

Bribery Risk Assessment

Corporate Priority:	All
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	Yes

1 Summary

- 1.1 The Council has undertaken an assessment of the various risk the Council faces with regard to bribery. This shows a good level of assurance in terms of the control environment and the outcome of independent assurance of each area where this is available. Actions have been developed for areas where weaknesses have been identified.

2 Recommendation

That Committee

- 2.1 **Note the bribery risk assessment and the future reporting arrangements.**

3 Reason for Recommendations

To ensure the committee has oversight of the bribery risks facing the Council, the controls in place to mitigate these, actions proposed to improve controls and the future reporting arrangements to update the committee of progress made in this area.

4 Background

- 4.1 The Council has a zero tolerance to fraud, corruption and bribery which is communicated and enforced through its policies and procedures. In order to actively promote this culture and ensure controls are robust as possible, the Head of Internal Audit and the Director for Corporate Services review risks and assess against good practice on a regular basis. Opportunities are also sought to engage with staff and maintain awareness of key policies and expectations.
- 4.2 An update report is regularly made to this committee on fraud and corruption risks and issues and it was felt by the Chair that the Council would benefit from improving risk assessment in this area by explicitly considering the bribery risks the Council faces as a separate exercise.

5 Main Considerations

- 5.1 Through working with the Chair, Chief internal Auditor and senior managers a bribery risk assessment has been completed and is attached at Appendix A. This sets out the various risks the Council faces with regard to bribery, the consequences of that risk should it be realised, the controls in place and the outcome of the last assurance work undertaken in that area. The risks have then been evaluated in terms of the adequacy of controls and the risk rating. Actions for improvements are included as appropriate.
- 5.2 The register shows that the control environment across the council is generally sound in terms of protection against bribery with no red ratings and a small number of areas being rated as amber. Where weaknesses have been identified or independent assurance was taken some time ago then proposed actions have been incorporated. It should be noted that there are a number of generic controls in place which protect a number of areas and these are identified throughout the document. These include arrangements in place such as HR policies relating to the recruitment of staff, ethical training arrangements and registers of interests and gifts and hospitality. some controls are
- 5.3 In order to keep the Committee apprised of the latest position in this area it is considered appropriate to include an update as part of the regular report on fraud.

6 Options Considered

- 6.1 The Council could choose to incorporate its bribery risks into its fraud and corruption risk assessment. It was felt for transparency these should be separately reported and then managed alongside the fraud and corruption risks moving forward.

7 Consultation

- 7.1 The Chair and all senior managers including the Chief Internal Auditor have been involved in the development of the risk assessment. It is not considered appropriate to consult any wider.

8 Next Steps – Implementation and Communication

- 8.1 The risk assessment will be kept under review and the committee updated bi yearly as part of the regular update on fraud and corruption risks.

9 Financial Implications

9.1 There are no direct financial implications as a result of this report. Should a bribery risk be realised then the financial implications of any loss, subsequent investigation and reputational implications could be significant.

9.2 Financial Implications reviewed by: **Dawn Garton, Director for Corporate Services**

10 Legal and Governance Implications

10.1 The Bribery Act 2010 was introduced to update and enhance United Kingdom law on bribery. Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage. The Bribery Act creates a strict liability corporate criminal offence of failing to prevent bribery. The only defence against this corporate offence is for organisations to have adequate procedures in place to prevent bribery

10.2 The Council has an on-going obligation to detect and investigate incidents of localised fraud, corruption and bribery and to prevent reoccurrence by risk management and the continuance of good governance including best practice and by following evolving anti-fraud initiatives.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

11.1 There are no equality and safeguarding implications

12 Community Safety Implications

12.1 There are no community safety implications

13 Environmental and Climate Change Implications

13.1 There are no environmental and climate change implications

14 Other Implications (where significant)

14.1 There are no other implications.

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	That despite the controls in place bribery takes place resulting in reputational damage and financial loss to the Council	Very Low	Marginal	Low Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low				
	2 Very Low		1		
	1 Almost impossible				

Risk No	Mitigation
1	Regularly review the bribery risk register and provide training and guidance on governance issues across the council to ensure a high level of governance

16 Background Papers

16.1 None other than those referred to in the main body of the report.

17 Appendices

17.1 Appendix A – Bribery Risk Register

Report Author:	Dawn Garton , Director for Corporate Services
Report Author Contact Details:	01664 502444 DGarton@melton.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services
Chief Officer Contact Details:	01664 502444 DGarton@melton.gov.uk