

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

18 January 2021

### Joint Report of the Director of Finance and Transformation and Director of Central Services

#### Part 1- Public

#### Delegated

## 1 ANNUAL REVIEW OF ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY AND WHISTLEBLOWING POLICY

This report informs Members of the outcome of the annual review of the Council's Anti-Fraud, Bribery and Corruption Policy and Whistleblowing Policy.

### 1.1 Introduction

1.1.1 The Anti-Fraud, Bribery and Corruption Policy is used to provide structure to the combating of fraud, bribery and corruption, which the Council may be subject to.

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, Bribery and Corruption Policy

1.2.1 The Anti-Fraud, Bribery and Corruption Policy was last reviewed by the Committee in January 2020. This latest review has resulted in enhancements in the policy to align with the Fighting Fraud and Corruption Locally Strategy produced by local government for local government. The main enhancements include:

- Updates on the estimated fraud losses within Local Government;
- Brings in the five 'pillars' of activity that local authorities should concentrate efforts on;
- Outlines the current threats facing TMBC;
- Provides a more comprehensive outline of roles and responsibilities across TMBC;
- Requirement for those charged with governance to ensure there are robust and holistic measures on anti-fraud, bribery and corruption. This has seen

additional requirements placed on the roles and responsibilities for Senior Stakeholders; and

- The need for management to assess the risk of fraud and consult with Counter Fraud Specialists on new policies, strategies and initiatives.

1.2.2 A copy of the Anti-Fraud, Bribery and Corruption Policy, is attached at **[Annex 1]**.

### **1.3 Whistleblowing Policy**

1.3.1 The Whistleblowing Policy was last reviewed by the Committee in January 2020. This latest review found that no changes were required at this time.

1.3.2 However the owner of the policy is being moved from the Director of Finance and Transformation to the Director for Central Services and Deputy Chief Executive as director responsible for personnel and Human Resources to align with best practice.

1.3.3 A copy of the Whistleblowing Policy is attached at **[Annex 2]**.

### **1.4 Action Following Approval of the 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 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 the National Fraud Initiative and Fighting Fraud and Corruption Locally Strategy. The message coming from these initiatives is that effective fraud prevention and detection releases resources and minimises losses to the Council through fraud.

1.6.2 These policies comply with recognised best practice and reinforce the zero tolerance stance of the Council towards 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, bribery 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, bribery and corruption. 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 Policy Considerations**

- 1.9.1 Crime & Disorder Reduction

## **1.10 Recommendations**

- 1.10.1 Members are asked to review and, subject to any required amendments, **approve** the Anti-Fraud, Bribery and Corruption Policy attached at **[Annex 1]**.
- 1.10.2 Members are asked to review and, subject to any required amendments, **recommend** that the Whistleblowing Policy attached at **[Annex 2]** is approved by the next General Purposes Committee.

Background papers:

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Fighting Fraud and Corruption Locally Strategy 2021

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