

**Cambridgeshire
Pension Fund**



Pension Fund Committee

Date: 14th January 2020

Report by: Head of Pensions

Subject:	Anti-Fraud and Corruption Policy Review
Purpose of the Report	To present the Cambridgeshire Pension Fund Anti-Fraud and Corruption Policy review
Recommendations	The Committee are asked to approve the Anti-Fraud and Corruption Policy
Enquiries to:	Michelle Oakensen, LGSS Governance Officer, moakensen@northamptonshire.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.
- 1.2 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 it was felt appropriate time to review.
- 2.2 By establishing contact with members it reduces the likelihood of fraud and a proactive approach can be taken when deceased members are identified to prevent overpayments.
- 2.3 In addition, the Pensions Regulator has put significant focus on data quality and the Cambridgeshire Pension Fund is required to submit a data quality score on a yearly basis. The undertaking of member mortality screening and address tracing ensures the data held by the Fund is as accurate as possible.

3. Changes to the policy

- 3.1 The table below highlights the key proposed changes to the policy following appointment of the Fund's UK mortality screening and address tracing provider and the change in the approach to verifying the continued existence of overseas members –

Section	Change	Detail of activity
10	Addition of mortality screening services and Tell us Once	Deferred, pensioner and frozen refunds members are screened monthly to identify members that have passed away
10	Addition of address tracing services for UK	Address tracing to be carried out every two years with more in depth tracing being carried out for members who will be realising a benefit within the two years following the exercise.
10	Removal of Western Union and replaced with proof of existence certificates	All pensioner members are asked to complete and return a proof of existence form (witnessed by a suitably qualified professional).

4. Pension Fund Board review

- 4.1 The Pension Fund Board were asked to review the proposed changes to the policy at their meeting of the 4th October 2019. The Board supported the proposed changes with no further additions.

5. Relevant Pension Fund Objectives

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.
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.
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.
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.

6. Risk Management

- 6.1 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.
- 6.2 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 No.	Risk mitigated	Residual risk
8	Risk of fraud and error	Green
16	Failure to provide relevant information to the Pension Committee/Pension Board to enable informed decision making	Green

- 6.3 The full risk register can be found at the following link -
<https://pensions.cambridgeshire.gov.uk/app/uploads/2019/05/RiskRegisterCPF.May2019.pdf>

7. Finance & Resources Implications

- 7.1 None.

8. Communication Implications

Website	The Fund will publish the revised policy on its website
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9. Legal Implications

- 9.1 Not applicable.

10. Consultation with Key Advisers

- 10.1 None

11. Alternative Options Considered

- 11.1 There are no alternative options to be considered

12. Background Papers

- 12.1 Not applicable

13. Appendices

- 13.1 Appendix 1 – Revised Anti-Fraud and Corruption Policy

Checklist of Key Approvals	
Has this report been cleared by Section 151 Officer?	Sarah Heywood – 17 th December 2019
Has this report been cleared by Head of Pensions?	Mark Whitby – 22 nd November 2019
Has the Chairman of the Pension Committee been consulted?	Councillor Rogers – 17 th December 2019
Has this report been cleared by Legal Services?	Fiona McMillan – 4 th December 2019