**Cambridgeshire
Pension Fund**

Pension Fund Committee

24 March 2022

Report by: Head of Pensions

Subject	Cambridgeshire Pension Fund Anti-Fraud and Corruption Policy Review
Purpose of the Report	To present the Cambridgeshire Pension Fund Anti-Fraud and Corruption Policy Review to the Committee
Recommendations	The Pension Fund Committee are asked to approve the revised Cambridgeshire Pension Fund Anti-Fraud and Corruption Policy
Enquiries to:	Michelle Oakensen, Governance Officer michelle.oakensen@westnorthants.gov.uk

1.   Background

1.1   The administering authority is responsible for ensuring appropriate policies are in place for the safeguarding of the Fund's assets through appropriate methods of risk management. It is therefore appropriate for the Fund to have in place an Anti-Fraud and Corruption Policy.

1.2   The administering authority promotes a zero-tolerance approach towards fraud, corruption, and other malpractice for personal gain. Dishonesty, lack of integrity avoidance of controls and failure to comply with agreed policies will not be tolerated.

1.3   The prevention/detection of fraud/corruption and the protection of the public funds are everyone's responsibility and of paramount importance to the authority.

2.   Review

2.1   The Policy was first created and approved by the Pension Fund Committee in October 2017 and the first review carried out in January 2020. It is now deemed appropriate to carry out a further review to ensure it remains fit for purpose.

2.2   The purpose of the policy is to –
- Prevent ongoing losses of funds where fraud has occurred and to maximise the potential for recovery.
- Minimise the occurrence of fraud by taking rapid action at the earliest opportunity.
- Minimise the chance of destruction of evidence.
- Maximise the chances of success in future sanction action, including criminal prosecution
- Minimise adverse publicity.
- Act as a deterrent for potentially fraudulent activity.

2.3   Internal Audit have reviewed the policy and are content that it is comprehensive and meets the needs of the Fund.

3.   Changes to the policy

3.1   The table below highlights the key proposed changes to the policy:

Section	Change	Detail of activity
6	Policy also applies to officers of the Fund	Officers were previously covered by the corporate policy; the intention is for both policies to be used in conjunction with each other.
10	The detection and prevention of fraud and corruption has been split into activities and triggers	The splitting of the table into 2 categories best describes activities that the Cambridgeshire Pension Fund undertake to help prevent fraud and triggers that prompt the Fund to take necessary action via processes in place.
10	Wording on the detection and prevention of fraud activities and triggers has been updated.	Updates have been made to ensure the information in the policy is clear and reflective of current processes.
10	Examples have been provided where deemed appropriate	Examples of fraud have been detailed to support where appropriate to help identify the issue – for example the destruction of evidence.
10	Address tracing for members residing in the UK has been removed	This activity is now instigated for pensioners and any members due to retire that the Fund has lost contact via returned post. This was previously a bulk exercise, but a more targeted approach is desired.

4.   Relevant Pension Fund Objectives

To have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.

To manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.

To ensure the relevant stakeholders responsible for managing, governing, and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment.

To continually monitor and measure clearly articulated objectives through business planning.

Deliver consistent plain English communications to stakeholders.

Seek and review regular feedback from all stakeholders and use the feedback appropriately to shape the administration of the Fund.

Ensure cash flows in to and out of the Fund are timely and of the correct amount.

5. Risk Management

5.1 The Pension Fund Committee and Pension Fund Board are expected to ensure the Fund has an appropriate Anti-Fraud and Corruption Policy in place for the safeguarding of the Fund's assets through appropriate methods of risk management.

5.2 The risks associated with not having appropriate policies in place and acting appropriately have been captured in the Fund's risk register as detailed below.

Risk	Residual risk rating
Risk of fraud and error	Green
Failure to provide relevant information to the Pension Fund Committee/Pension Board to enable informed decision making	Green

5.3 The full risk register can be found - Key documents (CCC) - Cambridgeshire LGPS

6. Communication Implications

Direct communications: The Fund will publish the revised policy on its website

7. Finance & Resources Implications

7.1 None

8. Legal Implications

8.1 None

9. Consultation with Key Advisers

9.1 Consultation with the Fund's advisers was not required for this report.

10. Alternative Options Considered

10.1 Not applicable

11. Background Papers

11.1 Current Anti-Fraud and Corruption Policy 2020 version - Key documents (CCC) - LGPS

12. Appendices

12.1 Appendix 1 - Revised Anti-Fraud and Corruption Policy

Checklist of Key Approvals

Has this report been cleared by Section 151 Officer? Sarah Heywood – 14/3/2022

Has this report been cleared by Head of Pensions? Mark Whitby – 21/2/2022

Has the Chair of the Pension Fund Committee been consulted? Councillor Whelan – 11/3/2022

Has this report been cleared by Legal Services? Fiona McMillan – 2/3/2022