safety Policy Statement attached as Appendix B to Paper AUD/134/23 was approved.

255 RISK REGISTER 2023/24

Paper AUD/132/23

The report was introduced by the Corporate Director who informed Members that:

- residual risk is on the way down, one remaining is SR2.4 as it relates to utilities;
- SR3.3 and SR3.4 can both be removed as their risk relates to Covid; and
- red text on the Risk Register shows where there have been changes from the previous register. We need to come up with a way to illustrate if the changes have increased or decreased.

The Chairman asked if we would benefit from the reduction in wholesale prices for energy. The Corporate Director responded stating that we already benefit from getting the Local Authority rate for energy, we will find out in October what our new prices will be. We also have the £1.5m LED light investment project, which once completed will see a significant reduction in consumption. The Senior Accountant added that our budget is set on our previous years consumption.

- (1) the Corporate Risk Register included at Appendix A to Paper AUD/132/23 was approved.

256 ANY OTHER BUSINESS

The Deputy Chief Executive informed Members that we have received an allegation of fraud against us. Mazars are currently investigating this and will report at the end of the week, we will then update Members. As officers, we aren't aware of any of the details surrounding this at present.

Chairman

Date

The meeting started at 11.30am and ended at 12.36pm

LEE VALLEY REGIONAL PARK AUTHORITY

**ADDITIONAL AUDIT COMMITTEE MINUTES
29 JUNE 2023**

Members remotely present: David Gardner (Chairman) Mike Garnett
Suzanne Rutland-Barsby (Vice Chairman) Lesley Greensmyth
John Bevan Terry Wheeler

Officers remotely present: Shaun Dawson - Chief Executive
Beryl Foster - Deputy Chief Executive
Michael Sterry - Senior Accountant
Sandra Bertschin - Committee & Members' Services Manager

Also remotely present: Kevin Bartle - S151 Officer (London Borough of Enfield)

Part I

257 DECLARATIONS OF INTEREST

There were no declarations of interest.

258 ANNUAL GOVERNANCE STATEMENT 2022/23

Paper AUD/135/23

The report was introduced by the Chief Executive, including:

- the Annual Governance Statement was part of a suite of documents that form the end of year auditors report; and
- the final accounts for 2020/21 have not yet been completed and the draft Annual Governance Statement for 2022/23 reflected the current situation.

Member comments included:

- historical asset valuations had been identified as an issue delaying completion of the 2020/21 final accounts and prior year adjustments could have an impact;
- the format of the Annual Governance Statement was very process driven and did not reflect the aims, objectives, work and legal standing of the Authority.

In response it was advised:

- as the 2022/23 audit had not yet commenced the recommended approach was to approve the Annual Governance Statement now recognising that there could be some impact in the future;
- the format of the Annual Governance Statement was based on prior years. The Narrative Statement, which was a separate document included within the final accounts, outlines non-financial information to provide a broad picture of the Authority, and could be cross-referenced in the Annual Governance Statement.

- (1) subject to inclusion of cross-reference to the Narrative Statement, the Annual Governance Statement attached at Appendix A to Paper AUD/135/23 be included within the Accounts, was approved.

Chairman

Date

The meeting started at 4.46pm and ended at 5.04pm

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INTERNAL AUDIT UPDATE

Presented by Head of Finance

SUMMARY

The purpose of this report is to update Members on the internal audit programme and related activity including any instances of fraud, corruption or whistleblowing.

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 In February 2018 (Paper AUD/85/18) the Audit Committee approved the award of a six-year contract to Mazars to deliver the Authority's internal audit requirements, procured through the London Borough of Croydon framework agreement.
- 2 2023/24 is the sixth and final year of this contract. There is a possibility of a two-year extension and officers have discussed with Croydon if this will be available. It is expected that by the end of September this will be confirmed. Officers are considering alternative options in case the extension is not available.

2023/24 INTERNAL AUDIT PLAN

- 3 The Audit Plan for 2023/24 was approved by the Audit Committee in June 2023 (Paper AUD/133/23). The table below summarises the scheduled audits.

4	Audit Area	Description (subject to scoping before audit)	Planned Days	Target Start Date
	Data Management	Initial priorities that may be included in the scope include data privacy governance, incident and data breach management, policies and procedures, staff training and awareness	10	Oct 2023
	Marinas – Financial and Booking Systems	Coverage of processes for managing bookings and receiving payments on the systems at the Authority's marinas. This follows from a similar audit at the campsites in 2022/23.	8	Oct 2023
	Leisure Services Contract	This review will consider the Authority's management of selected risks relating to contract management of the LSC. This may	10	Jan 2024

(LSC) Contract Management	include overall contract management and performance monitoring or focus on selected sites or elements of the specification. This follows on from the LSC contract audit in 2022/23.		
Business Continuity Planning	This review will consider the Authority's controls to respond to business incidents. This could consider risk identification and business impact analysis, development of overall/site specific business continuity plans, staff training, testing.	7	Feb 2024
Creditors and Credit Cards	Cyclical review of core financial controls – Creditors and Credit Cards planned for 2023/24.	10	Jan-Mar 2024
Follow Up	Review of the implementation of recommendations from previous audits.	7	Ongoing
Management	Resources for client and external audit liaison.	10	Ongoing
Contingency	Resources that will only be utilised should the need arise.	15	As requested
Total		77	

- 5 Dates for the two audits scheduled for October have been confirmed and more detailed work will take place beforehand to agree appropriate scopes.

IMPLEMENTATION OF RECOMMENDATIONS FROM AUDITS

- 6 Following each internal audit Mazars make recommendations. Officers provide management responses and propose actions that will be taken, identifying responsible officers and target deadlines. As part of the annual programme Mazars follow up on recommendations from previous audits to review implementation. Key areas of progress against recommendations identified in 2022/23 audits are summarised below.

7 Fraud Prevention and Detection Framework

Following recommendations from this audit, the Counter Fraud, Bribery and Corruption Policy, Whistleblowing Policy and Fraud Response Plan have been reviewed and updated. The revisions to these policies are to be considered by the Audit Committee at this meeting with a recommendation for approval by the Authority in October.

A section has been included in this update to provide a summary of any instances of fraud, corruption or whistleblowing that are reported throughout the year, in line with Audit Committee's terms of reference.

8 Estates and Facilities

Additional resource has been brought into the Asset Protection, Maintenance and Development team which will help to deliver the recommendations identified in this audit.

9 Training and Development

Following recommendations from this audit the Training and Development Policy was updated and approved by Authority in April 2023 (Paper A/4335/23).

FRAUD RESPONSE UPDATE

- 10 As mentioned earlier in the report, Audit Committee will be updated regularly on any instances of fraud, corruption or whistleblowing.
- 11 Members of the Audit Committee were informed at the meeting on 22 June 2023 that the Authority had received an allegation of fraud and Mazars were appointed to undertake an investigation. They have concluded that there was insufficient evidence to judge if fraudulent activity had taken place. Recommendations to improve controls were highlighted that are being implemented.

ENVIRONMENTAL IMPLICATIONS

- 12 There are no environmental implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 13 There are no equality implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 14 There are no financial implications arising directly from the recommendations in this report.

HUMAN RESOURCE IMPLICATIONS

- 15 There are no human resource implications arising directly from the recommendations in this report.

LEGAL IMPLICATIONS

- 16 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

- 17 There are no risk management implications arising directly from the recommendations in this report.

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PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/133/23	Annual Report on the Work of Internal Audit 2022/23 and Audit Plan 2023/24	22 June 2023
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RISK REGISTER 2023/24

Presented by the Corporate Director

SUMMARY

At each Audit Committee Members review the Risk Register for progress against existing actions and to ensure that the Risk Register remains relevant to deal with the corporate risks facing the organisation.

At the Audit Committee in June 2022 (Paper AUD/126/22) Members approved the updated risk management strategy and corporate risk register following the Risk Management Workshop held on 22 March 2022. This workshop analysed and reviewed the risk management strategy and corporate risk register in detail to ensure that this committee could proactively input into, manage and monitor the register going forward, with up to date risks identified that are relevant to the Authority's business over the coming years. This included some minor changes which were made to ensure that the Authority Chairman and Executive Committee are part of the approval process.

The risk management strategy and corporate risk register assists Members in their consideration and approval of the Annual Governance Statement as a key part of the financial statements. A robust risk management framework and register is one key element of the Annual Governance Statement and a source of assurance for Members in approving this statement year on year as part of the published accounts.

RECOMMENDATION

Members Approve (1) the Corporate Risk Register included at Appendix A to this report.

BACKGROUND

1 Risk management is one of the key internal controls for an organisation. Members need to ensure that a sound system of internal control is maintained and an annual review of the effectiveness of the system of internal control is conducted to provide sufficient, relevant and reliable assurance to enable them to authorise the signing of the Authority's Annual Governance Statement (which is published with the financial statements).

2 Regulation 3 of the Accounts and Audit Regulations 2015 requires that:

"A relevant authority must ensure that it has a sound system of internal control which:

- facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- ensures that the financial and operational management of the authority is effective; and
- includes effective arrangements for the management of risk.”

In this context “relevant authority” is referring to Lee Valley Regional Park Authority.

- 3 Each financial year the relevant authority must:
 - conduct a review of the effectiveness of the system of internal control required by regulation 3; and
 - prepare an Annual Governance Statement - this statement must be published together with the statement of accounts and the narrative statement in accordance with regulation 10.
- 4 Assurance of the Authority's internal control system is derived through the work of the internal audit function (undertaken by Mazars for the Authority); and also through the monitoring of processes put in place by management and other external bodies, including those around risk management and health & safety. This provides evidence which allows the Authority to form conclusions on the adequacy and effectiveness of the systems of internal control and also on the efficiency of operations.
- 5 Risk management is not solely a focus on the finances of the Authority. The scope of internal control spans the whole range of the Authority's activities and includes those controls designed to ensure:
 - the Authority's policies are put into practice;
 - the organisation's values are met;
 - laws and regulations are complied with;
 - required processes are adhered to;
 - financial statements and other published information is accurate and reliable; and
 - human, financial and other resources are managed efficiently and effectively.
- 6 The Authority approved a Risk Management Framework in April 2005 (Paper A/3798/05). The Risk Management Framework and more specifically, the Risk Register was developed by Members and senior officers under the guidance of the internal auditors through a number of workshops and meetings. Members have regularly reviewed the register at each Audit Committee, adding in their own comments and improvements.
- 7 Since this time Members have consistently (and in depth) reviewed the Corporate Risk Register and revised the strategy, format, and content. The strategy has been revised and updated twice since 2005 at the Audit Committee (May 2010, Paper AUD/06/10 and June 2012 Paper AUD/30/12). The strategy was reviewed by officers and Members as part of a Risk Management Workshop and was formally approved by the Audit Committee in June 2018 (Paper AUD/90/18). Subsequent to this workshop, a further workshop was held in March 2022 and an invitation to attend was extended to all Members and the strategy, format and content was reviewed again and was formally approved by the Audit Committee in June 2022 (Paper AUD/126/22).

REVIEW OF THE STRATEGIC RISK REGISTER

- 8 The current Strategic Risk Register is reviewed by officers and Members on an on-going basis and signed off at each Audit Committee.
- 9 Members last considered the risk register at the Audit Committee in June 2023 (Paper AUD/132/23).
- 10 Since the June Committee, officers have incorporated approved Member revisions, reviewed the register, considered and added potential new risks and updated the scoring.

The table below sets out the movement in managing the residual risks and sets out a summary of the total notional score.

11

Risk	Residual Risks 24 Feb 2022	Residual Risks 24 June 2022	Residual Risks 22 Sept 2022	Residual Risks 23 Feb 2023	Residual Risks 22 June 2023	Residual Risks 21 Sept 2023
	0	0	1	1	1	1
	15	18	21	17	16	15
	8	8	10	12	13	12
Total Risks	23	26	32	30	30	28
Notional Score	512	591	759	665	638	596

- 12 The key point to note since the last review of the Authority Strategic Risk Register is the overall decrease in the corporate risk register residual notional score. This is due to the removal of two risks from the register coupled with improvement in the residual risks for some, such as utility costs and income levels for the Leisure Services Contract (LSC). A breakdown of the changes to scores is outlined in the following paragraph.
- 13 The specific changes to scores are outlined in the following table with the changes to score from the previous paper and the reason for change outlined:

Risk I.D.	Inherent Score	New Inherent Score	Change in Score +/-	Residual Score	New Residual Score	Change in Score +/-	Reason for change
SR2.4		N/A	N/A	64	72	+8	Concerns due to BG administration potential situation
SR4.1	63	N/A	N/A	40	32	-8	Utility costs stabilising and budget has built in contingency
SR4.3	54	N/A	N/A	40	16	-24	Income levels in year 1 sufficient not to need renegotiation for year 2

SR9.1	72	N/A	N/A	18	24	+6	Concerns due to BG potential administration situation
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- 14 Buckingham Constructing Group gave notice of intention to appoint administrators on 17 August 2023 and had this extended by a further 10 days on 31 August 2023. This is not causing any operational issues as the building is complete. There is, however, a snagging list, which Buckingham had previously been working through, but has not fully completed. The Authority must wait until this process is completed and what is planned for the business before it can fully consider its next step. In the meantime, officers are working with the project and legal team to obtain the best information possible and to consider the Authority's options. The Authority holds retention money and has all sub-contractor warranties in place and the project is therefore in a good overall position despite the potential administration issue.
- 15 Regarding the LSC and the Authority's tariff risk for utilities, the 2023/24 budget is sufficient for current levels of consumption at known prices to September 2023 and then at the prices forecast by Laser from October, with a contingency for additional price increases. Consumption has been reduced through more efficient management practices and the initial LED investment at Lee Valley VeloPark. Further consumption reductions from LEDs at Lee Valley Hockey & Tennis Centre, Lee Valley Athletics Centre, Lee Valley White Water Centre and Lee Valley Riding Centre will further mitigate this risk. Updated forecasts from Laser suggest the tariff from October will be lower than anticipated.
- 16 Decisions taken to mitigate these risks will be approved by full Authority and monitoring of these risks is taking place at Executive Committee, along with the Senior Management Team and Heads of Service levels.
- 17 The Risk Management audit carried out by Mazars has some recommendations which will be completed over the coming months, with input from the Authority's Senior Management Team. The result of the audit will form part of the annual review produced by Mazars.
- 18 A verbal update will be presented at the meeting to advise Members regarding the changes to the register which are in red font to indicate changes since the last Audit Committee risk register paper.

ENVIRONMENTAL IMPLICATIONS

- 19 There are no environmental implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 20 There are no equality implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 21 Revision of the Strategic Risk Register is a key element of this Authority's system of internal control that contributes to safeguarding the assets of the Authority and its reputation for sound financial management of public funds. This is reflected in

the Authority's Annual Governance Statement published within the annual accounts and approved by this Committee.

- 22 Where actions require additional resources these will be identified and approved through the normal budget setting/service planning and management processes in accordance with Financial Regulations.
- 23 Utility costs are a significant risk that will have a material impact on the Authority's revenue outturn position but forecasts from Laser indicate the tariff from October will be lower than anticipated.

HUMAN RESOURCE IMPLICATIONS

- 24 The additional human resource implications arising directly from this report have been outlined within the risk register actions and can be met from existing employee resources.

LEGAL IMPLICATIONS

- 25 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

- 26 These are dealt with through the main body of the report and through the revised register. The Lee Valley Ice Centre redevelopment; the Picketts Lock development; the Leisure Services Contract; and the Land & Property Strategy are recognised as the highest corporate risks still facing the organisation at present. Continuing mitigation against these identified risks is demonstrated by the proposed actions in the Strategic Risk Register as set out in Appendix A to this report and primarily through implementing and delivering a Corporate Work Programme for 2023/24 followed by a revised approved Business Plan and Business Plan Objective list. In addition, the Authority will review the current version of the National Risk Register (2020) to consider any relevant implications that could impact on the business of the Authority as a whole.

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BACKGROUND REPORTS

Lee Valley Regional Park Authority Risk Management Strategy June 2018

PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/132/23	Risk Register 2023/24	23 June 2023
Audit Committee	AUD/131/23	Risk Register 2022/23	23 February 2023
Audit Committee	AUD/129/22	Risk Register 2022/23	22 September 2022
Audit Committee	AUD/126/22	Risk Register 2021/22	23 June 2022
Risk Management Workshop			24 March 2022
Audit Committee	AUD/124/22	Risk Register 2021/22	24 February 2022
Audit Committee	AUD/123/21	Risk Register 2021/22	23 September 2021
Audit Committee	AUD/118/21	Risk Register 2020/21	24 June 2021
Audit Committee	AUD/116/21	Risk Register 2020/21	25 February 2021

Audit Committee	AUD/113/20	Risk Register 2020/21	22 October 2020
Audit Committee	AUD/111/20	Risk Register 2020/21	25 June 2020
Executive Committee	E/674/20	Emergency Budget 2020/21	21 May 2020
Audit Committee	AUD/106/20	Risk Register 2019/20	27 February 2020
Audit Committee	AUD/104/19	Risk Register 2019/20	19 September 2019
Audit Committee	AUD/101/19	Risk Register 2019/20	20 June 2019
Audit Committee	AUD/97/19	Risk Register 2018/19	14 February 2019
Audit Risk Workshop			07 June 2018

APPENDICES ATTACHED

Appendix A	2023/24 Corporate Risk Register – Authority
Appendix B	Risk Scoring Criteria (extract from the approved risk management strategy (June 2022))

STRATEGIC RISK REGISTER AS AT 21 SEPTEMBER 2023

Risk ID	Risk Description	Impact	Probability	Score	Current Status	Responsible Party	Review Date	Key Actions	Notes
SR1.1	Failure to comply with the 3500 Peak... ...regulatory requirements.	High	Medium	6	1	0	30/09/2023	Compliance Process and monitoring of statutory changes. Review of data processing and reporting. Review of data processing and reporting. Review of data processing and reporting.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR1.2	Failure to comply with health & safety legislation	High	Medium	7	1	14	30/09/2023	Annual Health & Safety Plan Review. Annual Health & Safety Plan Review. Annual Health & Safety Plan Review.	SR1.2 is a strategic risk. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.1	Agency to accept a reduced financial... ...inability on the part of the Authority.	High	Medium	5	3	16	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.2	Contractors, Governing Bodies, or... ...Party Operator not delivering agreed objectives/contract.	High	Medium	6	2	12	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.3	Management of Facilities Contracts &... ...to a good (100% and operational Standard)	High	Medium	7	1	7	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.4	Contractor liability affected by... ...external (financial) conditions prevailing at the time.	High	Medium	8	0	72	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.5	Local Bank contribution tendering for... ...contract.	High	Medium	9	5	20	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.
SR2.6	Major equipment or other failure at... ...or more vessels resulting in... ...performance contract of...	High	Medium	7	3	21	30/09/2023	Quarterly Contract Monitoring. Quarterly Contract Monitoring. Quarterly Contract Monitoring.	On-going. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business. The monitoring officer continues to monitor compliance with the Peak Act in all areas of the Authority's business.

Item	Description	Impact	Priority	Frequency	Score	Category	Owner	Start Date	End Date	Current Status	Next Review	Notes
100.7	Failure of LIC contractor operations or failure of LIC contractors to deliver as required by contract	High	High	Low	72	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	Contractors are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.8	Management of Facilities Contracts LIC failure to perform results in a good NPS and operational success	High	High	Low	36	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	Facilities contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.9	LIC contractors does not meet NPS targets	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	Contractors are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.10	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.11	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.12	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.13	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.14	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.15	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.16	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.17	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.18	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.19	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.
100.20	Management of IT Infrastructure Failure to deliver IT infrastructure as required by contract	High	High	Low	26	Operational	ICT	1/10/2023	31/03/2024	On Track	1/10/2023	IT infrastructure contracts are being managed closely. Regular meetings with contractors to ensure compliance with contract requirements.

STRATEGIC RISK REGISTER AS AT 21 SEPTEMBER 2023

REF	DESCRIPTION OF RISK	IMPACT	LIKELIHOOD	SEVERITY	STATUS	MITIGATION	START DATE	END DATE	REPORTING	STATUS	COMMENTS	
181	Progression of regulatory requirements in a 180 days, with including but not limited to: changes to reporting forms (including to Strategic Risk Register)	Medium	Low	Medium	Medium	On Track	7	24	7	24	On Track	<p>181 - 181 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
182	Major Strategic Initiatives	High	Medium	High	High	At Risk	8	4	24	24	At Risk	<p>182 - 182 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
183	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>183 - 183 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
184	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>184 - 184 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
185	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>185 - 185 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
186	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>186 - 186 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
187	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>187 - 187 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
188	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>188 - 188 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
189	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>189 - 189 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>
190	Progression of Regulatory Requirements	Medium	Low	Medium	Medium	On Track	8	5	24	24	On Track	<p>190 - 190 is being with in the with the Local Communications Strategy as required. A review will be undertaken by the Head of Legal to ensure the particular to ensure if further reviews is required to align with any new legislation.</p>

Risk Appetite

Risks are currently assessed using a 1-9 scale for both impact and likelihood. The Authority's risk appetite is then defined using the scoring matrix below.

Impact	9	9	18	27	36	45	54	63	72	81
	8	8	16	24	32	40	48	56	64	72
	7	7	14	21	28	35	42	49	56	63
	6	6	12	18	24	30	36	42	48	54
	5	5	10	15	20	25	30	35	40	45
	4	4	8	12	16	20	24	28	32	36
	3	3	6	9	12	15	18	21	24	27
	2	2	4	6	8	10	12	14	16	18
	1	1	2	3	4	5	6	7	8	9
		1	2	3	4	5	6	7	8	9

Likelihood

Those risks with a residual score in the green zone are generally considered to be managed to an acceptable level and hence limited or no further actions would be expected.

For those risks with a residual score in the amber zone, the exposure is considered to be partially acceptable. Further actions would be needed to lower this into the green zone, although a decision has to be made as to whether this is cost effective, given that resources are constrained.

Those risks with a residual score in the red zone are considered to have an exposure that is at an unacceptable level and hence further actions are needed to lower this.

On some occasions a decision may be made to accept a higher level of residual risk, although this will be subject to ongoing review and consideration at both Senior Management Team and Member level.

Scoring Criteria

Each risk is scored on the basis of the following criteria for impact and likelihood, both for inherent and residual risk. Whilst the assessment remains subjective, these criteria serve as a guide and are used to help ensure consistency in scoring across each of the risks identified.

	Impact	Likelihood
1	No impact	<1% likely to occur in next 12 months
2	Financial loss up to £1,000 or no impact outside single objective or no adverse publicity	1%-5% likely to occur in next 12 months
3	Financial loss between £1,000 and £10,000 or no impact outside single objective or no adverse publicity	5%-10% likely to occur in next 12 months
4	Financial loss between £10,000 and £25,000 or minor regulatory consequence or some impact on other objectives	10%-20% likely to occur in next 12 months
5	Financial loss between £25,000 and £50,000 or impact on other objectives or local adverse publicity or strong regulatory criticism	20%-30% likely to occur in next 12 months
6	Financial loss between £50,000 to £250,000 or impact on many other processes or local adverse publicity or regulatory sanctions (such as intervention, public interest reports)	30%-40% likely to occur in next 12 months
7	Financial loss between £250,000 to 500,000 or impact on strategic level objectives or national adverse publicity or strong regulatory sanctions	40%-60% likely to occur in next 12 months
8	Financial loss between £500,000 to £1 million or impact at strategic level or national adverse publicity or Central Government take over administration	60%-80% likely to occur in next 12 months
9	Financial loss above £1 million or major impact at strategic level or closure/transfer of business	>80% likely to occur in next 12 months

COUNTER FRAUD, BRIBERY AND CORRUPTION, AND WHISTLEBLOWING POLICIES

Presented by Head of Finance

EXECUTIVE SUMMARY

The purpose of this report is to seek Member approval of the updated Counter Fraud, Bribery and Corruption policy and Whistleblowing policy. It also updates the Fraud Response Plan that deals with the Authority's approach to dealing with fraud if identified.

RECOMMENDATIONS

- Members Recommend to the Authority:
- (1) the revised Counter Fraud, Bribery and Corruption Policy as set out in Appendix A to this report;
 - (2) the revised Whistleblowing Policy as set out in Appendix B to this report; and
 - (3) the Fraud Response Plan as set out in Appendix C to this report.

BACKGROUND

- 1 The most recent versions of these policies were approved at the Authority meeting on 21 January 2021 (Paper A/4291/21).
- 2 As part of the Authority's ongoing internal audit programme, Mazars (our internal auditors) carried out a review of the Authority's Fraud Prevention and Detection framework. The auditors were able to report a moderate level of assurance, commenting that structures are in place to guide the Authority's fraud prevention and detection programme, but they identified several opportunities for improvement within the control framework to mitigate risk.
- 3 These included recommendations to update policies. The appendices to this report include the revised policies with tracked changes to show where updates have been made. The following paragraphs summarise these recommendations and changes.

COUNTER FRAUD, BRIBERY AND CORRUPTION POLICY

- 4 Following benchmarking with similar policies from other public authorities and review of up to date guidance, the title of the policy has been updated. This benchmarking,

along with the assurance provided from Mazars, concluded that no major changes are required to these policy documents.

- 5 In line with the recommendations from Mazars, fraud 'champions' have been identified who will, as part of their job role and responsibilities, bring awareness to fraud prevention and detection.
- 6 The role of Cyber Security in preventing and detecting fraud, and the responsibilities of the Head of IT, have been written into the policy. The other named roles and responsibilities have been reviewed, and contact details for Mazars have been updated.

WHISTLEBLOWING POLICY

- 7 Named roles and responsibilities have been reviewed, and contact details for Mazars and Ernst & Young have been updated. References to the Counter Fraud, Bribery and Corruption Policy have been updated throughout.

FRAUD RESPONSE PLAN

- 8 The plan has been updated to reflect that fraud investigation reports should come to the Audit Committee in line with its terms of reference.
- 9 Following learning from investigations, the Section 151 Officer and Head of Finance will also consider whether the investigation can be carried out internally or if it requires external support depending on the nature of the case reported.
- 10 References to the Counter Fraud, Bribery and Corruption Policy have been updated throughout.

ENVIRONMENTAL IMPLICATIONS

- 11 There are no environmental implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 12 There are no equality implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 13 There are no financial implications arising directly from the recommendations in this report.

HUMAN RESOURCE IMPLICATIONS

- 14 As part of the corporate training plan, there will be associated online training for all staff to ensure the profile of these issues remain high and to embed an understanding and culture across the organisation.

LEGAL IMPLICATIONS

- 15 This report and policies attached are written with full regard to the Public Interest Disclosure Act 1998, which was introduced to protect employees who expose serious wrong doing in the workplace.

RISK MANAGEMENT IMPLICATIONS

- 16 Risk of fraud and corruption occurring will always exist where an organisation has significant financial, human, land and other valuable resources.

To mitigate against these risks the Authority has regulations in place with procedures and practices laid down in relation to the conduct of Authority business. The Authority also employs internal auditors to test and check that these practices and procedures are implemented and working effectively; and they report to the Audit Committee the outcome of their findings and recommendations for areas of improvement.

The external auditors (Ernst & Young) also provide external verification through year end audit processes that the Authority is conducting its business appropriately and make recommendations for areas of improvement.

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PREVIOUS COMMITTEE REPORTS

Audit Committee Authority	AUD/133/23	Annual Report on the Work of Internal Audit 2022/23 and Audit Plan 2023/24	22 June 2023
	A/4291/21	Anti-Fraud, Bribery and Corruption and Whistleblowing Policies	21 January 2021

APPENDIX ATTACHED

Appendix A	Counter Fraud, Bribery and Corruption Policy
Appendix B	Whistleblowing Policy
Appendix C	Fraud Response Plan

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LEE VALLEY REGIONAL PARK AUTHORITY

**COUNTERANTI-FRAUD, BRIBERY AND CORRUPTION
POLICY
JANUARY 2021OCTOBER 2023**

This document explains Lee Valley Regional Park Authority's CounterAnti-Fraud, Bribery and Corruption Policy and the steps that must be taken where fraud, bribery or corruption are suspected or discovered.

All employees should be aware of this and managers must bring its contents to the attention of their employees. Any person who becomes aware of any instances of fraud, corruption or other illegal act and does not follow this Policy could be subject to disciplinary action.

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Introduction

1. One of the basic obligations of public sector organisations is to ensure the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk (and means of enforcing the rules) of fraud, corruption and bribery.
2. The Authority already has procedures in place that help to reduce the likelihood of fraud, corruption and bribery occurring. These include Standing Orders, Financial Regulations, codes of conduct, documented procedures and a system of internal control and risk management. In addition, Members and senior management seek to ensure that a risk and fraud awareness culture exists across the Authority.
3. Members and senior management should be aware of the Code of Practice on Managing the Risk of Fraud and Corruption (the CIPFA Code). The five key principles of the Code are to:

- **Acknowledge Responsibility**

Acknowledge the responsibility of the governing body for countering fraud and corruption.

Within the Authority, there are several individuals with responsibility for governance who are champions for counter fraud, bribery and corruption. These include the Audit Committee, the Senior Management Team, the Head of Finance, Section 151 Officer, Head of IT, Head of HR and Internal Audit. However, all employees are responsible for identifying and reporting fraud and corruption which they may suspect.

In addition to concerns raised under the Anti-Fraud, Bribery Counter Fraud, Bribery and Corruption Policy, concerns may also be raised under the Authority's Whistle Blowing Policy. Where there is any possibility that fraud, corruption or bribery might be involved, the Section 151 Officer and Head of Finance should be consulted to determine whether the matter is taken forward under the Fraud Response Plan or under the investigation procedure within the Whistle Blowing Policy

- **Identify Risks**

Identify the fraud and corruption risks.

Different risks will have different effects on different organisations. Therefore it is essential to understand specific exposures to risk, changing patterns in fraud threats and the potential consequences to the Authority.

- **Develop Strategy**

Develop an appropriate counter fraud and corruption strategy.

Counter fraud and corruption strategies should be both proactive and responsive. These approaches should be based around the risks associated to the Authority.

- **Provide Resources**

Provide resources to implement the strategy.

Arrangements should be made for appropriate resources to be allocated to support the counter fraud strategy; be it employees, employees training or even access to information.

- **Take Action**

Take action in response to fraud and corruption.

This consists of putting in place a policy framework including policies such as Whistleblowing, [Counter-fraud](#), [Anti-Bribery and Corruption](#) and IT Usage & Security policies.

4. This document applies to all employees, elected Members, contractors who work with the Authority and members of the public who come into contact with the Authority. It sets out the Authority's policy for preventing, but also dealing with detected or suspected fraud, corruption or bribery.
5. This Policy should be read in conjunction with the Authority's Whistle Blowing Policy and Fraud Response Plan. In addition, all employees and Members should familiarise themselves and comply with the Authority's Financial Regulations, with particular attention to the following sections:
 - Officers Code of Official Conduct;
 - Interests of Employees in Contracts; and
 - Hospitality and Gifts.
6. Appendix 1 of this Policy sets out potential warning signs for managers and employees to be aware of in relation to possible instances of fraud, corruption or bribery.
7. Appendix 2 of this Policy sets out the 'do's' and 'don'ts' for employees to be aware of with regard to acting upon any concerns or suspicions.
8. Training and guidance will be provided to employees and Members in these areas, although it is an **Individual's responsibility** to seek clarification on any of the content where necessary.
9. In addition to the details set out in this Policy, the Authority continues to put in place steps for countering fraud, corruption and bribery as recommended through internal/external audit reports and as legislation dictates.

Key Legislation - Fraud

10. The Fraud Act 2006 came into effect on 15 January 2007.

11. The Act gives a statutory definition of the criminal offence of fraud, as classified under three main headings:

- Fraud by false representation;
- Fraud by failing to disclose information; and
- Fraud by abuse of position.

Fraud by false representation

A person is in breach of this section if he/she:

- Dishonestly makes a false representation; and
- Intends, by making the representation to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss.

A representation is false if:

- It is untrue or misleading; and
- The person making it knows that it is, or might be, untrue or misleading.

Fraud by (wrongfully) failing to disclose information

A person is in breach of this section if he/she:

- Dishonestly fails to disclose to another person information which they are under a legal duty to disclose; and
- Intends, by failing to disclose the information to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss.

Fraud by abuse of position

A person is in breach of this section if he/she:

- Occupies a position in which he/she is expected to safeguard, or not to act against, the financial interests of another person;
- Dishonestly abuses that position; and
- Intends, by means of the abuse of that position to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss.

A person may be regarded as having abused their position even though their conduct consisted of an omission rather than an act.

12. The Act also describes two other offences in section 6 and section 7:

- To commit possession of articles for use in fraud (Section 6), a person must have had possession or control of an article for use in the course of or in connection with any fraud.

- To commit making or supplying articles for use in frauds (Section 7), a person would make/adapt/supply/offer to supply any article for use in the course of or in connection with fraud knowing that it is designed or adapted for use in the course of or in connection with fraud or intending it to be used to commit or assist in the commission of fraud.

13. The Act states that the terms “Gain” and “Loss” should be read in accordance with the following:

- As extending only to a gain or loss in money or other property; and
- As including any such gain or loss whether temporary or permanent.

“**Property**” means any property whether real or personal (including things in action and other intangible property).

“**Gain**” includes a gain by keeping what one has, as well as a gain by getting what one does not have.

“**Loss**” includes a loss by not getting what one might get, as well as a loss by parting with what one has.

14. Those found guilty under the Act are liable for a fine or imprisonment, with a maximum sentence of 10 years.

Key Legislation - Bribery

15. The Bribery Act 2010 came into effect on 1 July 2011 and its provisions apply to all Authority business.

16. The Act strengthens previous UK anti-bribery legislation and created a new offence which can be committed by organisations which fail to prevent persons associated with them from committing bribery on their behalf.

17. In addition to the corporate offence, there are three offences which individuals could be found guilty of:

	Section	Offence	Detail	Sanction
Individuals	Section 1	Bribing another person	Offering, promising or giving a bribe in the UK or abroad, in the public or private sector.	Individuals could face a 10 year prison sentence and unlimited fines.
	Section 2	Receiving a bribe	Requesting, agreeing to receive or accepting	

	Section	Offence	Detail	Sanction
			of a bribe in the UK or abroad, in the public or private sector.	
	Section 6	Bribery of foreign public officials	Bribery of a foreign public official in order to obtain or retain business.	
Organisations	Section 7	Failure to prevent bribery	Failure by an organisation to prevent a bribe being paid by those who perform services for, or on behalf of the organisation ("associated persons").	Organisations could face unlimited fines and reputational damage could be significant.

18. Bribery can take the form of 'a financial or other advantage' - it does not have to be cash. Offering and requesting still constitutes an offence - it does not have to be paid. It does not have to go directly to the person being influenced - it can be a donation to a chosen organisation. It does not have to be substantial - there is no materiality threshold in the Act.

The Authority's Policy

19. The Authority is committed to sound corporate governance and to the elimination of fraud, corruption, bribery or any other illegal acts. The Authority therefore expects the highest standards of conduct and integrity from its employees, Members, contractors, and from members of the public who have dealings with it. The Authority has therefore adopted the CIPFA Code, the five key elements of which are to:

- acknowledge the responsibility of the governing body for countering fraud and corruption;
- identify the fraud and corruption risks;
- develop an appropriate counter fraud and corruption strategy;
- provide resources to implement the strategy; and
- take action in response to fraud and corruption.

20. Where any instance of fraud, corruption, bribery or other illegal act is detected or suspected, the Authority is committed to its rigorous investigation. Where appropriate, criminal prosecution and civil court action may be taken to recover money, costs and interest. Employees may also be subject to disciplinary action.

21. Anyone having reasonable suspicions of fraud, corruption or bribery is encouraged to report them. Therefore it is also the Authority's policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions. All employees will be afforded the protections set out in the Public Interest Disclosure Act 1998. This is further covered within the Authority's Whistle Blowing Policy.

Culture

22. The Authority expects Members and employees at all levels to behave with integrity and propriety and to act within the law, regulations, procedures and practices laid down in relation to the conduct of Authority business. The Authority believes that this is best achieved through the promotion of an atmosphere of honesty and openness.

23. The Authority expects Members and employees to raise any concerns they have about fraud, corruption, bribery or other malpractice immediately they occur. As above, it will treat all concerns raised seriously and in full confidence.

Prevention

24. The adoption of adequate measures for the prevention of fraud, corruption, bribery and other malpractice is the responsibility of Members, Senior Management Team, and all other managers.

25. All Members and employees need to be aware of and have ready access to all the Authority's agreed policies and procedures. These shall include Standing Orders, Financial Regulations, codes of conduct and any other relevant practice or procedure documents. The Chief Executive, Deputy Chief Executive, Corporate Directors and other managers are responsible for ensuring that all employees under their direction are made aware of these documents. They are an important part of the internal control framework.

26. In particular, all employees should observe the Authority's code of conduct for employees and any relevant professional codes of conduct or ethics. A copy of the employees' code of conduct is contained in the Employees Handbook and within Financial Regulations, or can be obtained directly from Human Resources.

27. Section 117 of the Local Government Act 1972, requires that all employees must disclose any interest in contracts that have been, or are intended to be, entered into by the Authority. This section also prohibits the acceptance of fees, gifts or rewards, other than proper remuneration from the Authority, or otherwise where this has been specifically authorised by the Chief Executive, Deputy Chief Executive or a Corporate Director and where it has been recorded in the Hospitality Register maintained by the Chief Executive. All of these requirements will be vigorously enforced by the Authority.

28. References will be taken up for all permanent or temporary employees to verify their suitability, integrity and honesty.
29. Members shall observe their Local Code of Conduct and act in line with their responsibilities under [the Localism Act 2011](#). ~~sections 94 to 96 of the Local Government Act 1972.~~
30. The Authority shall maintain systems and procedures that incorporate adequate internal controls, including separation of duties, to prevent, as far as possible, the occurrence of error, fraud, corruption, bribery or other malpractice. The Chief Executive, Deputy Chief Executive, a Corporate Director, Head of Finance and other managers are responsible for ensuring that appropriate internal controls are designed, implemented, operated and maintained. In addition to managements' own monitoring, review and self-assurances, the Authority's Internal Auditors will provide an independent assurance on the adequacy and effectiveness of these controls.
31. In particular, the Section 151 Officer has a statutory responsibility under section 151 of the Local Government Act 1972, to ensure the proper administration of the Authority's financial affairs. The Head of Finance under the guidance of the Section 151 officer shall issue, from time to time, guidance on the operation of key financial systems which underpin the Authority's Financial Regulations.
32. In addition, the Deputy Chief Executive carries out the role of Monitoring Officer and is responsible for reporting any actual or potential breaches of the law or maladministration to the full Authority, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
33. The Statutory Officer roles are described in the Authority's Financial Regulations FR23 to FR35.
- 34.** The Authority maintains a Strategic Risk Register and operational risk registers on a thematic basis. All managers are responsible for undertaking a detailed analysis of the risk associated with the service area under their control, which will include the risk of fraud, corruption and bribery as well as other types of risk. This will be carried out with the assistance of the Authority's Internal Auditors as required, to help ensure that fraud, corruption, bribery and other malpractice are minimised.
- 34-35.** The Head of IT is responsible for ensuring cyber security controls are effective and regularly reviewed to reduce the risk of online fraud.
- 35-36.** The Head of Finance is responsible for coordinating the review of this Policy, together with the Authority's Whistle Blowing Policy and the Fraud Response Plan, on a periodic basis, to ensure their continued relevance and effectiveness.

Detection and Reporting

36.37. All employees and Members are encouraged and expected to raise any concerns or suspicions they may have. These should be raised without fear of recrimination and should be reported to one of the following individuals:

Shaun Dawson - Chief Executive

Direct Line 01992 709848

Mobile 07715 449360

Email sdawson@leevalleypark.org.uk

Head of Paid Service, responsible for the overall management and direction of the Authority.

Kelth Kellard – Head of Finance

Direct Line 01992 709864

~~Mobile 07876 134596~~

Email kkellard@leevalleypark.org.uk

The Chief Financial Officer responsibilities rest with the Section 151 Officer (shared service with the London Borough of Enfield) but is carried out in consultation with the Authority's Head of Finance.

Beryl Foster - Deputy Chief Executive

Direct Line 01992 709836

Mobile 07920 563971

Email bfoster@leevalleypark.org.uk

Monitoring Officer, responsible for reporting any actual or potential breaches of the law or maladministration.

Sue Smith, Internal Audit (Mazars)

~~Mobile 07887 954584~~

~~Email~~

Graeme Clarke, Internal Audit (Mazars)

Mazars Office 0207 063 4000

Email graeme.clarke@mazars.co.uk

The Authority's internal auditors are responsible for the independent review of systems of internal control and the reporting to management of weaknesses and any breakdown of those systems.

Ultimately, any individual who has received information about any suspected act of fraud, corruption or bribery is obliged by Financial Regulations to report it to either the Chief Executive, Deputy Chief Executive, Section 151 Officer and Head of Finance immediately.

37.38. When employees are considering reporting a suspected fraud, the following factors need to be taken into account:

- **Timeliness** - it is essential that all employees act at the time of their concerns, as time is likely to be of the utmost importance to prevent further loss to the Authority; and
- **Evidence** - employees should, if possible and without seeking to conduct their own investigation, keep or copy any document that arouses their concerns or suspicions. Employees should also, where possible, note all relevant details, such as what was said in telephone or other conversations, the date, time and the names of any parties involved.

38-39. However employees must not:

- **Confront any individual that they suspect**, as this may compromise any formal investigation;
- **Attempt to conduct their own investigation.** There are special rules surrounding the gathering of evidence for use in criminal cases. Any attempt to gather evidence by people who are unfamiliar with these rules may compromise the case; and
- **Contact the Police directly.** The decision to contact the Police may only be made by the Chief Executive or Deputy Chief Executive after consideration of the facts. Employees should always contact one of the above officers.

39-40. The Policy with regard to reporting must not be misused. Any abuse, such as raising false or malicious allegations, will result in the instigation of disciplinary action against those proven responsible for such abuse.

40-41. The Authority recognises that the effectiveness of this Policy depends on the awareness and responsiveness of its employees and Members. It is essential that both Members and employees are made aware of this Policy as part of their induction and receive a copy of this Policy for their personal records.

41-42. In addition, employees should have ready access to all other policy and procedural documents. Regular action will be taken to remind all Members and employees of these policies and procedures, and the importance that the Authority places on preventing fraud, corruption, bribery and other malpractice.

Investigation

42-43. All allegations of fraud, corruption or bribery will be promptly investigated in line with the Authority's Fraud Response Plan.

43-44. If fraud, corruption or bribery are suspected on the part of a contractor's employees or employees of another body, the procedures and responsibilities for investigation remain the same as above. The Authority will involve other parties as necessary.

Interaction with Other Policies/Procedures of the Authority

44.45. This Policy should be read in conjunction with the Authority's Whistle Blowing Policy and the Fraud Response Plan.

45.46. The Authority's Disciplinary Policy and Procedures will be followed where an employee is suspected of being involved in fraud, corruption, bribery or any other illegal activity. This may include dismissal. Sanctions are covered in more detail in the next section of this Policy.

Sanctions

46.47. Where financial impropriety is discovered, the Authority's expectation is that the Police will be involved. Any referral of a case or decision on Police involvement will only be taken by the Chief Executive or Deputy Chief Executive.

47.48. Any referral to the Police will not prohibit action being taken under the Authority's Disciplinary Policy and Procedures, and it should be noted that an individual could be subject to all, or elements of the following:

- criminal prosecution;
- civil Court action to recover money, cost and interest; and
- the Authority's Disciplinary Policy and Procedures.

Conclusion

48.49. The Authority is committed to tackling fraud, corruption and bribery, whenever it happens. Our response will be effective and organised and will rely on the principles set out within this document.

Appendix 1 - Warning Signs

Whilst by no means being proof on their own, the circumstances below may indicate that fraud, corruption or bribery are taking place, and should therefore put both managers and employees on the alert.

Contractors / Suppliers / Third Parties

- Invoices being submitted on non-headed paper.
- Altered documents (correcting fluid, different pen or handwriting).
- Requests for payment for goods/services that have not yet been delivered.
- Submission of duplicate invoices.
- Notification of an organisation's bank details changing.
- Tender submissions which are priced much higher or lower than other submissions.
- Complaints from public or employees regarding service quality.
- Unexpected requests for an additional fee or commission to "facilitate" a service.
- Requests that you provide employment or some other advantage to a friend or relative.
- Requests to use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the Authority.
- Offers of an unusually generous gift or hospitality by a third party.

Employees

- Altered documents (correcting fluid, different pen or handwriting).
- Changes in normal patterns of, for example, cash takings or expense claim details.
- Text erratic or difficult to read or with details missing.
- Delay in completion or submission of expense claim forms.
- Lack of vouchers or receipts in support of expense claims.
- Seemingly living beyond their means.
- Under constant financial or other stress.
- Choosing not to take annual leave (and so preventing others becoming involved in their work), especially if solely responsible for a 'risk' area.
- Always working late.
- Refusal of promotion.
- Insistence on dealing with a particular individual.
- Complaints from public or employees regarding service quality.

Appendix 2 - Acting On Your Suspicions

If you suspect fraud, corruption or bribery within the workplace, there are a few simple guidelines that should be followed.

Do:

- Make an immediate note of your concerns.
- Where possible note all relevant details, such as what was said in telephone or other conversations, the date, time and the names of any parties involved.
- Convey your suspicions to someone with the appropriate authority and experience, as set out within the Anti-Fraud, Bribery Counter Fraud, Bribery & Corruption Policy.
Deal with the matter promptly. Any delay may cause the Authority to suffer further financial loss.

Don't:

- Do nothing.
- Be afraid of raising your concerns. You will not suffer any recrimination from the Authority as a result of voicing a reasonably held suspicion, and any matter you raise will be dealt with sensitively and confidentially.
- Approach or accuse any Individuals directly.
- Try to investigate the matter yourself. There are special rules surrounding the gathering of evidence for use in criminal cases. Any attempt to gather evidence by people who are unfamiliar with these rules may compromise the case.
- Convey your suspicions to anyone other than those with the proper authority.



LEE VALLEY REGIONAL PARK AUTHORITY

WHISTLE BLOWING POLICY

~~JANUARY 2021~~ OCTOBER 2023

This document explains Lee Valley Regional Park Authority's Whistle Blowing Policy and the steps that must be taken in the event of a concern being raised. All employees should be aware of this and managers must bring its contents to the attention of their staff. Acknowledgement should also be made of the links, but also the differences, between this Policy and the Authority's ~~Anti-Fraud, Bribery and Corruption~~ Counter Fraud, Bribery and Corruption Policy. Not all concerns regarding malpractice within the Authority have to be of a fraudulent or bribery/corruption related nature. However, if that is the case, the content of the ~~Anti-Fraud, Bribery and Corruption~~ Counter Fraud, Bribery and Corruption Policy will apply.

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Introduction

1. Lee Valley Regional Park Authority is committed to the highest possible standards of openness, probity and accountability. In line with this commitment, the Authority expects its employees, Members and others that it deals with, including contractors and suppliers, who have serious concerns about any aspect of the Authority's work, to come forward and voice those concerns.
2. Employees are often the first to realise that something may be seriously wrong within an organisation. However, they may decide not to express those concerns because they feel that speaking out would be disloyal to their colleagues or to the organisation. They may also fear harassment or victimisation. However, all employees will receive statutory protection under the Public Interest Disclosure Act 1998 if they raise concerns in the right way.
3. This Policy is designed to give you opportunity and protection if you wish to report suspicions of malpractice. Provided you are acting in good faith, it does not matter if ultimately you are mistaken in your suspicion. There is no question of you having to prove anything.
4. This Policy makes it clear that employees can voice their concerns without fear of victimisation, discrimination or disadvantage. It is intended to encourage and enable employees to raise serious concerns at work within the Authority, rather than overlooking the issue or seeking resolution outside the Authority.
5. This Policy is also intended as a clear statement that if any wrongdoing by the Authority or any of its employees, contractors or suppliers is identified to the Authority, it will be dealt with quickly, thoroughly investigated and remedied if found true.
6. The Policy applies to all employees, Members and all contractors, suppliers and agency employees, whether working on Authority premises or at their own premises.
7. This Policy invites all employees, Members and other relevant parties to act responsibly to uphold the reputation of the organisation and maintain public confidence.

Aims and Scope of this Policy

8. This Policy was introduced to provide employees, contractors and Members with a secure basis for the reporting of suspicions of malpractice, in the knowledge that the matter will be treated confidentially.

9. This Policy sets out the approach for investigation of malpractice, the information that will need to be recorded and the steps that need to be followed to ensure that you do not suffer from recriminations.
10. If there is anything which you think the Authority should know about, please use the procedure outlined in this Policy. By knowing about malpractice at an early stage, the Authority stands a good chance of taking the necessary steps to safeguard the interests of all employees and to protect the organisation. In short, please do not hesitate to blow the whistle on malpractice.
11. It should be noted that the Authority also has an ~~Anti-Fraud, Bribery and Corruption~~ Counter Fraud, Bribery and Corruption Policy, and a Fraud Response Plan. An issue being raised under the Whistle Blowing Policy may not relate to potential fraud, corruption or bribery. However, if fraud, corruption or bribery are suspected, reference should be made to the ~~Anti-Fraud, Bribery and Corruption~~ Counter Fraud, Bribery and Corruption Policy. Links to that Policy are highlighted within this document.

Legislation

12. The Public Interest Disclosure Act 1998 was introduced to protect employees who expose serious wrong doing in the workplace. It applies where malpractice is disclosed which involves:
 - a crime or breach of regulatory, administrative and common law;
 - a miscarriage of justice;
 - danger to health and safety;
 - damage to the environment;
 - unauthorised use of public funds;
 - possible fraud or corruption; or
 - sexual, physical or financial abuse of clients.

You are protected from victimisation by the Act where you reasonably believe the information is true and that you are acting in good faith.

Safeguards

13. The Authority will not tolerate any attempt on the part of any employee, Member, contractor, supplier or member of the public to apply any sanction or detriment to any person who has reported a genuine and serious concern of wrongdoing.

14. Any such conduct by an employee will be treated as a disciplinary matter and will be treated as a breach of the local Code of Conduct if made by a Member.
15. Any such action by a contractor or supplier will be deemed a serious breach of contract.

Confidentiality

16. The Authority will respect the confidentiality of any whistle blowing complaint it receives. It must be appreciated, however, that it may be easier to follow up and verify complaints if the complainant is prepared to give their name.

Anonymous Allegations

17. This Policy encourages complainants to put their names to any allegation they make. Anonymous allegations are less persuasive and therefore anonymous allegations will be treated with caution and investigated at the discretion of the Responsible Officer.

Untrue and Malicious Allegations

18. The Authority believes in openness and honesty. It will therefore ensure that all complaints are investigated with appropriate vigour. If an allegation proves to be false and malicious, this is not only a waste of valuable resources, but will be viewed as a serious breach of disciplinary rules, if made by an employee, or a breach of the code of conduct if made by a Member.
19. If you raise a concern in good faith which cannot be substantiated by investigation, no action will be taken against you.
20. The Authority will support all officers who are the subject of malicious allegations.

How to Raise a Concern

21. Anyone with a complaint or concern should contact their Head of Service or their relevant Corporate Director (including Deputy Chief Executive) in the first instance.
22. In the case of any concerns or suspicions of fraud or corruption, reference should be made to the alternative points of contact listed in the Authority's ~~Anti-Fraud, Bribery and Corruption~~ Counter Fraud.

Bribery and Corruption Policy. Any individual who has received information about any suspected act of fraud, corruption or bribery is obliged by Financial Regulations to report it to the Section 151 Officer and Head of Finance immediately.

23. Where not related to fraud, corruption or bribery, if you feel that you cannot raise your complaint or suspicions to your Head of Service or Corporate Director **(including Deputy Chief Executive)**, for whatever reason, the Authority has three **Statutory** officers and a Service Level Agreement with the London Borough of Enfield to carry out Section 151 responsibilities and the Internal Auditor who are specifically responsible for ensuring the proper conduct of the Authority and its business and who may be contacted:

Shaun Dawson - Chief Executive

Direct Line 01992 709848

Mobile 07715 449360

Email sdawson@leevalleypark.org.uk

Head of Paid Service, responsible for the overall management and direction of the Authority.

Keith Kellard – Head of Finance

Direct Line 01992 709864

~~Mobile 07876 434596~~

Email kkellard@leevalleypark.org.uk

The Chief Financial Officer responsibilities rest with the Section 151 Officer (shared service with the London Borough of Enfield) but are carried out in consultation with the Authority's Head of Finance.

Beryl Foster - Deputy Chief Executive

Direct Line 01992 709836

Mobile 07920 563971

Email bfoster@leevalleypark.org.uk

Monitoring Officer, responsible for reporting any actual or potential breaches of the law or maladministration.

Graeme Clarke, Internal Audit (Mazars)

Mazars Office 0207 063 4000

Email graeme.clarke@mazars.co.uk

Sue Smith – Internal Audit Manager (Mazars)

~~Mobile 07887 954584~~

~~Email sue.smith@mazars.co.uk~~

The Authority's internal auditors are responsible for the independent review of systems of internal control and the reporting to management of weaknesses and any breakdown of those systems.

How the Authority will Respond

24. The Authority will respond positively to your concern.
25. The action taken by the Authority will depend on the nature of the concern. Where appropriate the Authority may:
 - investigate your concerns. This investigation may be undertaken by management or Internal Audit. In the event that fraud or corruption are suspected, any investigation will be handled in accordance with the Authority's Fraud Response Plan;
 - refer your concerns to the Police in accordance with the Fraud Response Plan; or
 - refer your concern to our external auditors.
26. In order to protect those accused of malpractice, contact (usually involving a meeting with the individual raising the concern) will be made to decide whether an investigation is appropriate and, if so, what form it should take. The over-riding principle that the Authority will have in mind is the public interest. Concerns or allegations that raise issues that fall within the scope of other procedures, will normally be referred for consideration under those procedures.
27. Some concerns may be resolved with action agreed or an explanation regarding the concern without the need for investigation. If urgent action is required, this will be taken before any investigation is initiated.
28. If any formal investigation is undertaken, you may be contacted to provide further information or to clarify the information that you have already provided. Meetings to obtain such further information may be arranged off-site if you so wish and you may be accompanied by a union or professional association representative if you so desire. Due consideration will be given to ensure conditions are comfortable for all parties and to meet any requirements of Health and Safety.
29. Within 10 working days, the Responsible Officer will write to you, acknowledging that the concern has been received, how they intend to deal with the matter, giving an estimate of when a final response will be prepared, outlining what action (if any) has already been taken and provide you with explanations if no action is to be taken.
30. The Authority will take all practical and reasonable steps to minimise any difficulties you may experience as a result of raising your concern.
31. The Authority accepts that you need to be assured that your concerns have been properly addressed. Therefore it will inform you of the outcome of any investigations, subject to any legal constraints, for example, the duty of confidentiality owed to others.

The Responsible Officer

32. The Head of Finance under Section 151 Officer guidance has the overall responsibility for the maintenance and operation of this Policy.
33. The Chief Executive, the Deputy Chief Executive and the Head of Finance will:
 - maintain a confidential record of all complaints and their outcomes under the Whistle Blowing Policy;
 - discuss and appoint the appropriate person to investigate any complaint. That appointed person will have access to all officers and Members of the Authority and to all documents and records of the Authority;
 - receive the report and discuss the outcome of any investigations and recommend any action necessary;
 - report any matters requiring the attention of Members to the appropriate committee or to the Authority; and
 - will report annually to the Audit Committee on the conduct of this Policy.

How the Matter Can be Taken Further

34. This Policy is designed to provide an internal avenue within the Authority to raise concerns. The Authority hopes that you will be satisfied with any action taken. If you are not, and you feel it is right to take the matter outside the Authority, you may contact the Authority's appointed external auditors. The contact person is:

~~Neil Harris~~ ~~Debbie Hanson~~

E-mail: nharris2DHanson@uk.ey.com

Direct Line [01223-39445907974 006715](tel:01223-39445907974-006715)

35. If you decide to take the matter outside the Authority, you should ensure that you do not disclose any confidential information. You should check with the Responsible Officer about this.

Caution

36. If you have good reasons for not using the internal or regulatory external disclosure procedures, you may consider making a wider disclosure by reporting the matter to the Police or to the media for example. However, employees should consider the impact of this on the Authority's

reputation when reporting through wider channels. Furthermore, whistleblowers who make wider disclosures of this type will only be protected (from victimisation and detriment) in certain circumstances. The Authority would recommend that you consider reporting to the charity Public Concern at Work or taking independent legal advice before following this course of action.

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LEE VALLEY REGIONAL PARK AUTHORITY

FRAUD RESPONSE PLAN

JANUARY 2024~~OCTOBER 2023~~

This document sets out the steps that will be taken by Lee Valley Regional Park Authority in the event that any instances or suspicions of fraud or corruption are reported to an appropriate officer, in accordance with the Authority's ~~Anti-Fraud, Bribery and Corruption Policy~~Counter Fraud, Bribery and Corruption Policy.

All employees should be aware of the ~~Anti-Fraud, Bribery and Corruption Policy~~Counter Fraud, Bribery and Corruption Policy and managers must bring its contents to the attention of their staff. Any person who becomes aware of any instances of fraud, corruption or other illegal act and does not follow that Policy could be subject to disciplinary action.

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Introduction

1. One of the basic obligations of public sector organisations is to ensure the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk of, and means of enforcing the rules against fraud and corruption.
2. The Authority already has procedures in place that help to reduce the likelihood of fraud, corruption and bribery occurring. These include Standing Orders, Financial Regulations, codes of conduct, documented procedures and a system of internal control and risk management. In addition, Members and senior management seek to ensure that a risk and fraud awareness culture exists across the Authority.
3. However, if instances of fraud, corruption or bribery do occur or are suspected, the Authority is committed to their rigorous, but fair investigation. Where appropriate, criminal prosecution and civil court action may be taken to recover money, costs and interest. Employees may also be subject to disciplinary action. This is set out in the Authority's Counter Fraud, Bribery and Corruption Policy~~Anti-Fraud and Corruption Policy~~, which applies to all employees, elected Members, contractors who work with the Authority and members of the public who come into contact with the Authority.
4. The ~~Anti-Fraud, Bribery and Corruption Policy~~Counter Fraud, Bribery and Corruption Policy sets out the responsibilities of employees and Members with regard to the prevention, detection and reporting of any instances or suspicions of fraud and corruption. The Policy also makes reference to the investigation of any such cases, stating that 'all allegations of fraud, corruption and bribery will be promptly investigated in line with the Authority's Fraud Response Plan.
5. This document sets out the Fraud Response Plan.
6. The Section 151 Officer and Head of Finance in conjunction with the Chief Executive and/or Deputy Chief Executive is responsible for reviewing this document, together with the Authority's ~~Anti-Fraud, Bribery and Corruption Policy~~Counter Fraud, Bribery and Corruption Policy and the Whistle Blowing Policy, on a periodic basis, to ensure their continued relevance and effectiveness.

Objectives of the Fraud Response Plan

7. This document establishes procedures for timely and effective action to ensure that, where a potential fraud or instance of bribery or corruption is reported:
 - ongoing losses are prevented and losses incurred to date are recovered;
 - evidence is obtained in a legally admissible form to maximise the success of any disciplinary or legal action taken;
 - the subject of an investigation and any whistle blower are treated fairly;

- the risk of adverse publicity is minimised; and
- lessons are learned to help prevent a recurrence of the fraud.

Reporting Suspicions of Fraud, Corruption or Bribery

8. The Authority's ~~Anti-Fraud, Bribery and Corruption Policy~~ Counter Fraud, Bribery and Corruption Policy sets out the requirements in respect of who to report any concerns to. Specifically, it states the following:

- the Chief Executive; or
- the Deputy Chief Executive; or
- the Section 151 Officer; or
- the Head of Finance; or;
- the Authority's Internal Auditors.

Ultimately, any individual who has received information about any suspected act of fraud, corruption or bribery is obliged by Financial Regulations to report it to the Section 151 Officer and Head of Finance immediately.

9. Dealing with fraud, corruption and bribery requires specialist knowledge and skills. For this reason, the Section 151 Officer and Head of Finance are the dedicated contact points for dealing with all allegations or suspicions of this nature. As above, in accordance with the Authority's Financial Regulations, all such matters must, in turn, be reported to the Chief Executive and/or Deputy Chief Executive.

10. In addition to concerns raised under the ~~Anti-Fraud, Bribery and Corruption Policy~~ Counter Fraud, Bribery and Corruption Policy, concerns may also be raised under the Authority's Whistle Blowing Policy. Where there is any possibility that fraud, corruption or bribery might be involved, the Section 151 Officer and Head of Finance should be consulted to determine whether the matter is taken forward under the Fraud Response Plan or under the investigation procedure within the Whistle Blowing Policy.

Action to be Taken on Receipt of a Reported Potential Fraud

11. The Section 151 Officer and Head of Finance will evaluate the reported suspicion, undertaking initial fact-finding enquiries where necessary, to decide whether or not:

- there is a possibility that fraud, corruption or bribery might have been committed; and
- the information (rather than evidence at this stage) in support of the allegation appears reliable.

12. If both tests are met, the Section 151 Officer and Head of Finance will commission a specialist investigation, as set out in the following section.
13. If the potential fraud/corruption/bribery/whistle blowing allegation is made against either the Section 151 Officer or Head of Finance or any other individual / party which may impact on the independence of the Section 151 Officer or Head of Finance, the matter should be referred to the Chief Executive Officer who may in turn liaise with the Chair of the Audit Committee and Internal Audit. Where the independence of both officers is compromised, the matter will be referred to the Deputy Chief Executive.

Commissioning an Investigation

14. The Section 151 Officer and Head of Finance will consider whether the investigation can be carried out internally or if it requires external support, for example normally from arrange for the matter to be investigated by the Authority's internal auditors, who will supply specialists in investigating fraud, corruption and bribery. However, from time to time, there may be a need to procure other specialist skills e.g. computer forensics.
15. Before the investigation commences, the Section 151 Officer and Head of Finance will:
 - agree detailed terms of reference with the investigation team setting out the objectives and scope of the investigation;
 - decide taking advice from the investigation team and the Head of Human Resources whether or not the subject of the allegation should be suspended to allow the investigation to proceed in a manner that is fair to all parties and with the minimum risk to the availability of evidence. Suspension will be treated and communicated as a neutral act which implies no judgement as to the individual's conduct;
 - take advice from the Head of Human Resources to ensure that the investigation is undertaken in a manner which preserves the subject's rights under the Authority's Disciplinary Policy and to ensure that the correct suspension process is followed where necessary; and
 - liaise with the Chief Executive or Deputy Chief Executive and Head of Communications, as appropriate, to determine the extent to which the matters should be communicated and to agree "lines to take" in relation to internal and external enquiries. In all communications, the Authority will have regard to the potential damage to the subject's reputation from false allegations.
16. Two sorts of investigation may be carried out:
 - **Fact-finding** - where the Section 151 Officer and Head of Finance considers that further work is needed to establish the facts following the preliminary assessment; or

- **Formal Investigation** - in which the objective is to identify and secure evidence as to whether or not fraud has taken place.

17. The type of investigation required will be set out in the agreed terms of reference. In practice, a fact-finding investigation may establish facts, which lead to a formal investigation.

18. Whenever a formal investigation is being considered, the Chief Executive or Deputy Chief Executive will decide whether or not to involve the Police. The Authority's aim is to involve the Police sufficiently early to enable joint investigation arrangements to be made where appropriate, but not before evidence of fraud, corruption or bribery has been identified.

Other Initial Steps

19. In addition to commissioning an investigation, the Section 151 Officer and Head of Finance will also identify, taking advice from Internal Audit as necessary, any steps needed to mitigate the risk of further loss to the Authority; for example:

- suspending payments in relation to any transactions suspected of, or alleged to be fraudulent or connected to bribery/corruption;
- suspending any further payments to the body or individual which is the subject of the investigation;
- implementing additional checking or approval procedures within the Authority's processes; or
- the individual hands over any keys etc. in his/her possession, and that, pending investigation, future access to the Authority's offices and/or information systems is denied. Managers may need to consider the changing of combinations on safes or keypads granting access to buildings.

20. The Section 151 Officer and Head of Finance will communicate any steps required to the relevant operational managers.

Conducting and Reporting an Investigation

21. The role of the investigator is to seek to establish the facts of the matter in an independent, objective and professional manner.

22. The investigating team will complete the investigation in accordance with the agreed terms of reference. Documentary evidence examined by the team will be held securely during the course of the investigation.

23. Fact-finding Investigations

Interviews will be carried out in accordance with the Authority's Disciplinary Policy. In accordance with the Policy, the subject(s) of the investigation will

have the right to be accompanied by a trade union or other representative to any fact-finding interview. The ~~Executive Audit~~ Committee will require a formal report covering the facts established by the investigation to enable the next steps to be considered. The Authority will also require significant matters arising to be reported to the Chair of the Audit Committee immediately and as per 'The Responsible Officer' section of the Whistle Blowing Policy, where applicable.

24. Formal investigations

These will follow the same protocols as set out above for fact-finding investigations. However, the rules of the Police and Criminal Evidence Act 1984 will be observed in relation to continuity of evidence and any interview held with someone suspected of committing a criminal offence.

25. As stated in 18 above, consideration will be given to involving the Police at an early stage in relation to any formal investigation to avoid duplication of effort and to ensure the matter is dealt with expeditiously. The investigation will ensure that any internal procedure does not prejudice any criminal case.

26. In both cases, terms of reference for the investigation will require the investigators to make recommendations for improvements in control to address any weaknesses in procedures identified as providing the opportunity for fraud, corruption or bribery to occur.

27. The Head of Finance must notify the External Auditor and Section 151 Officer of all frauds or instances of bribery/corruption with a value exceeding £5,000.

Action Taken Following an Investigation

28. In accordance with the Authority's ~~Anti-Fraud, Bribery and Corruption Policy~~ Counter Fraud, Bribery and Corruption Policy, if an investigation identifies evidence that fraud, corruption or bribery has taken place, the Authority will refer the matter to the Police for further investigation. The Authority will co-operate fully with any Police investigation.

29. Action will also be pursued under the Disciplinary Policy. In conjunction with the Head of Human Resources, the Section 151 Officer and Head of Finance will decide whether disciplinary action can be pursued separately from any criminal investigation, or whether the two investigations must be concluded together. Any interview, hearing and appeal pursued under the disciplinary route will be carried out in accordance with the Authority's Disciplinary Policy.

30. In the event that the investigation identifies no evidence of fraud, corruption or bribery, but evidence of misconduct, the matter will be pursued in accordance with the Authority's Disciplinary Policy.

31. Where the investigation identifies any evidence of a failure of supervision contributing to the commission of the fraud, this will be pursued under the Authority's Disciplinary Policy.

32. Should the investigation conclude that there is no evidence of fraud, corruption, bribery or misconduct, the subject will be reinstated (if previously suspended) and the case will be closed. The Deputy Chief Executive and the Head of Human Resources will decide how any reinstatement will be communicated in consultation with the subject and, where requested, his/her trade union representative.
33. Lessons learned in relation to system weaknesses will be discussed with operational managers, taking into account any recommendations included in the investigators' report. Where necessary, management will be responsible for the implementation of improvements in controls.
34. The Authority will seek full recovery of any losses sustained as a result of fraud, corruption or bribery. A variety of approaches will be followed, depending on the exact circumstances, but could include:
- salary deduction;
 - agreement to repay on dismissal;
 - a compensation order as part of any prosecution; or
 - a civil lawsuit (where the likely recoveries outweigh the potential costs involved).
35. To the extent that the Section 151 Officer, Head of Finance, Internal Audit, Chief Executive and Deputy Chief Executive consider it appropriate to do so, lessons learned from investigations will be communicated to the Authority's managers and team leaders to assist them in fulfilling their responsibilities for managing fraud, corruption and bribery risk. Also, to the extent considered appropriate, the Authority will communicate the outcome of investigations to act as a deterrent against similar frauds, corruption or bribery in future. However, the requirements of the Disciplinary Policy, in terms of confidentiality, must not be breached and any communications should be drafted to seek to avoid damage to the subject's reputation.

Support Arrangements

36. The Head of Finance will receive initial and update training in fraud, corruption and bribery issues to enable the discharge of duties as described in the sections above.
37. The Head of Finance will establish and maintain point of contacts with the local Police and the Authority's internal auditors, either of whom can be called upon for advice and to refer any suspected fraud, corruption or bribery that might arise.