

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

22 January 2018

### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Delegated

#### 1 ANNUAL REVIEW OF ANTI-FRAUD POLICIES AND WHISTLEBLOWING POLICY

**This report informs Members of the outcome of the annual review of the Council's Anti-Fraud Policies and Whistleblowing Policy.**

##### 1.1 Introduction

1.1.1 The Anti-Fraud and Corruption Policy (the overall Policy) is used to provide structure to the combating of fraud and corruption, which the Council may be subject to. In addition, separate policies have been developed specifically for housing benefit fraud and for council tax fraud including council tax reduction, discounts and exemptions.

1.1.2 The Whistleblowing Policy provides employees and Members with information about how they may report concerns regarding breaches of laws, regulations, policies or procedures committed by other employees or Members of the Council. It also outlines how the Council will deal with those concerns once they have been reported.

##### 1.2 Anti-Fraud Policies

1.2.1 The Anti-Fraud Policies were last reviewed by the Committee in January 2017; this latest review found that minor changes were required. The title of the overall Policy has been amended to make the bribery element clearer and reference to associated policies, including the Council's Anti-Money Laundering Policy, has been added. In addition, some detail has been updated including definitions of bribery offences and updates to reporting sections to ensure correct contact details.

1.2.2 Copies of the Anti-Fraud, Bribery and Corruption Policy, Housing Benefit Anti-Fraud Policy and Council Tax Reduction, Discounts and Exemptions Anti-Fraud Policy are attached at **[Annex 1, 2 and 3]** respectively.

### **1.3 Whistleblowing Policy**

- 1.3.1 The Whistleblowing Policy was last reviewed by the Committee in January 2017. This latest review found that only minor changes were required to the policy.
- 1.3.2 A copy of the Whistleblowing Policy is attached at **[Annex 4]**.

### **1.4 Action Following Approval of Policies**

- 1.4.1 The policies, once approved, will be circulated to all staff with computer access using Netconsent and made available on the Council's Intranet and external website.

### **1.5 Legal Implications**

- 1.5.1 These policies are not mandatory, but do comply with best practice and refer to the relevant legislation where appropriate.

### **1.6 Financial and Value for Money Considerations**

- 1.6.1 Fraud prevention and detection is an area subject to central government focus with initiatives such as Protecting the Public Purse, National Fraud Initiative and Fighting Fraud Locally. The message coming from these initiatives is that effective fraud prevention and detection releases resources from fraud.
- 1.6.2 These policies comply with recognised best practice and reinforce the zero tolerance stance of the Council towards fraud. Effective fraud prevention minimises losses to the Council through fraud.
- 1.6.3 Providing clear guidelines to staff on how they may report concerns of inappropriate conduct or fraud strengthen the Council's zero tolerance approach to fraud and corruption.

### **1.7 Risk Assessment**

- 1.7.1 The policies reflect best practice and the culture of the Council and aimed at minimising the risk of fraud. The policies are supported by the internal control mechanisms in place and form part of the overall control environment of the Council.
- 1.7.2 While there is no statutory requirement to have an appropriate mechanism for dealing with whistleblowing, it is relevant to helping the Council comply with associated law. Failure to have an adequate whistleblowing mechanism carries significant reputational risk.

### **1.8 Equality Impact Assessment**

- 1.8.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## 1.9 Recommendations

- 1.9.1 Members are asked to **approve**, subject to any required amendments, the Anti-Fraud Policies attached at **[Annex 1, 2 and 3]**.
- 1.9.2 Members are asked to review the Whistleblowing Policy attached at **[Annex 4]** and subject to any required amendments **recommend** that it is endorsed by the next General Purposes Committee.

Background papers:

contact: Samantha Buckland

Nil

Sharon Shelton  
Director of Finance and Transformation