

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

13 October 2009

Report of the Chief Internal Auditor

Part 1- Public

Matters for Recommendation to Cabinet

1 REVIEW OF ANTI-FRAUD & CORRUPTION POLICIES

1.1 Background

- 1.1.1 The Council is fully committed to promoting a culture of zero tolerance towards fraud and corruption. In order to make this objective clear there has been an Anti-Fraud & Corruption Policy and a Housing and Council Tax Benefit Anti-Fraud Policy in place for a number of years. These policies were last updated in 2006.
- 1.1.2 As part of the partnership arrangement with Gravesham Borough Council for the provision of Fraud Management it was considered that a review of these policies should be undertaken in line with the policies of Gravesham. The benefit of this was that there would be a consistent approach to the treatment of fraud investigation at both authorities.

1.2 Changes to the Policies

- 1.2.1 The Anti-Fraud & Corruption Policy has seen little content change. It has been amended to include mention of the Fraud Act 2006 that introduced specific legislation to define fraud as an offence. The draft Anti-Fraud Policy is attached. **[Annex 1]**
- 1.2.2 The Housing & Council Tax Benefit Anti-Fraud Policy was expanded to include the Benefits Prosecution Policy. The Council has had a Benefits Prosecution Policy for a number of years but this required reviewing and was included in the housing & Council Tax Benefit Anti-Fraud Policy to be consistent with Gravesham. A copy of the policy is attached. **[Annex 2]**

1.3 Legal Implications

- 1.3.1 The adoption of these policies enables the Council to demonstrate consistency in approach to dealing with fraud whilst enabling each case to be determined individually.
- 1.3.2 The Chief Solicitor has been consulted on the completion of these documents and has agreed with their format.

1.4 Audit Committee Consideration

- 1.4.1 The usual route for these policies is to be considered initially by the Audit Committee as part of the overview function of that Committee and thence on to Cabinet and Council in accordance with the Budget & Policy Framework. However, because of the timings of these Committees within the cycle these policies were being presented to this Policy Overview Committee on 29 September 2009 and were recommended for approval to Cabinet and Council subject to any amendments recommended by Audit Committee.

1.5 Financial and Value for Money Considerations

- 1.5.1 The existence of Anti-Fraud Policies that are regularly reviewed and circulated assists in promoting the anti-fraud culture of this Council.

1.6 Risk Assessment

- 1.6.1 The policies ensure that there is a consistent approach to tackling fraud and corruption. External inspections of the Council as part of the CAA process expect these policies to be in place and their inspection is part of the scoring process.
- 1.6.2 Having Anti-Fraud Policies demonstrates the Council's commitment to an honest and open culture. A regular review and circularisation assists in ensuring that they have a high profile within the Council. Inclusion on the Council website also gives a clear message to stakeholders on the Council's culture.

1.7 Policy Considerations

- 1.7.1 Crime & Disorder Reduction

1.8 Recommendation

- 1.8.1 Subject to consideration of any proposed changes by the this Committee, Members are asked to **RECOMMEND** to Cabinet, and thereafter Full Council endorsement of the Anti-Fraud & Corruption Policy and the Housing & Council Tax Benefit Anti-Fraud Policy.

Background papers:

contact: David Buckley

Gravesham and Tonbridge & Malling Anti-Fraud Policies

David Buckley
Chief Internal Auditor