

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**POLICY OVERVIEW COMMITTEE**

**18 January 2010**

**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 Members will be aware that the Council has had these policies in place for a number of years with the objective of stating the Councils zero tolerance approach to fraud and corruption. The policies are regularly reviewed, updated and circulated to staff using Netconsent. In addition the policies are published on the intranet and Council website.
- 1.1.2 In the Audit and Fraud Sections, partnership working has taken place with Gravesham Borough Council in the shared provision of both an Audit Manager and Benefits Investigation Manager. As part of these arrangements the two authorities have had regular discussions to identify best practice and to standardise working practices in order to provide the most efficient use of resources.
- 1.1.3 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.

- 1.1.4 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.
- 1.1.5 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.
- 1.1.6 The usual path for these policies is to be considered by the Audit Committee and then by the Policy Overview Committee before Cabinet for full Council endorsement. Due to the next Audit Committee taking place after this Committee Members will be asked to consider the policies before the Audit Committee.

## **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 Recommendations**

- 1.7.1 Subject to consideration of any proposed changes by the Audit Committee of 24 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

<b>Screening for equality impacts:</b>		
<b>Question</b>	<b>Answer</b>	<b>Explanation of impacts</b>
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.*