

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

24 January 2011

Report of the Director of Finance

Part 1- Public

Matters for Recommendation to Cabinet

1 ANTI-FRAUD POLICIES

Summary

The Council has in place an Anti-Fraud & Corruption Policy as well as a Housing and Council Tax Benefits Anti-Fraud Policy. These documents are designed to set out the Council's zero tolerance approach to fraud and corruption and to add to the anti-fraud culture of the organisation. Members are asked to recommend to Cabinet and Full Council that the updated Anti-Fraud & Corruption Policy and the updated Housing & Council Tax Benefit Anti-Fraud Policy be approved.

1.1 Introduction

- 1.1.1 These Policies have been in place for a number of years and Members are asked to review them annually to ensure that they are kept up to date and are regularly circulated to staff to maintain their profile.
- 1.1.2 The documents usually reviewed by the Audit Committee and then passed to the Policy Overview Committee for consideration before being passed to Council via the Cabinet for endorsement. Due to timing of Committees these policies will have already been considered by Members of the Policy Overview Committee of 18 January 2011.
- 1.1.3 Members will also be aware that both the Audit Section and Benefit Investigation Section have partnerships with Gravesham for the provision of section management. One of the advantages of these partnerships is a consistent approach by both authorities for these functions in order to maximise recognised best practice.
- 1.1.4 Both of the policies require a regular review, so the two Heads of Internal Audit agreed to undertake a joint review in order to provide consistent policies that were applicable to both authorities. The only significant differences between the policies for each authority concern the different reporting lines that apply to each authority.

1.1.5 There was also a need to update the Anti-Fraud and Corruption Policy to include principles and definitions introduced by the recent Bribery & Corruption Act 2010. The Housing and Council Tax Benefits Anti-Fraud Policy has also been updated to include the Housing and Council Tax Benefit Sanction and Prosecution Policy

1.1.6 The updated draft of the Anti-Fraud and Corruption Policy [**Annex 1**] and the updated draft Housing and Council Tax Benefits Anti-Fraud Policy [**Annex 2**] are attached.

1.2 Legal Implications

1.2.1 Both of these policies set out a consistent approach towards the steps to be taken in order to prevent fraud and corruption as well as stating how any instances of fraud and corruption will be dealt with.

1.3 Financial and Value for Money Considerations

1.3.1 A high level of fraudulent activity within an organisation will cause a loss of resources and diversion of resources to investigate. A balance of reasonable controls needs to be implemented in order to minimise the threat of fraud and corruption. These policies contribute to achieving this balance by setting out expectations of standards and responsibilities.

1.4 Risk Assessment

1.4.1 The Anti-Fraud Policies form part of the overall risk management process for the Council. They set out responsibilities in order to raise risk awareness.

1.5 Equality Impact Assessment

1.5.1 A joint equality impact assessment has been completed and is attached to this report. [**Annex 3**]

1.6 Policy Considerations

1.6.1 These policies are part of the overall Crime & Disorder Reduction framework.

1.7 Recommendation

1.7.1 Subject to consideration of any proposed changes by the Policy Overview Committee of 18 January 2011, 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

Previous policies

Bribery & Corruption Act 2010

Sharon Shelton
Director of Finance

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	Please see attached Equality Impact Assessment
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	It is intended to ensure that there is a consistent approach from all stakeholders towards reducing fraud and error.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.