

TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

27 January 2015

Report of the Director of Finance & Transformation

Part 1- Public

Matters for Recommendation to Cabinet

1 ANNUAL REVIEW OF ANTI-FRAUD POLICIES

Summary

This report informs Members of the outcome of a review of the Anti-Fraud Policies of the Council. The review has identified that some minor changes are required to the Anti-Fraud & Corruption Policy and the Housing & Council Tax Benefit Anti-Fraud Policy and recommends that these changes are adopted.

1.1 Introduction

1.1.1 The Anti-Fraud and Corruption Policy is used to provide structure to the combating of fraud and corruption, which the Council may be subject to. Due to their specific investigation requirements, separate policies have been developed specifically for Housing & Council Tax Benefit Fraud and for Council Tax Fraud including council tax reduction, discounts and exemptions.

1.1.2 It is a requirement that these policies are reviewed annually and the updates to these following the annual review are summarised in this report. The Policy documents are also attached as annexes with proposed deletions scored through and additions shown in red italics for ease of reference.

1.2 Anti-Fraud & Corruption Policy

1.2.1 This policy was last reviewed and approved by Council in February 2014. The recent review has identified some minor changes are required to the policy, which are detailed in the following paragraphs. A copy of the revised policy is also attached. **[Annex 1]**

1.2.2 References to the Audit Commission at paragraphs 4.20, 5.2 and 7.2 have been deleted due to their pending abolition and at paragraphs 5.2 and 7.2 have been replaced with Grant Thornton LLP as the Council's External Auditor.

1.2.3 The Fraud Manager has been added to the list of contacts at paragraph 5.4

1.2.4 Members are asked to recommend approval of the revised policy to Council via Cabinet.

1.3 Housing & Council Tax Benefit Anti-Fraud Policy

- 1.3.1 This policy was last reviewed and approved by Council in February 2014. The recent review has identified one minor change. A copy of the revised policy is attached. **[Annex 2]**
- 1.3.2 Paragraph 5.6, which read 'The Investigation Manager will circulate a quarterly report on the outcome of referrals. This report will include the source of the cases and details of the fraud type. This report will be given to the Service Manager – Revenues & Benefits and all benefit staff' has been deleted.
- 1.3.3 Members are asked to recommend approval of the revised policy to Council via Cabinet.

1.4 Council Tax Reduction, Discount and Exemption Anti-Fraud Policy

- 1.4.1 The review found that no changes were required to this policy. A copy of the policy is attached. **[Annex 3]**

1.5 Action Following Approval of Policies

- 1.5.1 When these policies are approved by full Council they will be circulated to all staff with computer access using Netconsent and will be updated on the Council website.

1.6 Legal Implications

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

1.7 Financial and Value for Money Considerations

- 1.7.1 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 maintaining a high profile. The message coming from these initiatives is that effective fraud prevention and detection releases resources from fraud.
- 1.7.2 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.

1.8 Risk Assessment

- 1.8.1 The policies reflect best practice and the culture of the Council is 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.

1.9 Equality Impact Assessment

1.9.1 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.

1.10 Recommendations

1.10.1 Members are asked to **recommend** that:

- 1) Following consideration by Cabinet, Council approve the following policies:
 - Anti-Fraud & Corruption Policy **[Annex 1]**.
 - Housing & Council Tax Benefit Anti-Fraud Policy **[Annex 2]**.
 - Council Tax Reduction, Discounts & Exemptions Anti-Fraud Policy **[Annex 3]**.

Background papers:

contact: James Larkin

Nil

Sharon Shelton
Director of Finance & Transformation